

960
6 CORRESPONDENCE RELATIVE TO A LOAN FOR

ment of this Province to come to an absolute decision upon the question, without previous consultation with the Governments of those other Provinces, which are, to say the least, as deeply interested in the question at issue.

3. The Lieutenant Governor assumes, therefore, that his Council will agree with him in the expediency of appointing a delegation to confer with representatives of Canada and Nova Scotia on the subject; and he requests their advice as to the persons to whom, in their opinion, the interests of the Province may be most safely entrusted.

4. The importance of the decision which has ultimately to be made with respect to the proposals of the British Government cannot well be overrated. It may be considered certain that no other or more favourable offer will be now made, and that the rejection of the present proposition will be tantamount to the abandonment for an indefinite period of all hope of the completion of the great work of establishing an Intercolonial Railway.

5. At the same time the Province cannot prudently, or indeed honestly, incur liabilities which it might be unable to discharge; and the Lieutenant Governor has no hesitation in declaring his decided opinion, that unless the Province of Canada undertakes a very large proportion of the whole responsibilities of the loan required, it would be idle for New Brunswick to move in the matter. If half the burden were to be borne by Canada, the adjustment of the incidence of the remaining half between Nova Scotia and New Brunswick might perhaps be satisfactorily arranged.

6. But his Excellency considers that it would be injudicious to fetter the delegation by instructions of too precise a character as to the proposals which they may or may not be at liberty to discuss. The final adoption or rejection of any scheme proposed will not rest with them, but with the Provincial Governments; and it is well that the subject should be fully and patiently considered in all its bearings before that decision be made.

The Lieutenant Governor has reason to believe that the Canadian Government are anxious that the proposed consultation should take place at an early period; and he therefore hopes that the Council will not separate without coming to a decision as to the propriety of dispatching a delegation to Quebec, and as to the persons who in their opinion should be employed on that service.

(signed) *Arthur H. Gordon.*

22 April 1862.

— No. 6. —

(No. 74.)

No. 6.
The Duke of Newcastle, K.G., to
Lieut. Governor
Hon. A.H. Gordon.
20 June 1862.

* Pages 4 and 5.

COPY of a DESPATCH from His Grace the Duke of Newcastle, K.G., to
Lieutenant Governor Honourable *Arthur H. Gordon.*

Sir,

Downing-street, 20 June 1862.

I HAVE the honour to acknowledge the receipt of your Despatches, Nos. 61* and 66 of the 6th and 26th of May, on the subject of the aid which the Imperial Government have offered to afford towards the construction of an Intercolonial Railway.

I have, &c.
(signed) *Newcastle.*

— No. 7. —

(No. 71.)

No. 7.
Lieut. Governor
Hon. A. H. Gordon
to the Duke of
Newcastle, K. G.
9 June 1862.

COPY of a DESPATCH from Lieutenant Governor the Honourable *Arthur H. Gordon* to his Grace the Duke of Newcastle, K.G.

My Lord Duke,

Fredericton, 9 June 1862.

OWING to the change which has taken place in the composition of the Canadian Cabinet, all discussion upon the question of the Intercolonial Railroad is at present deferred.

2. In all probability a conference between the representatives of the several local Governments interested will now take place in the early part of the month of September.

3. I do not myself regret this postponement, as I think the delay will probably lead to the adoption of juster views on the subject than at present prevail in this Province,