

75. With the present public economy of Canada, even the present emigration of 40,000 souls per annum would not be profitably or advantageously absorbed in British North America.

OPINIONS OF EARL GREY.

76. The despatches to and from Earl Grey, to which we would now direct attention, extend over the present year, the first bearing date the 31st December, 1846.

77. The despatch of the 31st December authorised Lord Elgin to advance the sum of £50,000 in the establishment of villages for the reception of the emigrants, the situations to be selected in localities which would afford immediate employment for the people, at wages. Each village to consist of a sufficient number of log-houses to accommodate 300 souls; and to each house a garden, sufficient to occupy the tenant's spare time, but not to relieve him from working for wages; and cheap and simple wooden buildings to serve for a church and a school.

77. Insurmountable difficulties to such a scheme presented themselves, from the fact that, in Canada, straggling grants of land, with here and there an intervening frontage for a road, precluded the possibility of finding a compact site for the establishment of these villages.

On the 29th of January last, Earl Grey countermanded the advance above authorised; and on the 25th February, Lord Elgin expressed his satisfaction at such a course, and enclosed a statement from the Attorney-General of the Province, exhibiting the insurmountable obstacles to the village system.

78. On the 12th February also, Mr. Buchanan, the emigration agent at Quebec, submitted to Lord Elgin that 25,000 souls might be at once employed in the construction of a railway from Halifax to Quebec, to be guaranteed employment for two years at 2s. per day, and a grant of 50 acres on the route of the railway. Such a road, he added, "as a great and national work, is admitted by every one connected with the Colony to be of the first and most vital importance, not only to the Colony, but to the Mother-country; and it will, when completed, tend more to advance the interests and prosperity of this noble appendage to the British Crown, than any other measure. It will serve to open out a large and valuable tract of country for settlement. A portion of the money which is now being expended in providing temporary relief for the distressed in Ireland, and elsewhere, might be advantageously employed in this work; and, by the settlement of these poor people along the route of the railway, they would soon be able to provide for themselves and their families permanently by their labour on their own lands."

79. We may mention, in this place, that the railway connection of Halifax and Quebec is involved immediately in the construction of the St. Andrew's and Quebec Railway, the local directors of which are now engaged in arranging for the formation of a line, in steam-ferry connection with St. Andrew's, from Halifax to Windsor and Annapolis, on the opposite shore of the Bay of Fundy—a railway which would pass through the finest portion of Nova Scotia, and save about 300 miles as compared with the continuous line from Halifax to Quebec by the north of the Provinces.