

said he has enough without begging a eulogy from a deceived people. If any apology is necessary for this open letter, I plead the importance of the issue. The figures and quotations used in this letter are taken from the correspondence on the Contract, published by command of Her Gracious Majesty Queen Victoria, and also from the report of our delegates upon the subject of Confederation with Canada. I have opposed the Contract, not because R. G. Reid was the contractor, but because I believe it is ruinous to the best interests of my native land.

Respectfully yours,
E. M. JACKMAN.

St. John's, December 3, 1898.

Enclosure 2 in No. 32.

DEAR SIR,

St. John's, October 12, 1896.

I HEREBY offer to operate the road from St. John's to Harbour Grace—providing the Government supply new rails of the same pattern as those used on the N.N. and W. Railway—until August 1st, 1928, paying the Government therefor fifteen thousand dollars per annum, from the date of the commencement of actual operations, the Government to pay to the contractor the same mail subsidy as at present paid to the Newfoundland Railway Company, and to grant to him all the rights and privileges that is now enjoyed by the said Newfoundland Railway Company, and I will furthermore agree to the extension of the operating contract on the N. N. and W. Railway and its branches, to the same date as above, the Government to put six inches of extra ballast on said road and its branches, and providing further that the Government grant me in fee simple five thousand acres of land for each mile of railway operated—including the road from St. John's to Harbour Grace—the contractor taking over any lands that may have been already granted to the Newfoundland Railway Company.

Yours truly,
R. G. REID.

Honourable Robert Bond,
Colonial Secretary.

No. 33.

GOVERNOR SIR H. H. MURRAY to MR. CHAMBERLAIN.

(Received December 23, 1898.)

[Acknowledged January 4, 1899.]

Government House, St. John's,
December 13, 1898.

SIR,

I ENCLOSE, for your information, an advertisement dated the 6th instant, under which my Ministers are trying to raise a small loan in the Colony under the Act of last session, cap. 10.

2. A large amount of debentures issued to Mr. Reid for building the railway have, I believe, been taken up by the Bank of Montreal, and while the Syndicate in London is gradually placing these debentures on the market, it is probably not thought prudent to attempt to float a new loan, however small, on that market.

3. I think it not unlikely that a small portion of these new debentures may be taken up in the Colony, as they carry 4 per cent. interest.

4. The necessity of raising money under the Act in question will be apparent from the following statement:—

The expenditure within the financial year ending 30th June, 1898, has, up to the present date, been as follows:—

On Governor's Warrant...	...	...	...	...	\$1,660,495
Interest on Debt	...	...	...	...	646,225
Paying off 5% and 4½% Debentures	...	...	...	...	157,000
Total	...	...	...	...	<u>\$2,463,720</u>