

INTER-COLONIAL RAILWAY.

(COPY.)

*Government House, Halifax, N. S.,
27th February, 1858.*

SIR,—

I have the honor to acknowledge the receipt of your despatch of the 22nd inst., enclosing for my information the copy of a Minute adopted in Council, and approved by your Excellency, relative to a joint action of the Legislatures of Canada, New Brunswick, and Nova Scotia, in urging upon the notice of the Imperial Government the question of an Inter-Colonial Line of Railway between Quebec and Halifax.

Appendix L.C. Journal, 1858, page 169.

My Council, to whom I immediately submitted your letter with its enclosure, are deeply impressed with the great importance of this subject, and will not fail to bestow their earliest and earnest consideration on the proposal contained in the Minute of your Council.

The letter of the Delegates, a copy of which was forwarded to your Government, has been presented to the Legislature now in Session, for whose deliberation your communication will also be submitted.

Assembly Journal, Appendix, page 47.

I have, &c.
(Signed) **MULGRAVE.**

His Excellency Sir E. W. HEAD, &c. &c. &c.

*Government House, Toronto,
March 3rd, 1858.*

MY LORD,—

I have the honor to acknowledge the receipt of your Lordship's despatch of the 27th ultimo, relative to the question of an Inter-Colonial Line of Railway between Quebec and Halifax, which I have laid before my Council.

I have, &c.

EDMUND HEAD.

The Right Honorable the EARL OF MULGRAVE, &c. &c. &c.

*Government House, Halifax, N. S.,
18th March, 1858.*

SIR,—

I have the honor to acknowledge the receipt of your despatch of the 10th inst., enclosing a memorandum of the Executive Council of New Brunswick, together with a copy of a despatch from the Governor General of Canada and its enclosure, on the subject of an Inter-Colonial Railway, all of which are now under the consideration of my Council.

Page 390 Appendix Assembly Journal, 1858.

I have, &c.

MULGRAVE.

His Excellency, Honorable J. H. T. MANNERS SUTTON, &c. &c.

*Government House, Halifax, N. S.,
10th May, 1858.*

No. 36.

MY LORD,—

I have the honor to transmit an Address from the Legislature of this Province, on the subject of an Inter-Colonial Railway, which I request you will be so good as to lay at the foot of the Throne.

3rd May, 1858.

I have, &c.

MULGRAVE.

The Right Honorable LORD STANLEY, &c. &c. &c.

*Government House, Halifax, N. S.,
29th May, 1858.*

SIR,—

7th May, 1858.

I have the honor to transmit a copy of a report of the Executive Council of this Province, of which I have approved, on the subject of an Inter-Colonial Railroad between Canada, New Brunswick, and Nova Scotia, a duplicate of which I have forwarded to the Lieutenant Governor of New Brunswick.

I have, &c.

His Excellency the GOVERNOR GENERAL, Canada.

MULGRAVE.

Report of the Executive Council to the Lieutenant Governor of Nova Scotia, dated 7th May, 1858, relating to an Inter-Colonial Railroad.

The Council having had their attention drawn to the despatch of the Governor-General of Canada, dated 23rd February last, and of the Lieutenant Governor of New Brunswick of the 10th March last, with their enclosures, upon the important subject of an Inter-Colonial Railroad, desire your Excellency to convey to the Governor-General of Canada, and the Lieutenant Governor of New Brunswick, respectively, the satisfaction with which the Executive Council of Nova Scotia have joined the Sister Provinces in pressing the consideration of this great enterprise upon the British Government, by forwarding an Address from the Legislature of this Province to Her Majesty, a copy of which is herewith enclosed.

The Council advise your Excellency to convey to the Governor-General the entire willingness of your Government to confer by delegation with Canada and New Brunswick, at Fredericton or elsewhere, at any time that His Excellency the Governor-General may think best calculated to promote the advancement of a project in which the three Provinces are so deeply interested.

Approved by His Excellency in Council, May 26, 1858.

*Government House, Fredericton, New Brunswick,
June 3rd, 1858.*

MY LORD,—

I have the honor to acknowledge the receipt of your Lordship's despatch of the 29th ult., enclosing a copy of a Report of the Executive Council of Nova Scotia, approved by your Excellency, on the subject of an Inter-Colonial Railroad.

I have, &c.

J. H. T. MANNERS SUTTON.

His Excellency the Right Honorable the EARL OF MULGRAVE, &c. &c.

*Government House, Toronto, C. W.,
June 9th, 1858.*

MY LORD,—

I have the honor to acknowledge with thanks your Excellency's despatch of the 29th May last, transmitting a copy of a Minute of the Executive Council, approved by you, together with a copy of the Address from the Legislature of Nova Scotia to Her Majesty, on the subject of an Inter-Colonial Railway.

I shall not fail to draw the attention of my Council to these documents.

I have, &c.

EDMUND HEAD.

His Excellency the EARL OF MULGRAVE, &c. &c.

Downing Street, 15th June, 1858.

No. 3.

MY LORD,—

I have to acknowledge the receipt of your Lordship's despatch, No. 36, of the 10th May, enclosing an Address to the Queen, from the Legislative Council and House of Assembly of Nova Scotia, on the subject of an Inter-Colonial Railway.

I have to acquaint you that Her Majesty was pleased to receive this Address very graciously, and that the important subject to which it relates will engage the serious attention of Her Majesty's Government as soon as they are in possession of the communication which they have been led to expect from the Legislature of Canada.

I have, &c.

E. B. LYTTON.

Lieutenant-Governor the Right Honorable the EARL OF MULGRAVE, &c. &c.

*Government House, Toronto,
24th August, 1858.*

MY LORD,—

I have the honor to transmit for your Excellency's information a copy of certain Resolutions adopted by the Legislative Council and Assembly of this Province, on which was founded a joint Address to the Queen on the subject of the Inter-Colonial Railroad.

I have, &c.

EDMUND HEAD.

His Excellency Lieutenant Governor the EARL OF MULGRAVE.

12th August, 1858.

1. *Resolved*, That the construction of an Inter-Colonial Railway, connecting the Provinces of New Brunswick and Nova Scotia with Canada, has long been regarded as a matter of National concern, and ought earnestly to be pressed on the consideration of the Imperial Government.

2. *Resolved*, That during several months of the year, intercourse between the United Kingdom and Canada, can only be carried on through the territory of the United States of America, and that such dependence on, and exclusive relations with a foreign country, cannot, even in time of peace, but exercise an important and unwholesome influence on the status of Canada, as a portion of the Empire, and may tend to establish elsewhere that identity of interest which ought to exist between the mother country and her colonies.

3. *Resolved*, That while this House implicitly relies on the repeated assurances of the Imperial Government, that the strength of the Empire would be put forth to secure this Province against external aggression, it is convinced that such strength cannot be efficiently exerted during a large portion of the year from the absence of sufficient means of communication, and that should the amicable relations which at present so happily exist between Great Britain and the United States be ever disturbed, the difficulty of access to the ocean during the Winter months might seriously endanger the safety of the Province.

4. *Resolved*, That in view of the speedy opening up of the territories now occupied by the Hudson's Bay Company, and of the development and settlement of the vast regions between Canada and the Pacific Ocean, it is essential to the interests of the Empire at large that a highway extending from the Atlantic Ocean westward should exist, which would at once place the whole British possessions in America within the ready access and easy protection of Great Britain; while by the facilities for internal communication thus afforded, the prosperity of those great dependencies would be promoted, their strength consolidated and added to the strength of the empire, and their permanent union with the mother country secured.

5. *Resolved*, That Canada has already nearly completed the construction within the Province of a chain of railways over 1600 miles in length, extending from the Eastern frontier of the Province towards its Western Boundary, which is of the greatest importance to its commercial and material prosperity, and forming part of the great proposed highway, but which, without completion to the ocean, is comparatively useless in a national point of view, either as bringing the sister colonies together, or as connecting those colonies with the Parent State.

6. *Resolved*, That this House, under these circumstances, is deeply impressed with the importance of an Inter-Colonial Railway and the necessity for its immediate construction; and desiring to cooperate with the Imperial Government and the Provinces of Nova Scotia and New Brunswick, in securing its speedy completion, this House approves of the memorandum addressed to Her Majesty's Secretary of State for the Colonies, by the Canadian Delegates, and laid before Parliament by His Excellency the Governor General in his gracious message communicated on the thirty-first day of May last, and recommends that the future negotiations should be conducted as nearly as may be on the basis thereby submitted.

7. *Resolved*, That in the opinion of this House, it is expedient that His Excellency the Governor General should cause all communications with the other Provinces necessary for common action on the subject to be entered into.

8. *Resolved*, That an Address be presented to Her Majesty embodying the foregoing Resolutions, and that the Honorable the Legislative Council be requested to concur in the said Address.

TO THE QUEEN'S MOST EXCELLENT MAJESTY.

MOST GRACIOUS SOVEREIGN,—

We, your Majesty's dutiful and loyal subjects, the Legislative Council and Legislative Assembly of Canada, in Provincial Parliament assembled, humbly approach your Majesty for the purpose of representing—

That the construction of an Inter-Colonial Railway, connecting the Provinces of New Brunswick and Nova Scotia with Canada, has long been regarded as a matter of national concern, and ought earnestly to be pressed on the consideration of your Majesty's Imperial Government.

That during several months of the year intercourse between the United Kingdom and Canada can only be carried on through the Territory of the United States of America, and that such dependence on, and exclusive relations with a foreign country, cannot, even in time of peace, but exercise an important and unwholesome influence on the status of Canada, as a portion of the Empire, and may tend to establish elsewhere that identity of interest which ought to exist between the Mother Country and her Colonies.

That while we implicitly rely on the repeated assurances of your Majesty's Imperial Government that the strength of the Empire would be put forth to secure this Province against external aggression, we are convinced that such strength cannot be efficiently exerted during a large portion of the year, from the absence of sufficient means of communication, and that should the amicable relations which at present so happily exist between Great Britain and the United States be ever disturbed, the difficulty of access to the ocean during the Winter months might seriously endanger the safety of the Province.

That in view of the speedy opening up of the Territory now occupied by the Hudson's Bay Company, and of the development and settlement of the vast regions between Canada and the Pacific Ocean, it is essential to the interests of the Empire at large that a highway, extending from the Atlantic Ocean Westward, should exist, which would at once place the whole British possessions in America within the ready access and easy protection of Great Britain; whilst, by the facilities for internal

communication thus afforded, the prosperity of those great Dependencies would be promoted, their strength consolidated, and added to the strength of the Empire, and their permanent union with the Mother Country secured.

That Canada has already nearly completed the construction within the Province of a chain of Railways over sixteen hundred miles in length, extending from the Eastern frontier of the Province towards its Western boundary, which is of the greatest importance to its commercial and material prosperity, and would form part of the great proposed highway; but which, without completion to the Ocean, is comparatively useless, in a national point of view, either as bringing the Sister Colonies together, or as connecting those Colonies with the Parent State.

That under these circumstances, we are deeply impressed with the importance of an Inter-Colonial Railway, and the necessity for its immediate construction; and desiring to coöperate with your Majesty's Imperial Government, and the Provinces of Nova Scotia and New Brunswick, in securing its speedy completion, we approve of the memorandum addressed to your Majesty's Secretary of State for the Colonies by the Canadian Delegates, and laid before the Provincial Parliament by His Excellency the Governor-General, in his gracious message, communicated on the 31st May last; and we humbly pray that the proposed Inter-Colonial Railway may receive your Majesty's gracious and early consideration, and that the future negotiations may be conducted as nearly as may be on the basis submitted in the said memorandum.

*Government House, Halifax, N. S.,
7th September, 1858.*

SIR,—

I have the honor to acknowledge the receipt of your Excellency's despatch of the 24th August last, transmitting a copy of certain Resolutions adopted by the Legislative Council and Assembly of Canada, on which a joint Address to Her Majesty on the subject of an Inter-Colonial Railroad was founded.

I have, &c.

MULGRAVE.

His Excellency Sir E. W. HEAD, Bt.

MY LORD,—

Quebec, Sept. 10, 1858.

I have the honor to transmit for your Excellency's information the enclosed copy of a Minute of the Executive Council of Canada, approved by myself, relating to the Inter-Colonial Railway, to connect Canada with the Lower Provinces.

I also forward printed copies of the Resolutions adopted by both Houses of Parliament in this Colony on the subject, together with copies of certain papers laid before the Legislative Assembly, relating to the same matters.

I have, &c.

EDMUND HEAD.

His Excellency the EARL OF MULGRAVE.

Copy of a Report of a Committee of the Honorable the Executive Council, dated 6th September, 1858, approved by His Excellency the Governor-General.

The Committee of Council, having reference to the recommendation contained in their report of the 31st ult., on the subject of the Inter-Colonial Railway, to connect Canada with the Lower Colonies, humbly advise that copies of the joint Address to Her Majesty, passed by the two Branches of the Canadian Parliament, during its last Session, be forwarded by your Excellency to the respective Governments of Nova

Scotia and New Brunswick, with an intimation that three members of your Excellency's Council are on the eve of their departure for England, charged with urging that important subject on the attention of the Imperial authorities, and suggesting that a fitting occasion is thus presented for the adoption by the Lower Provinces of such steps as they may think advisable to coöperate with Canada in promoting the object in question.

(Certified.)

WM. H. LEE, C. E. C.

At a Council held at Government House, on the Twenty-first day of September, 1858.

P R E S E N T :

His Excellency the Lieutenant-Governor.

The Honorable Mr. Johnston,
The Honorable Mr. Tobin,
The Honorable Mr. Brown,
The Honorable Mr. Marshall,
The Honorable Mr. Tupper.

His Excellency communicates to the Council a despatch, dated the 10th instant, from the Right Honorable the Governor-General, enclosing a Minute of the Executive Council of that Province, approved by the Governor-General, conveying an intimation that three members of the Canadian Council are on the eve of departure for England, charged with urging on the attention of the Imperial authorities the subject of the construction of an Inter-Colonial Railway to connect Canada with the Lower Colonies, and suggesting that a fitting occasion is presented for the adoption by the Lower Provinces of such steps as they may think advisable to coöperate with Canada in promoting that object.

On full consideration and discussion of the subject, the Council concur with His Excellency in opinion that Delegates be sent from this Province to unite with the other Colonial Delegates in again bringing this great question before the Imperial Government; and His Excellency, by the advice of the Council, is pleased to appoint, for this purpose, the Honorable Dr. Tupper, Provincial Secretary, and William A Henry, Esquire, a member of the Provincial Legislature—and to associate with them the Honorable Mr. Dickey, a member of the Legislative Council, now in London.

*Government House, Halifax, N. S.,
23rd September, 1858.*

No. 78.—(Executive.)

SIR,—

I have the honor to transmit herewith for the information of Her Majesty's Government, the enclosed copy of a Minute in Council, dated 21st September, of which I have approved, relative to the subject of Inter-Colonial Communication, by Railway, and authorizing a Delegation from this Province to coöperate with such Delegates as shall be commissioned by the other Provinces in urging this important question on the notice of the Imperial Government.

2. My Government are, after much correspondence with the Governments of Canada and New Brunswick, and full and thorough discussion in Council, deeply impressed with the magnitude and importance of the interests with which they have charged their Delegates, and earnestly hope that Her Majesty's Government will be able to countenance an enterprize, the defeat of which must retard, and its success directly advance the prosperity of three of Her Majesty's most valuable North American Colonies.

3. The Delegates whom, by this despatch, I officially introduce to you, are the Honorable Charles Tupper, Provincial Secretary, and W. A. Henry, Esquire, a member of the Provincial Legislature—the former of these gentlemen proceeds to England

by the present mail, the latter will follow in the steamer leaving here on the 8th of October next.

4. With these two Delegates, selected by the Council, and hereby accredited by me, is also to be associated a member of the Legislative Council, the Honorable R. B. Dickey, now in England, and they are empowered to conduct on behalf of this Province any negotiation that may, in coöperation with the other Commissioners, be entered into by Her Majesty's Government, subject to the final ratification of the Provincial Legislature.

I have, &c.

MULGRAVE.

The Right Honorable Sir E. B. LYTON, Bt.

*Government House, Halifax, N. S.,
23rd September, 1858.*

SIR,—

I have the honor to acknowledge the receipt of your Excellency's despatch, dated 10th instant, with its several enclosures. These I have submitted to the consideration of my Council, and I now forward for your Excellency's information the result of their deliberations, embodied in a Minute of Council, dated 21st September, 1858, by which you will perceive that two Delegates, the Honorable Charles Tupper, Provincial Secretary, and W. A. Henry, Esquire, have been selected as Delegates from this Province to coöperate with such Delegates as shall be commissioned by Canada and New Brunswick, to press upon the notice of the Imperial Government the question of an Inter-Colonial Railway.

The former of these gentlemen proceeds to London by the present mail, and Mr. Henry will follow him in the steamer leaving here on the 8th of October next.

I have, &c.

MULGRAVE.

His Excellency Sir E. W. HEAD, Bt., &c. &c.

*Government House, Halifax, N. S.,
23rd September, 1858.*

SIR,—

I have the honor to transmit herewith the enclosed copy of a Minute of Council, of which I have approved, by which your Excellency will perceive that Delegates have been selected to proceed to England for the purpose of coöperating with such Delegates as shall be commissioned by the other Provinces, in pressing upon the notice of the Imperial Government the important question of an Inter-Colonial Railway. 21st September.

I have, &c.

MULGRAVE.

His Excellency Honorable J. H. T. MANNERS SUTTON, &c. &c. &c.

*Government House, Fredericton, New Brunswick,
September 27th, 1858.*

MY LORD,—

I have the honor to acknowledge the receipt of your Lordship's despatch of the 23rd instant, and of the copy therein enclosed of a Minute of Council, approved by your Lordship, respecting the appointment of Delegates from Nova Scotia, to unite with the other Colonial Delegates, in bringing before the Imperial Government the question of constructing an Inter-Colonial Railway.

I have further the honor to inform your Excellency that I have, upon the recommendation of my Council, directed Mr. Fisher (a member of the Executive Council and Attorney General) and Mr. Smith (also a member of the Executive Council) to

proceed immediately to England, to represent the interests of this Province in the proposed discussion respecting the construction of an Inter-Colonial Line of Railroad. A copy of the memorandum of my Council in Committee on this subject is enclosed for your Lordship's information. I have, &c.

J. H. MANNERS SUTTON.

His Excellency the Right Honorable the EARL OF MULGRAVE.

To His Excellency the Honorable J. H. Manners Sutton, Lieutenant-Governor.

The Committee of Council having had under consideration your Excellency's memorandum of the 17th instant, and the accompanying despatch from His Excellency the Governor-General, dated 10th September, relative to the construction of an Inter-Colonial Railway, would respectfully express to your Excellency their continued interest in the proposed undertaking.

In a memorandum submitted to your Excellency on the 10th August, 1857, we presented the reasons which induced us to urge upon Her Majesty's Government the necessity which existed for such a highway. The joint Address of the Legislative Council and House of Assembly to Her Majesty, passed on the 6th April last, shows that the opinion thus expressed was fully sustained by the Legislature.

Having been informed by the despatch of the Governor-General that three members of his Government were on the eve of their departure from Canada, charged with urging that important subject upon the attention of the Imperial Authorities, we advise your Excellency to appoint two members of your Council, to proceed forthwith to England for the purpose of representing the interests of New Brunswick.

CHARLES FISHER,
JAMES BROWN,
S. L. TILLEY,
W. H. STEVES,
DAVID WARK,
A. J. SMITH,
CHARLES WATTERS.

*Government House, Toronto,
October 4th, 1858.*

MY LORD,—

I have the honor to acknowledge the receipt of your Excellency's despatch of the 23rd ultimo, inclosing a copy of a Minute of Council, appointing Delegates to meet those of Canada and New Brunswick in London, on the subject of the Inter-Colonial Railroad. I have, &c.

EDMUND HEAD.

His Excellency the EARL OF MULGRAVE.

Halifax, 3rd January, 1859.

MAY IT PLEASE YOUR EXCELLENCY.

The undersigned have the honor to report the progress of the Mission on the Inter-Colonial Railway, with which they were charged under the Minute of Council approved by your Excellency, September 21, 1858.

Dr. Tupper proceeded without delay to London, and placed himself immediately in communication with Mr. Dickey and the Canadian Delegates, informing them that two Delegates might be expected from New Brunswick by the *Persia* then on her way, and that Mr. Henry would follow in the next boat from Halifax.

On the 4th October, Dr. Tupper and Mr. Dickey delivered their credentials at the Colonial Office, and on the 7th waited upon the Right Honorable Sir Edward B. Lytton by appointment at his official residence in Downing Street, and explained the object of their mission. The Colonial Secretary informed them that as soon as all the Delegates had arrived and were able to come to an agreement among themselves, he would be happy to receive their proposition and give it all the consideration to which a question so important was entitled.

Frequent preliminary meetings were had with Messrs. Cartier, Ross, and Galt, the Canadian Delegates, both before and after the arrival of Messrs. Fisher and Smith, the Delegates from the Government of New Brunswick.

Mr. Henry, on his arrival on the 17th October, had an interview with Sir E. B. Lytton at the Colonial Office, who reiterated the deep interest he felt in the question of Railway communication between Halifax and Quebec.

After this the whole subject was taken up and discussed between the Delegates from Canada, New Brunswick, and Nova Scotia at frequent meetings held for the purpose; and on the 26th day of October the accompanying letter, embodying the result of their deliberations, was prepared and submitted by the united delegation to the British Government, and an early consideration of the subject solicited. 26th October.

The letter to the Colonial Secretary was accompanied by copies of the following papers :

Mr. Gladstone to the Governor-General—No. 55, dated 18th April, 1846.	Copy annexed.
Mr. Gladstone to Viscount Falkland—No. 28, dated 18th April, 1846.	No. 8, page 18 Ap. Assem. Jnl. 1847.
Mr. Stephen to Mr. Trevelyan, 16th April, 1846.	No. 8, page 18.
Mr. Trevelyan to the Secretary of the Ordnance, 17th April, 1846.	No. 8, page 19.
Mr. Trevelyan to Mr. Byham, 18th April, 1846.	No. 8, page 20.
Mr. Hawes to Mr. Howe, 10th March, 1851.	No. 40, p. 163, 1851.
Earl Grey to the Governor-General, 14th March, 1851.	No. 40, page 169.
Sir J. Pakington to the Governor-General, 20th May, 1852.	Copy annexed.
Report of Committee of the Executive Council of New Brunswick to the Lieut.-Governor, 10th August, 1857.	No. 2, 1858, Ap- pendix page 33.
Messrs. Johnston and Archibald to Mr. Labouchere, 20th August, 1857.	No. 2, page 36, 1858.
Mr. McDonald to Mr. Loranger, 1st February, 1858, with memorandum.	Copies nnnnexed.

On two occasions the whole delegation received a large deputation of gentlemen, representing the Halifax and Quebec Railway Company formed last Spring in London, including Mr. Roebuck, M. P., the Honorable Mr. Fitzwilliam, M. P., Captain Mangles, M.P., the Honorable Samuel Cunard, and Judge Haliburton, with several other gentlemen of high standing and large influence, who evinced their readiness to coöperate with the Delegates in obtaining a favorable answer from the Government.

They explained that arrangements had been made to send out Lord Bury to the Colonies before it was known that a delegation was coming from America on the subject of the Inter-Colonial Railway, and that other business with which His Lordship was connected, rendered it necessary that he should proceed without delay.

On the 9th November, at the request of the Secretary of State for the Colonies, the whole delegation, accompanied by Mr. Roebuck, had an interview with Sir E. B. Lytton, at his official residence in Downing Street.

During the discussion that ensued, and in which the great advantage of the work under consideration, both to the British Government and the Colonies, was urged very strenuously by different members of the delegation, the Colonial Secretary asked if the Delegates were all agreed as to the route. It was replied that it had been mutually agreed that the line to be selected and to which they had severally pledged the aid of the Colonies, should be one that would meet with the approval of the British Government.

That difficulty being thus removed, Sir Edward stated objections to the proposition to give a sum of money in the manner suggested,—discussed the nature of the aid that had been promised by his predecessors,—admitted that the project of an Inter-Colonial Railroad entered into Imperial Policy,—expressed his conviction of the great advantage and importance of the work, but referred to the financial features as presenting the sole difficulty, and recommended the delegation to place themselves in communication with the Chancellor of the Exchequer.

The Colonial Secretary was pressed to submit a proposition by which aid might be given to the undertaking, if that before him was not in an acceptable shape. He suggested that the best form in which the subject could be placed before Parliament would be a proposition to give subsidies for services performed.

13th November.

The Delegates again met, and prepared the accompanying letter to the Right Honorable Mr. D'Israeli, which was at once forwarded, and copies were also sent to the Colonial Office for the use of the Cabinet.

The undersigned availed themselves of an opportunity, fully to discuss with Sir Edward B. Lytton, the various bearings of the Railway question, Imperial as well as Provincial, and the Right Honorable Baronet on that occasion expressed himself more warmly than before in favor of it, and his satisfaction at the manner in which it had been presented in our letter to the Chancellor of the Exchequer, discussing carefully the estimates by which it was undertaken to be shown that all the aid asked for could be afforded without imposing any additional burden upon the Parent State, and expressed the pleasure it would afford him to see so valuable an object attained.

Sir Edward advised an early personal application to the Chancellor of the Exchequer, as the question was receiving the attentive consideration of the Cabinet. Acting upon this suggestion, the Delegates from New Brunswick, and Messrs. Tupper and Dickey (their Colleagues having left London) procured an interview with Mr. D'Israeli on the 27th November, at the Treasury.

At this interview the objects of the Mission were fully explained, and the various questions submitted by Mr. D'Israeli, as far as could be judged, satisfactorily answered.

No exception was taken to the accuracy of the statements touching the amounts that would be saved on other services to the British Government by the construction of the Railroad, and Mr. D'Israeli stated that whilst he would not undertake to say what decision would be arrived at by the Government, he had no hesitation in saying that it was the first time in his opinion that the project had assumed a practicable shape, and that the scheme submitted was then undergoing his most attentive consideration.

The Chancellor of the Exchequer encouraged the expectation that an answer would be communicated by the following Thursday, as the remaining Delegates were obliged to leave London on the following day.

The Colonial Secretary was absent when Dr. Tupper called to take leave; but Mr. Dickey and the New Brunswick Delegates had a final interview with him on the 2nd of December.

On that occasion, the Colonial Secretary evinced undiminished interest in the subject, and gave as a reason for not being able to communicate a reply, the unfavorable nature of the report received by him from the Chancellor of the Exchequer, which he was unwilling to receive as conclusive.

23 December.

Arguments were again urged, and suggested financial difficulties met by these gentlemen, and Mr. Dickey, at the request of Sir Edward, submitted in writing the annexed letter touching especially the question of postal communication.

Having exhausted every means to advance this great work, the undersigned left with the assurance that the subject would be most carefully considered, and the decision of the British Government would follow by the ensuing Mail to Halifax.

During the frequent occasions enjoyed of intercourse with the authorities at the

Colonial Office and the Treasury, no effort was spared by the Delegates, individually as well as collectively, to advance every consideration in their power in favor of the enterprise; nor were opportunities of advancing it, either of a public or private character, allowed to pass unimproved. They felt that whatever might be the answer to their present application, it was of vital importance to enlist the attention and support of Members of both Houses of Parliament and other influential persons interested in the advancement of the British North American Colonies, and they have the satisfaction of believing that their efforts in this direction have been to a large extent successful.

In closing this Report for the information of Your Excellency, the undersigned would do violence to their feelings did they not bear testimony to the attentive personal consideration which they on all occasions received from every one with whom they were brought in contact connected with the Colonial Department, and at the same time, do justice to the great ability and cordial coöperation of the Delegates without exception from the Sister Provinces of Canada and New Brunswick, with whom they were associated.

CHARLES TUPPER,
W. A. HENRY,
R. B. DICKEY.

His Excellency the Right Honorable the EARL OF MULGRAVE, &c. &c. &c.

3 Charles Street, St. James's Square,
London, 26th October, 1858.

SIR,—

The subject of an Inter-Colonial Railway from Halifax to Quebec has been 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 favor 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 organization of a Survey by Mr. Gladstone, when Secretary of State for the Colonies in 1846, 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.

Earl 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 behalf of Canada, and Mr. Chandler, acting for New Brunswick, brought the matter under the notice of Sir John Pakington, the 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, unfortunately intervened and prevented any progress being made until last year (1857), when Messrs. McDonald and Rose from Canada, and Messrs. Johnston 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 rela-

tion 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 forty miles below Quebec have been made and are now worked for traffic, and during the next year a further distance of seventy miles to Reviere du Loup now being made, comprising in the aggregate 110 miles below Quebec, or 864 miles in all, from Reviere 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 £186,000 sterling. From Reviere du Loup to the New Brunswick frontier, the distance to be yet made depends upon the route selected, the shortest distance being about fifty miles—and there will then be a continuous line of Railway throughout the entire length of Canada, from its extreme Eastern Boundary on the New Brunswick border, to its Western Boundary at Sarnia, on Lake Huron.

In addition to this large outlay Canada will contribute the sum of Twenty Thousand Pounds sterling, annually, to aid in raising the capital for the completion of this important work.

New Brunswick has incurred a heavy debt in the construction of Railways. Upon the completion of the unfinished portion of the Road between Shediac and the City of St. John, a distance of 110 miles which are now under contract, her total expenditure for the construction of Railways will exceed £800,000 sterling, for which she will be subject to the payment of an annual interest of £48,000 sterling. She has already given one hundred thousand acres of land to the Saint Andrews and Quebec Railway and Land Company, and has pledged a further large grant of land and agreed to pay an annual sum of five thousand pounds sterling to the same company, on certain conditions, to assist in the construction of a Railway from Saint Andrews to Woodstock, a distance of eighty-five miles, sixty miles of which will be finished this autumn. Notwithstanding these large expenditures, New Brunswick will now provide a free right of way and contribute £20,000 sterling, annually, to aid in raising the necessary capital for the completion of the Inter-Colonial Railway.

Nova Scotia, before the close of this year, will have opened for traffic sixty-one miles of the Trunk line from Halifax to Truro, and a branch line of 31 miles, connecting the Main line with Windsor and the fertile Counties of the Western portion of the Province, on the Basin of Minas, has been in operation since June last.

This portion of the Trunk line has cost about £500,000 sterling, and the Windsor Branch £300,000 sterling, the interest of which is chargeable upon the resources of the Province—the capital having been raised upon Provincial Debentures, bearing six per cent. interest. To complete the Trunk line from Truro to the borders of New Brunswick there remains about 69 miles.

Unless it be in connection with the Inter-Colonial Railway, it forms no part of the policy of Nova Scotia to carry the line from Truro to the New Brunswick frontier, as, unaided, it is entirely beyond her resources, and a line is now being located from

Truro to Pictou, by which communication will be opened with the Gulf of St. Lawrence, Prince Edward Island, and the Eastern Counties, including Cape Breton.

In the event, therefore, of the present effort failing to enlist the sympathy and coöperation of the Imperial Government in completing the Inter-Colonial Railway, in which the general interests of the Empire are so largely involved, Nova Scotia must turn her resources to the construction of the line to Pictou, and no hope can be entertained that she will afterwards be able to contribute to the Quebec and Halifax Line, as all her means will have been expended upon the local lines already indicated. So deeply impressed is she, however, with the immense importance of this great Imperial and Colonial Railway undertaking, that, although nearly one half of the line through Nova Scotia has been made and completed since the action of the Legislature in 1849, she is now willing to renew the pledge, then given, to grant a free right of way, and provide and pay twenty thousand pounds sterling annually, so long as it may be required, to aid in meeting the interest of the additional capital to be expended in making the line from Truro to Reviere du Loup.

Referring then to the action of the Home Government, and to the pledges of Earl Grey, in 1851, to the adoption of those pledges in effect, by Sir John Pakington, in 1852, and to the repeated admissions on the part of the Imperial Authorities that the interests and integrity of the Empire are involved in the speedy construction of this Railway, the undersigned respectfully submit that the period has arrived when it is essential that the Imperial assistance necessary be granted.

It is estimated that the different sections required to complete the line from Halifax to Quebec may now be made at a cost of three millions and a half of pounds sterling. If the million and a half of pounds which Canada owes to, and proposes to raise and pay off at once to the Imperial Government, be appropriated, there remain but two millions more to be provided, and to meet the interest on this sum, each Province here proposes to contribute to the extent of £20,000 sterling in each year. The British North American Provinces would thus be brought together and consolidated. The postal communication between England and all North America would be conducted through Halifax, and that for the United States would thus pass, first through British Territory, inasmuch as letters for Boston and New York and other American cities would reach their destination sooner through Halifax and over the rail, than in any other way.

When the Inter-Colonial Railway is completed, there will be an unbroken communication by rail from Halifax, in Nova Scotia, to the western part of Canada, at Sarnia, extending over a distance of about 1400 miles in the direction of British Columbia and Vancouver's Island, the whole being in the dominions of the Queen; and from Sarnia there is now an unbroken water communication for steamers and vessels of the largest class to the head of Lake Superior at Fort William, a further distance of nearly 1000 miles.

The Military objects are now so thoroughly understood, and have been so fully dwelt upon in former memorandums on the subject of this Railway, that they are not here repeated.

Trusting that this important matter may receive the early and favorable consideration of Her Majesty's Government. We have the honor to be, Sir,

Your most obedient and humble Servants,

(Signed)

G. E. CARTIER,

JNO. ROSS,

A. D. GALT,

CHARLES FISHER,

A. J. SMITH,

CHARLES TUPPER,

W. A. HENRY,

R. B. DICKEY,

} Canada.

} New Brunswick.

} Nova Scotia.

The Right Honorable Sir EDWARD BULWER LYTTON, Bt., Sec'y. of State for the Colonies.

No. 55.

Downing Street, 18th April, 1846.

MY LORD,—

No. 28. 18th April,
1846.
As. Journal, 1847,
No. 8. page 18.

I have the honor to transmit to you the accompanying copy of a despatch, with its enclosures, which I have had occasion to address by this mail to the Lieutenant-Governor of Nova Scotia, upon the subject of the employment of officers of the Engineer Corps on the survey of the Provinces in British North America, through which the projected line of Railroad between Halifax and Quebec and Montreal may pass.

I have, &c.

W. E. GLADSTONE.

Governor General the Right Honorable the EARL OF CATHCART, K. C. B., &c. &c.

Downing Street, May 20, 1852.

MY LORD,—

I have to inform you that after mature consideration of the proposals laid before them on the part of the Legislatures of Canada, Nova Scotia, and New Brunswick, respecting the projected line of Railway from Halifax to Quebec, Her Majesty's Government have arrived, though with sincere regret, at the conclusion that it is not in their power to recommend to Parliament to guarantee the interest of the sum which will be required for the construction of the Railway upon that line, being as it appears the only one to which the Provinces, by their Representatives, are prepared to consent.

2. Her Majesty's Government are not only anxious to act with the most perfect good faith towards the Legislatures and people of the Provinces, and to fulfil every just expectation which may have been held out by their predecessors, but they also sincerely desire to adopt all measures by which the welfare of the British Colonies in North America can be promoted as far as they can do so consistently with their duties to the Empire at large.

3. But on reference to the correspondence which has already taken place on this subject, and especially to the letters addressed by direction of Earl Grey to Mr. Howe on the 10th March, 1851, and Mr. Hincks on the 20th February last, it will appear evident that no pledge had been given of assistance to any line except that originally proposed. Her Majesty's Government have therefore felt themselves free to consider this important question on the single ground of general expediency.

4. They are by no means insensible of the great national as well as local objects which are involved in the construction of a line of Railway by which the three Provinces should be united and their communication with Great Britain promoted, but however favorably inclined they might themselves feel towards any project of this character, they are satisfied that some more special grounds would be required to justify them in proposing that security should be given to it to so great an extent by the Treasury of the United Kingdom, or to justify Parliament in acceding to such a proposal. There must be some distinct Imperial interest for the sake of which alone Parliament could be called upon to pledge the national revenue on behalf of such an object.

5. While, therefore, Her Majesty's Government can readily understand the reasons which have induced the Colonial Legislature to prefer the line of the valley of St. John as the most expedient for the local purposes of some, if not all, of the Provinces, they can not at the same time but perceive that those peculiar interests affecting the United Kingdom, on which alone public assistance from hence could be reasonably founded, are likely to suffer materially by the change.

6. Among the peculiar advantages in this point of view which it was thought that the line selected on the report of Major Robinson and Captain Henderson would realize, were the opening up of a new tract of maritime country, easily accessible with the Railroad but almost unapproachable without it, to emigration from these Islands; and the effecting a safe and continuous route through the Province which, both by its distance from the American frontier and its proximity to the sea, might be peculiarly available for military purposes. It is obvious that both these conditions are wanting to the line now proposed, which passes at a distance from the coast, and must necessarily run for a considerable distance close to the American frontier. As far indeed as can be judged from the plans at present proposed, there is no security but that the intended line may even pass along the right or American bank of the St. Johns, and thus, though strictly within British territory, be exposed throughout its whole length to an unguarded frontier, and at the same time separated by the river from all communication with the main portion of the British Province. The project, therefore, however commercially valuable in itself, is no longer that which was favorably entertained by Her Majesty's Government in the first instance, differing from it not merely in detail, but substantially in its character and objects.

7. As it is upon the basis of this line only that the gentlemen now in this country, who represent the intentions of the Province, are instructed to negotiate, Her Majesty's Government fear that their inability to extend to it the promised amount of support, must, for the present at least, terminate this question. But desiring as they do to promote to the utmost of their power the interests of those important portions of the Empire, they will be willing to give the most favorable attention to any modification of the proposals now before them which the Legislatures may, on further consideration, feel inclined to make.

8. I have directed a copy of this despatch to be furnished to Mr. Hincks and Mr. Chandler, who have been deputed on the part of Canada and New Brunswick to conduct this negotiation, and to whom Her Majesty's Government are much indebted for the assistance which those gentlemen have rendered them, although compelled to dissent from the views which they have been anxious to enforce.

I have, &c.

JOHN S. PAKINGTON.

The EARL OF ELGIN and KINCARDINE, &c. &c. &c.

Toronto, 1st February, 1858.

SIR,—

Having been authorized by the Minute of Council of the 9th July last, to urge on the Imperial Government the reasons which should induce the immediate construction of an Inter-Colonial Railway to Halifax, I have the honor to report, for the information of His Excellency, that, under the authority contained in that Minute, I sought the assistance and obtained the valuable aid of the present Solicitor General for Lower Canada, who acted with me accordingly on this service.

At the time of our arrival in England, events in India had assumed a most threatening aspect, and, in consequence, the attention of Her Majesty's Government was very much occupied with matters of a more imminent nature.

We proceeded, however, to communicate as well with the Secretary of State for the Colonies, as with Lord Palmerston, the Chancellor of the Exchequer, the Secretary of State for War, and other Members of Her Majesty's Government, and explained verbally and at length our views on the subject of our mission.

The importance of the work to Imperial interests was fully acknowledged, and the means by which its execution could best be accomplished, were fully discussed.

After these communications, we deemed it advisable to embody our views in a written memorandum, which we laid before the Colonial Secretary. That memoran-

dum fully states the arguments pressed on the consideration of the Home Government, and is now submitted for the approval of Council.

The Canadian Delegates had the advantage of communicating, while in London, with Mr. Johnston and Mr. Archibald from Nova Scotia, who were also urging the same subject in the interests of that Province. The propositions advanced by these gentlemen were identical with those submitted on the part of Canada.

Being apprised that the prerogative of Parliament, the absence of some of Her Majesty's advisers, and the pressing nature of the Indian difficulties, would preclude any immediate conclusion being come to on the propositions of either Canada or Nova Scotia, I considered that a more prolonged attendance would be followed with no advantage, and the question was left under the consideration of the Government.

The despatch of the Secretary of State for the Colonies, of the 15th January, 1858, containing the reply of Her Majesty's Government, having now arrived, I deem it a fitting time formally to report the action which was taken on the mission entrusted to me.

I would state in conclusion, that the Colonial Governments of Nova Scotia and New Brunswick, as well as Her Majesty's advisers, seem deeply impressed with the necessity of this work; on Imperial as well as Colonial grounds, my conviction is, that its construction is only a question of time, and I would respectfully urge that the early attention of the Legislature should be directed to it.

I have the honor to be, Sir,

Your most obedient Servant,

JOHN A. MACDONALD.

The Honorable T. J. J. LORANGER, Provincial Secretary.

MEMORANDUM.

The necessity of constructing a Military road between Halifax and Quebec, so as to render Canada accessible to Her Majesty's forces at all seasons of the year, seems long to have engaged the attention of the British Government.

In 1838 and 1839, when Canada was invaded by organized parties of marauders from the neighbouring country, with the avowed intention of conquest, troops were transported by that route in Winter when the St. Lawrence was closed, with much difficulty, at an enormous expense, and with great suffering to the soldiery; and the impossibility of carrying military stores in sufficient quantities, was then also fully proved.

Several explorations were consequently made by the Military Authorities, with a view to the construction of a military road as part of the system of defence of the British North American Colonies. It was then suggested that a Railway, besides being of more utility for this purpose than an ordinary road, would be of great commercial benefit to those Provinces, and at the same time confer the political advantage of connecting them more intimately with the Mother Country and with each other.

As this scheme would cost much more than the road originally intended, and as the Colonies would be so much more benefitted thereby, it was thought right that they should contribute to the expense of construction.

A survey was accordingly made in the year 1848, by Major Robinson and other Officers selected by the Imperial Government, but at the expense of the Colonies.

Several lines were explored by Major Robinson, but he reported the Eastern or Coast line as preferable, although the longest and most costly, for several reasons, principally of a military character, given by him.

This route was considered by the Colonies, and especially by New Brunswick, as being comparatively of little value except in a military point of view. It was long and circuitous—it passed through a country but little settled, and could not be expected to make any pecuniary return on the cost of construction for years.

The interest, therefore, of any monies borrowed by the Provinces to build the Railway would fall entirely on their general Revenues, a burden which they were little able to bear. These considerations being strongly pressed on Earl Grey, then Secretary of State for the Colonies, he acknowledged their justice, and in a despatch dated 14th March, 1851, agreed that the British Government would guarantee the payment of the interest on monies borrowed by the Provinces for the purpose of making the road, on the condition that it should pass exclusively through British territory; but he stated that it need not of necessity be built on Major Robinson's line. Any deviation from that line was, however, to be subject to the approval of Her Majesty's Government.

Misapprehension arose between Earl Grey and Mr. Howe, of Nova Scotia, then conducting the negotiation, as to whether, in case Major Robinson's line were adopted, the Imperial Guarantee would not also be extended to a lateral Railway running from the Main-Line through New Brunswick westward to the frontier of the United States.

This side line, if constructed, would have much improved the commercial character of Major Robinson's line, as it would have formed a valuable feeder and connected it with the general Railway system of the United States. Acting, therefore, under the belief that the Guarantee was to be so extended, the three Provinces of Canada, New Brunswick, and Nova Scotia, made an agreement to construct the Railway from Halifax to Quebec in equal proportions, and proceeded to legislate upon it with a view to the immediate execution of the work.

On its being ascertained that it had not been intended by the British Government to grant the Guarantee to the local line above referred to, all the objections to Major Robinson's route revived, and the arrangements between the Provinces fell to the ground.

Anxiously desiring the construction of the Railway, the Provinces, although much disappointed at the frustration of their expectations, entered into a new arrangement.

They agreed if the Railway was built along the Valley of the River St. John, Nova Scotia would advance three-twelfths, Canada four-twelfths, and New Brunswick five-twelfths of the cost of the construction.

This line promised great commercial advantages, and a fair pecuniary return, and at the same time satisfied the condition imposed by the Imperial Government, that it should pass exclusively through British territory. The agreement thus altered was submitted to the Imperial Government for approval; but Sir John Pakington, then Colonial Secretary, in a despatch, dated 20th May, 1852, intimated his disapproval of the proposed deviation from the Eastern line, and that he therefore did not feel warranted in recommending the Guarantee to Parliament. He, however, at the same time stated, that the Imperial Government was by no means insensible to the great national object involved in the construction of the line, and that the most favorable attention would be given to any modification of the proposals then before him. The negotiations thus fell a second time to the ground—the Provinces are without their Inter-Colonial Railway, and England has yet no Military road to Canada.

The three Provinces have been driven, from the failure of these negotiations, to undertake, within their several territories, without concert, and on their own unaided credit and responsibility, the construction of Railways no doubt of local advantage, but not of general or national importance.

It was not thought in Canada a fitting time to press this subject again on the British Government, when all its energies were directed to the vigorous prosecution of the Russian War, a struggle in which Canada fully sympathized, and was ready to make its own. But now that peace has been restored, it would seem that no time should be lost in undertaking this great work. Circumstances have arisen during the progress of the war, the enlistment and Nicaraguan questions with the United

States, for instance, which show the necessity for such a road, has not decreased—whether as a means of pouring into Canada a sufficient force, or withdrawing it therefrom, without delay, and at all seasons, in case of sudden exigency, it is equally called for.

The only bar to its construction up to 1852, was the difference of opinion as to route, and that difference, it is believed, is not irreconcilable.

It is understood in Canada that the route by the Valley of the St. John is not now considered by Military men, competent to judge, objectionable as a Military road, nay, that there are strong reasons for its selection as such, at all events, no difficulty is apprehended in finding a line combining the requisites for a Military and a Commercial Road—while Imperial interests require as imperatively as ever the completion of this project, the position of Canada with respect to it has materially altered.

In 1852 there were no Railways in operation in Canada (with two unimportant exceptions) and she had no Winter route to the Atlantic, but since that time, ten lines extending over about 1600 miles have been constructed, at an aggregate cost of about nineteen millions sterling by private companies, chartered and aided by money grants from the Provincial Government, to the extent of nearly five millions and a half. This sum has been raised partly by the bonds of Canada, on the immediate credit of her consolidated Revenue, bearing six per cent. interest, and partly by her bonds issued on the credit of a general municipal fund, established in the Province by Legislative authority. Preparations are now also in progress for the construction of an interior line of communication far removed from the American frontier, by a combined system of Railway and Canal between the River Ottawa and Lake Huron.

Canada has therefore already assumed the full measure of pecuniary obligation which her resources render prudent, but as access to the ocean and communication with England can only be had in Winter through the United States, it is manifest that in so far as Imperial interests are concerned, the Railway facilities are in a great measure incomplete. Canada is fully alive to the importance of providing for the maintenance of her connection with England, and she has sought opportunity and availed herself of every occasion practically to cement that relation.

For the purpose of establishing a direct postal communication with England, which should not only put a stop to a large contribution to the Revenue of the United States, but also attract to the Colony a share of that trade and that emigration which was being diverted to that country, she has established by the payment of an annual subsidy of £50,000, a direct weekly line of ocean steamers between the Colony and England. In this enterprise she is not only unaided by England, but has to combat a line plying to the ports of the United States, supported by a subsidy from the Imperial Government exceeding £180,000 per annum.

The Province has also enrolled, drilled, and armed at her own expense, a large and available volunteer force, consisting already of sixteen troops of cavalry, seven field batteries of artillery, five companies of foot artillery, and fifty companies of rifle-men, all provided with the most modern and effective arms. This force is maintained at a heavy cost to the Colonial Treasury, and being well disciplined, would be of essential and immediate service, should occasion arrive for their active employment.

In addition to this, Canada has been divided into Military districts, and the whole sedentary Militia, consisting of every man capable of bearing arms, has been organized.

In so far as the commercial wants of the Province are concerned, they are amply supplied by the existing Railway communications to the American seaports, New York, and Boston, and by the Railway from Montreal to Portland, over which a Canadian Company has complete control; but this entire dependence on, and exclusive relations with a foreign country, cannot but exercise an important and unwhole-

some influence on the *status* of Canada as a portion of the Empire, and tend to establish elsewhere that identity of interest which ought to exist between the Mother Country and the Colony.

We are sensible that we need not dwell on the grave and possibly disastrous consequences which, if a rupture should unhappily arise with the United States, may result from the want of communication in Winter between England and the interior of the Province; but it is evident that the safety of the Colony can only be secured either by keeping, from the moment of the first apprehension of danger, a Military power within it of such magnitude as would repel any invading force, during the five months when reinforcement or supplies could not be obtained by sea, or the means must be created of throwing in that force and transporting them to those points which are assailable.

We would further mention some facts which shew that while the means of resisting invasion are in no way increased, the facilities for accomplishment are daily becoming greater.

There are now no less than seven American Railways terminating directly at the Canadian boundary, and a far greater number touching the waters of the River St. Lawrence, and the Lakes Ontario and Erie, which divide Canada from the United States. All these Roads may be said to form together a continuous line running parallel with, or in easy proximity to, the provincial boundary—and by their means America would be enabled to concentrate, with the utmost expedition and ease, all her forces upon any quarter and to choose her own point of attack.

It may be urged that war with America is impossible, or, at least, an event so unlikely and remote as to justify no expenditure in anticipation of it. Admitting that the character and moderation of the Federal Government afford assurances of continued amity, it is not to be forgotten that there are other elements, not subordinate, whose influence may at any time become too powerful for control. The best safeguard against aggression is the power of repelling it. The knowledge of our weakness and exposure to attack may do much to precipitate that which, were our strength understood, would never be undertaken. It is now well known that being cut off from England, the Province cannot make her resources and strength available should the necessity for their exercise unhappily come to pass, and when the occasion does arise, it will be too late to provide the means. The road cannot be constructed with a due regard to reasonable economy, for several years, and experience shews how impossible it is to foresee what events within that period may interrupt the friendly relations with a country, the peculiar constitution of which vests so much power in a class, whose interests or passions may, at any time, prompt them to acts which would necessarily lead to a rupture. While, therefore, the commercial or material advantages to Canada which would follow the construction of the Road are comparatively unimportant, she feels it her duty to urge the high national considerations which demand that the work should be undertaken.

There can be little fear of any causes of difference between the Colonies and the United States. The danger hitherto has sprung from subjects wherein, as a Colony, Canada had no interest, but which (such as the Central American, the Oregon, and Enlistment questions,) were purely of Imperial concern; so that, should hostilities arise, Canada would (as she was during the last war), be made the battle ground in a quarrel which she did not cause, and in which she had no special concern. The Colony has received the solemn assurance of the Imperial Government, a promise on which she implicitly relies, that while she is expected to assume her share of the burden of any force which her own internal wants may require in time of peace, yet that the whole power of the Empire will be put forth for her protection and security against foreign aggression. Canada has acted on this assurance and performed her part of the obligation, but we would respectfully urge that, without means of communication with Great Britain, the Imperial Government is powerless to perform its

share, and that the very first step towards the fulfilment of the promise is to provide proper access to the Country.

But, apologising for presenting at perhaps too great a length, arguments whose weight may be fully admitted, we proceed to suggest a mode by which we propose that the work should be constructed.

The question of route is one which, in so far as Canada is concerned, might be left to the Imperial Government and the Lower Provinces, but the distance of that which would probably be chosen may be assumed at 600 miles. By Major Robinson's report the cost of the longest or coast route of 635 miles is £7,000 sterling per mile, to which ten per cent. is added for contingencies, making the cost in round numbers £5,000,000.

Now Canada has already built or has in progress 110, and Nova Scotia 60 miles, available for any route selected for the Inter-Colonial Road, leaving 420 to be constructed. Allowing one million sterling to be added to Major Robinson's estimate for the rise of the cost of labor and materials since 1848, the balance to be provided for is £5,000,000. This would include the cost of the whole section apportioned to and now in process of construction by Nova Scotia, but does not include the cost of 110 miles in Canada, on which a million raised from other sources will be expended.

We have reason to think that if the facilities we are about to mention be extended to Nova Scotia, that Province would complete the additional sixty miles to her own frontier, and allow the whole to form a part of the national line.

Assuming that New Brunswick would perform a nearly equal share, (and her Legislature has already assumed a larger burden), there would remain for completion about two hundred and fifty miles, at an estimated cost, making allowance for the engineering difficulties, of between £2,500,000 and £3,000,000.

We propose that this sum shall be raised as follows:

In the year 1841 Canada obtained from the Imperial Government a loan of a million and a half for the construction of her public works. This matures at a distant period, but meanwhile a sinking fund has been formed for its redemption. We suggest that the amount of this loan, including the sinking fund, be granted in aid of the proposed Railway, and that Canada shall be relieved from its repayment in consideration of her expending the whole amount in the construction of the line from Riviere du Loup, in Canada, towards Halifax.

Canada and New Brunswick have already appropriated all their ungranted public lands, for 10 miles on each side of the line, in aid of the undertaking. It is assumed that these lands amount to about four millions of acres, and it is proposed, that on the security of these and the road generally, any balance requisite to complete the work should be raised as a first charge.

The system of land grants to aid the construction of Railways has been followed, with the most entire success, in the United States of America, where lands, from being almost worthless and unsaleable, have risen in value with a rapidity far exceeding the most hopeful anticipations.

It is apprehended that the Provinces of Nova Scotia and New Brunswick would not feel warranted in burdening themselves with so large an amount of interest as a loan to be affected on their own credit would involve, and it, therefore, seems necessary that the Imperial guarantee promised by Lord Grey, should be extended to the bonds of these Provinces to the extent of their respective contributions. This guarantee would enable them to raise the money at such a reduced rate of interest as would justify their incurring the obligation.

The contribution of the Imperial Government then, would amount to this:

First. A guarantee of the bonds of the Provinces of Nova Scotia and New Brunswick.

Second. The conditional discharge of Canada's debt of £1,500,000.

And as a direct equivalent there would be secured not only a military road from

£4750

250
10,000
2,500,000

Halifax to Quebec, but continuous railway communication, for the transport of men and stores, from Quebec to the western extremity of the Province of Canada.

We do not pretend to hold out the prospect of any immediate direct return on the outlay, because we have no data on which to base reliable calculations; but we must express the conviction that even in a financial point of view the cost of the road, although the entire outlay were assumed by the Imperial Government, would ultimately be more than saved by the lessened expenditure which England will be called upon to bear after its completion, by enabling her to reduce her military establishments in Canada.

But in the scheme submitted, the Provinces, cherishing, and sensible of the value of their connection with England, offer substantial aid and coöperation. It will be seen that our object is not to involve the Imperial Government in an undertaking in the hope of a pecuniary return, or to assume a liability in the special interest of any Colony. If the best interests of the Empire—the extension of her Commerce, and the permanence of British power on the continent of America, do not warrant the immediate construction of the work and the contribution of England towards it, we desire to abstain from urging considerations of minor weight on behalf of the enterprise; but the material aid which the Colonies are ready to extend affords sufficient proof that, in their opinion, its importance on national grounds has not been exaggerated.

We trust that a consideration of these views, (which, it is to be understood, are made subject to the approval of the Executive and Legislature of Canada,) may meet with the favorable and early attention of Her Majesty's Government. If provisionally acquiesced in, no time will be lost in seeking to obtain the sanction and coöperation of the other Provinces.

JOHN A. MACDONALD,
JOHN ROSS.

London, 13th November, 1858.

SIR,—

In the interview with which we were honored by the Secretary of State for the Colonies, on the subject of the Railway from Halifax to Quebec, Sir E. Lytton stated that while the construction of this work unquestionably entered into Imperial policy, it involved questions more peculiarly financial, and that he therefore wished us to address you, and, in submitting our united application, to add our views of the manner in which the British Exchequer would be affected by your assent to our proposal.

A reference to the enclosed copy of our joint letter to Sir E. Lytton will show you, that estimating the capital required to be £3,500,000, the Imperial Government are asked to apply £1,500,000 now payable by Canada,—and to guarantee, if necessary, the proposed grant by the three Colonies of £60,000 per annum, assuming, which we trust will not be questioned, that the obligations of the several Provinces will be honorably met, as has always hitherto been the case,—the amount of aid asked from the British Government to secure an object admittedly of vast Imperial interests is limited to the grant of £1,500,000, representing, at 4 per cent., an annual charge on the British Exchequer of £60,000.

Against this sum it is claimed that the construction of the Railway would relieve Great Britain of certain known charges.

✓ Payment to United States Government for the transmission of mails to and from Canada.....	£25,000	0	0
✓ Reduction in ocean services as now performed by the Cunard Line, Halifax being 547 miles nearer to Liverpool than New York, in proportion to the whole subsidy at least....	35,000	0	0

✓ Saving in transmission of Troops and munition of War, at least	£10,000 0 0
	£70,000 0 0
✓ To which may be added the sum which would be paid by the United States Government for the transmission of their Mails by the Railway, at least as much as is now paid by the British Government.....	25,000 0 0
	£95,000 0 0

On financial grounds we therefore do not hesitate to state our conviction that a large reduction may be effected in existing charges upon the British Revenue,—while at the same time, the other and more important Imperial political objects will be attained.

We have now fully stated our views on this important subject, and it only remains for us to express our hope that if Her Majesty's Government are desirous of extending their aid, they may be pleased to advise us of their views; and should they not be prepared to adopt the precise scheme submitted by us, that they will be pleased to inform us of the mode by which they consider the object can be attained more consistently with the interests of the Imperial Government.

We may add that if it should be more consistent with your views to grant aid to this proposed Railway by way of subsidy for the services herein before enumerated, instead of an absolute grant of money, it would equally meet the expectations and desires of the several Colonies.

We have the honor to be, &c.

(Signed)	G. E. CARTIER,	}	Canada.
	JNO. ROSS,		
	A. D. GALT,		
	CHARLES FISHER,	}	New Brunswick.
	A. J. SMITH,		
	CHARLES TUPPER,	}	Nova Scotia.
	W. A. HENRY,		
	R. B. DICKEY,		

The Right Honorable B. D'ISRAELI, Chancellor of the Exchequer, &c. &c. &c.

London, 2d December, 1858.

SIR,—

In the interview with which the New Brunswick Delegates and myself were to-day honored, you kindly intimated that I should submit in writing the views briefly indicated by me, in reference to the financial bearings of the pending application for Imperial aid to the Halifax and Quebec Railway.

Referring to our joint communication to the Chancellor of the Exchequer on this part of the subject, I submit that our estimates of the savings to be effected to the Treasury, by the proposed line of Railway, have been carefully kept within the mark. For example, the reduction of expense in moving troops and stores can hardly be measured by the mere difference of water transit, for it must be borne in mind that during half the year there is, at present, no means *whatever* of conducting these operations, and there is high authority for assuming that with the increased facilities which this line would afford of concentrating troops upon any given point, an additional saving of two or three regiments might be made in the force employed in British North America. So long ago as December, 1848, the Earl of Elgin, then Governor-General

of Canada, expressed his deliberate opinion in a despatch to Lord Grey, that a considerable reduction might be made in the military force of the Colonies immediately on the completion of this work. This facility of concentration, on a frontier which might seem, from its defenceless position during half the year, to invite aggression, would thus render an Inter-Colonial Railway the surest bond of peace between the Mother Country and the United States.

In like manner the amount set down as a prospective saving on the subsidy for Ocean Mail Service is purposely limited to the proportion of distance in the sea voyage, while it is not difficult to show that this by no means represents the entire saving. The expense of running steamers is supposed to increase in a greater ratio than the length of voyage, and from the saving in dead weight of coals, provisions, &c., greater speed may be attained in a voyage from Liverpool to Halifax than in the longer one to Boston or New York. It may be conceded that on the assumption of the continuance of this ocean subsidy a larger amount might be required, inasmuch as mail communication must necessarily be more frequent. Now, without advertent to the fact that there are many charges common, or nearly so, to a line, whether weekly or daily, such as superintendence, docks, &c., permit me, Sir, to invite your attention to the necessary result of this increase of communication, viz., an increase of postage returns. That this increase will vastly preponderate over any assumed increase of subsidy, I venture to think there can be little doubt. Measured by the enormous increase since the days of the old monthly sailing packets, which has resulted from the splendid enterprise of a man of whom Nova Scotia may well be proud, who shall estimate the augmented postage receipts which a daily line by the shortest route to Canada, New England, and the Great Lakes, and Western States, must inevitably yield to the Imperial Treasury. Let it not be forgotten, too, that it is distinctly proposed to convey these mails over the projected Railways without any additional charge to the Government, beyond the subsidy predicated upon existing circumstances, an amount barely exceeding one third of the present annual payment for weekly mails across the Atlantic.

By our proposal, then, we ask for no increased burthen upon the Exchequer,—no demand is made upon the Treasury until certain services are performed, and only for the performance of these specified services, at a rate which it is confidently submitted the Parliament and people of Great Britain would gladly undertake to deduct from the postage receipts, were this improved line of communication at this moment in existence,—a proposition infinitely less burthensome than those to which successive administrations stand pledged. Nor is this all, even in looking to it as a mere financial operation, apart from the vast national objects, to be gained by thus aiding private enterprise. By this Railway to Quebec, connecting with the lines on the St. Lawrence to Lake Huron, and the Northern and Western States, letters would reach Buffalo or Toronto before they could be landed from a Steamer at New York. One result of giving the Imperial aid sought for, would probably be to ensure a connection between the existing Railway at St. John and the American Railway system.—

Without this connection, letters and passengers could be landed at least as quickly at Boston or New York by the Inter-Colonial Railway as by sea transit; with it, a large portion of the mail and passenger traffic of the Middle States would also be diverted, since it is a well established fact that by the present modes of transit, water communication cannot successfully compete with Railways. Why, then, may not an amount equivalent, at least, to that now paid for the passage of Canadian Mails over American Railways, be fairly calculated upon as a source of Revenue?

Believe me, Sir, that every manufacturer of Manchester, of Glasgow, and of Belfast, has a direct interest in the speedy solution of this question. Let it be shown that the products of these hives of industry may be transported throughout the year to the furthest verge of Lake Huron in a fortnight, and it may be difficult to assign limits to the increase of trade between the Mother Country and her sons in that vast

region which, by the necessities of its geographical position, is now limited during half the year to commercial intercourse with the adjoining Republic. Surely it is no light matter that for six months in the year, Canada is dependent for her entire import and export trade, even with her sister Colonies, upon the revenue regulations of a foreign country. Will Great Britain aid us with her credit to wipe off this reproach?

Without concert with my colleagues, but faithfully, as I believe, reflecting their views, I have thus imperfectly, on the eve of departure, presented some considerations which may not, I trust, be without weight with yourself and your colleagues; and apologising for again pressing upon your notice this matter of vital importance to the interests alike of the Colonies and the Empire,

I have, &c.

R. B. DICKEY.

The Right Hon. Sir E. B. LYTTON, Bart., H. M. Secretary of State for the Colonies.

No. 30.

Downing Street, 24th December, 1858.

MY LORD,—

You are doubtless aware that frequent communications have passed between me and the Delegates who visited this country from the British Provinces in North America, relative to the proposal that some Imperial aid should be granted towards the completion of an Inter-Colonial Railway from Halifax to Quebec. The subject has not failed to receive the anxious consideration of myself and my colleagues.

I need scarcely say that the project is one which Her Majesty's Government cannot regard otherwise than with the best wishes; even were no national object concerned, it would be highly gratifying to them that the British Provinces in North America should reap the local advantages which would be derived from the completion of this great line of Railway. Those advantages, it is true, would not justify an outlay of British funds, inasmuch as it is evident that for an Imperial expenditure there must be an Imperial object, but I readily admit that the plan does likewise embrace interests of a general and national character. Independently of any Military advantages which might attend the existence of an uninterrupted communication by rail over British territory in the event of any disturbance of the existing friendly relations of Great Britain with ~~all~~ other countries, some benefits of an Imperial kind would at once accrue from the completion of the Inter-Colonial Railway, the letters from England would pass over a shorter and cheaper route, and the movement of Troops would gain in point of convenience and economy.

As to the probable amount of such financial benefits to the Mother Country, there would probably be some difference between the calculations suggested by the Delegates and those formed by the official departments in the Imperial service, to which the consideration of matters affecting the conveyance of Troops, or the carriage of letters would specially belong. It is unnecessary, however, at present to raise that question, and I readily grant that it involves others both of kindly feeling towards Provinces so loyal and so important, and of general policy in the increased strength and compactness produced by rapid communication, which it would be impossible to reduce to figures and specify in estimates. But still the national expenditure must be regulated by the national resources, and however important may be the foregoing advantages, it has been found that objects of interest to Great Britain yet more urgent must yield to the necessity of not unduly increasing at the present moment the public burthens. For this reason, I can only express my deep regret that while doing full justice to the ability of the arguments advanced by the gentlemen who visited this country as Delegates upon the subject, and while far from undervaluing the benefits of an Inter-Colonial communication by Railway, Her Majesty's Government have not found themselves at liberty to accede to the proposal of granting Imperial aid towards the completion of the line between Halifax and Quebec. I have, &c.

E. B. LYTTON.

The Right Honorable the EARL OF MULGRAVE, &c. &c. &c.

Delegations