THE INTERCOLONIAL HAILWAY (CANADA, &c.).

- No. 2. -

COPY of a LETTER addressed by the Delegates from Canada, New Bronswick, Letter from Dele and Nova Scotia to the Secretary of State.

Sir,

3, Charles-street, St. James's-square, London, 26 October 1858.

THE subject of an intercolonial railway from Halifax to Quebec has been 26 October 1858. so frequently and so fully discussed, both as between the Colonies interested. and between those Colonies and the Home Government, that the undersigned do not now propose to reproduce at length the arguments which have been from time to time urged in favour of its construction.

The late Earl of Durham, in his Report upon the affairs of British North America, suggested the importance of this railway.

The first practical step, however, was taken in the organisation of a survey by Mr. Gladstone, when Secretary of State for the Colonies in 1845, which survey occupied a considerable period of time, involving a large amount of expense, and to which expense Canada, New Brunswick, and Nova Scotia contributed.

Farl Grey, when Secretary of State for the Colonies in 1851, distinctly pledged the imperial Government to aid in making the line by affording the Imperial guarantee to the payment of the interest on the capital required for the work, and this pledge would doubtless have been carried out at the time, had not a difficulty arisen as to a branch line from the main line into the State of Maine, for the cost of which Mr. Howe, of Nova Scotia, also claimed the Imperial guarantee.

Subsequently in 1852, Mr. Hincks, on hehalf of Canada, and Mr. Chandler, acting for New Brunswick, brought the matter under the notice of Sir John Pakington, then Secretary of State for the Colonies, who in effect repeated the pledge of Earl Grey, but a difficulty arose as to the route.

His Grace the Duke of Newcastle, as Secretary of State for the Colonies in the ensuing year, had the project under consideration with a view to carrying it out; the Russian war, however, cafortunately intervened, and prevented any progress being made until last year (1857), when Messrs. Macdonald & Rose from Canada, and Messrs. Johnson and Archibald from Nova Scotia, again made application to the Home Government, and submitted to Mr. Labouchere propositions for the completion of this Railway.

The undersigned have thus, but briefly, referred to the action in relation to this question as between the Imperial and Colonial Governments, knowing, sir, as they do, that you are fully acquainted with its history in all its bearings, and that a reference to the Parliamentary Blue Books for the documents and despatches alluded to will be more convenient and satisfactory to you than a repetition of their contents.

It must be borne in mind, however, that the state of the question in the Colonies interested has been materially changed since the correspondence with Earl Grey and Sir John Pakington.

At that time Canada, New Brunswick, and Nova Scotia had not in fact taken any step incurring debt or liability for the purpose of aiding the project; and it is proposed here to state briefly what has been done, and what. liabilities incurred in the respective Provinces, towards carrying out this great Imperial and Provincial work.

Canada has not only provided for the construction of a line of railway from Quebec to Montreal, and thence westward, passing through Kingston and Toronto to the western boundary of that Province at Sarnia; the foot of Lake Huron, but 40 miles below Quebec have been made, and are now worked for traffic; and during next year a further distance of 70 miles to Riviere du Loup, now being made, comprising in the aggregate 110 miles below Quebec, or 864 miles in all, from Riviere du Loup to Sarnia, will be completed, at a cost to the Province of 3,111,500/. sterling, raised and paid out since 1852, to aid in the construction of this railway, and involving an annual charge upon the revenues of the Province to the extent of 186,0007. sterling. From Rivière du Loup to the New Brunswick frontier the distance to be yet made depends upon the route selected, the shortest distance being about 50 miles; and there will then A ·2 pe-112-Sess. 2.

No. 2. gates from Canada, New Brunswick, and Nova Scotia to the Secretary of State.