

Halifax and
Quebec Rail-
road.

(Copy.)
No. 133.

Downing Street,
23rd October, 1847.

My Lord,

A favorable Report having reached Her Majesty's Government as to the practicability of constructing one good line of Railway between *Halifax* and *Quebec*, it appears to Her Majesty's Government that the proper time has arrived for recalling the attention of the Legislature of *Canada* to the Resolution passed by the House of Assembly, on the 2nd June, 1846, pledging the House to defray its fair proportion of the expense of the preliminary survey for the projected Railway.

Instructions have been given to Major *Robinson*, to transmit to your Lordship, and to the Lieutenant Governors of *Nova Scotia* and *New Brunswick*, precise statements of the amount of expenditure incurred on this service for each Province, and on receiving the account for *Canada* your Lordship will communicate it to the House of Assembly, and recommend that provision be made for repaying to the British Treasury the amount advanced for the exploration in question, either to the late Captain *Pipon*, or to Major *Robinson*, up to the date mentioned in the statement which will be submitted to you.

I have, &c.

(Signed,) GREY.

The Right Honorable
The Earl of *Elgin* and *Kincardine*,
&c. &c. &c.

(Copy.)
No. 136.

Downing Street,
18th November, 1847.

Railway Bills.

My Lord,

I have had under my consideration seven Acts passed by the Legislature of *Canada* during their last Session, and reserved by your Lordship for the signification of Her Majesty's pleasure.

The numbers and Titles of these Bills are:—

No. 441. An Act to incorporate the *Woodstock* and *Lake Erie* Railway and Harbour Company.

No. 442. An Act to incorporate the *Bytown* and *Britannia* Railway Company.

No. 443. An Act to incorporate the *Carillon* and *Grenville* Railway Company.

No. 444. An Act to incorporate the *Lake St. Louis* and Province Line Railway Company.

No. 445. An Act to incorporate the *Montreal* and Province Line Junction Railway Company.

No. 446. An Act to incorporate the *Canada, New Brunswick*, and *Nova Scotia* Railway Company; and,

No. 447. An Act to incorporate the *Toronto* and *Goderich* Railway Company.

I have deemed it advisable to consult the Commissioners of Railways in this country upon the provisions contained in these Bills, and I transmit for your Lordship's information the accompanying copy of their Report. The objections which they have pointed out appear to me so important as to induce me to postpone advising Her Majesty to confirm these enactments until I shall be in possession of the conclusion to which a full consideration of this Report may lead yourself and your Council.

With this view, therefore, your Lordship will submit the Commissioners' Report to your Council, and inform me whether in their and your judgment, the permanent interests of the Canadian Public require that these Bills should at once, and without further amendments, receive Her Majesty's sanction.

I have, &c.

(Signed,) GREY.

Governor
The Right Honorable
The Earl of *Elgin* and *Kincardine*,
&c. &c. &c.

(Copy.)

Office of Commissioners of Railways,
Whitehall, 6th November, 1847.

Railway Bills.

Sir,

I have been directed by the Commissioners of Railways to acknowledge the receipt of your letter of the 29th September, in which you transmitted for the consideration of the Commissioners, transcripts of the following seven Acts authorizing the construction of different Railways in *Canada*, which have recently been passed by the Legislature of that Province:—

No. 441. An Act to incorporate the *Woodstock* and *Lake Erie* Railway and Harbour Company.

No. 442. An Act to incorporate the *Bytown* and *Britannia* Railway Company.

No. 443. An Act to incorporate the *Carillon* and *Grenville* Railway Company.

No. 444. An Act to incorporate the *Lake St. Louis* and Province Line Railway Company.

No. 445. An Act to incorporate the *Montreal* and Province Line Junction Railway Company.

No. 446. An Act to incorporate the *Canada, New Brunswick* and *Nova Scotia* Railway Company; and,

No. 447. An Act to incorporate the *Toronto* and *Goderich* Railway Company.

I am directed to acquaint you in reply, that the Commissioners, agreeably to the request of Earl *Grey*, have taken these Acts into consideration, and have made the following observations upon them, which apply for the most part to all or more than one of the Acts, and have therefore been arranged in a collected form with reference to the subjects adverted to, rather than as remarks upon each Act separately. The provisions of these Acts that appear to be most worthy of observation, on account both of their novelty and importance, are those by which a right is reserved to the Government of purchasing the Railway at a future time. In some other Colonial Railway Acts which have engaged the attention of the Commissioners, the option of purchase by the Government is given only upon the event of the Company's profits exceeding a certain specified rate per cent. on the amount of their capital, and is thus made dependent upon a condition which, from its liability to be evaded by the financial operations of the Company, may prevent, or indefinitely defer, any practical assertion of the right.

But in the greater number of the present Acts, (Nos. 442, 443, 444, 445, and 447,) the Government is enabled to purchase the Railway at any time, either before or after its completion, on giving three months notice of their intention to do so, and repaying to the Company the amount of their expenditure, with interest up to the time of opening the Railway. As one of the principal advantages to be derived from these provisions appears to consist in the power they confer upon the Government of acquiring upon an emergency the exclusive possession of the means of communication, it is important for the attainment of this object that the exercise of the right of purchase should not be clogged with conditions of doubtful effect, or such as may occasion difficulty in the adjustment of the terms. On this account it appears desirable that the rate of interest to be paid by the Government on the outlay, should, as in the Acts Nos. 446 and 447, be fixed by the provisions of the Act, and not, as in the Acts Nos. 442, 443, 444, and 445, be left as a matter for future arrangement. For the same reason also, the condition inserted in the Act No. 445, that the Government, in addition to the reimbursement of the paid-up capital, shall repay to the Company "any sums *bona fide* furnished or advanced by the Shareholders towards completing and improving the "Railway," appears to introduce into the terms of the purchase, much that is very vague and open to