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Pagination is as follows: p. [i]-ix, 3-167.

FURTHER CORRESPONDENCE

RELATIVE TO THE

PROJECTED RAILWAY

FROM

HALIFAX TO QUEBEC.



*(In continuation of Papers presented by Command of Her Majesty,
16th June 1851.)*

**Presented to both Houses of Parliament by Command of Her Majesty,
June 14, 1852.**



LONDON:
PRINTED BY GEORGE EDWARD EYRE AND WILLIAM SPOTTISWOODE,
PRINTERS TO THE QUEEN'S MOST EXCELLENT MAJESTY.
FOR HER MAJESTY'S STATIONERY OFFICE.

1852.

SCHEDULE.

CANADA.

DESPATCHES FROM GOVERNOR-GENERAL THE EARL OF
ELGIN AND KINCARDINE.

No. in Series.	Date and Number.	SUBJECT.	Page.
1	28 Aug. 1851 (104.)	Forwarding a letter from Mr. Archibald, containing a proposal for carrying out the contemplated plan of Railway Communication - - - - -	3
2	26 Feb. 1852 (15.)	Enclosing a minute of the Executive Council, advising that Mr. Hincks, Inspector General, should proceed to England to confer with Her Majesty's Government on the subject of the aid to be granted to British American Railways - - - - -	7
3	1 April 1852 (29.)	Forwarding a communication from Mr. Joly, chairman of the Quebec and Montreal Railroad Committee, praying that the north shore of the St. Lawrence from Quebec to Montreal be adopted for the main trunk line to form a portion of the great provincial railway to be executed by the North American provinces, with the aid of an Imperial guarantee - - - - -	8

DESPATCHES FROM THE SECRETARY OF STATE.

No. in Series.	Date and Number.	SUBJECT.	Page.
1	3 Oct. 1851 (644.)	In reply to Lord Elgin's despatch No. 104, 3d October 1851, forwarding Mr. Archibald's letter on the contemplated railways in British North America - - - - -	17
2	27 Nov. 1851 (664.)	Forwarding copy of a despatch to the Lieut.-Governor of Nova Scotia, relative to the remarks on the subject of Imperial assistance contained in his speech to the Legislature on the 4th November 1851 - - - - -	17
3	20 Feb. 1852 (689.)	Forwarding the copy of a letter addressed to Mr. Hincks, dated 20th February 1852 - - - - -	17
4	27 April 1852 (15.)	Acknowledging a letter from the Chairman of the Quebec and Montreal Railroad Committee, advocating the adoption of the north shore of the St. Lawrence for the main trunk line of railway - - - - -	17
5	20 May 1852 (25.)	Communicating the decision of Her Majesty's Government on the proposals of the provincial delegates with reference to the Imperial aid required for the construction of the Halifax and Quebec Railway - - - - -	18
6	26 May 1852 (31.)	Relative to the course to be followed with certain Railway Acts of the Provincial Legislature of the past session - - - - -	19

CORRESPONDENCE WITH MR. HINCKS

No. in Series.	Date and Number.	SUBJECT.	Page.
1	F. Hincks, Esq., to Earl Grey, 5 Feb. 1852.	Stating the results of a Conference at Halifax of the several Delegates from the provinces interested in the construction of the proposed Halifax and Quebec Railway - Objections to the line proposed by the Government officers who conducted the survey in 1848.	20
2	F. Peel, Esq., M.P., 20 Feb. 1852.	In reply to the preceding communication, and adverting to the suggestion that a deputation from the several provinces should visit England, with a view to personal conference with Her Majesty's Government - - -	22
3	F. Hincks, Esq., to Secretary Sir J. Pakington, 31 March 1852.	Submitting a statement concerning the proposed line for the consideration of Her Majesty's Government, and with a view to concluding final arrangements - -	23
4	Ditto, 1 May 1852	The final decision of Her Majesty's Government on the pending question required by the 15th instant. Intended withdrawal from negotiations in the event of not receiving such decision - - -	29
5	Earl of Desart to F. Hincks, Esq., 6 May 1852.	Acknowledging the foregoing letter - - -	30
6	Ditto, 20 May 1852	Communicating the copy of a despatch addressed to the Governor General of British North America, conveying the decision of Her Majesty's Government on the subject of the Imperial aid required for the construction of a railroad from Halifax to Quebec - - -	31

NOVA SCOTIA.

DESPATCHES FROM ACTING GOVERNOR BAZALGETTE.

1	4 Aug. 1851 (8.) -	Transmitting Mr. Howe's report of Conference of Delegates at Toronto - - - Dissolution of Provincial Parliament reported.	34
2	18 Sept. 1851 (16.)	Forwarding a communication to the Government of New Brunswick on the proposed legislative measures respecting railways - - -	37

DESPATCHES FROM LIEUT.-GOVERNOR SIR J. HARVEY.

3	3 Nov. 1851 (33.)	Lieut.-Governor's speech on opening session, and addresses of Legislature in reply - - -	38
4	27 Nov. 1851 (34.)	Progress of legislation on railway policy. Bills transmitted, as also extract proceedings of the Assembly, showing the objections of some of the members to these bills -	39
5	11 Dec. 1851 (38.)	Forwarding copy of speech delivered on the close of the Legislative Session, together with a joint address to Her Majesty from the Legislative Council and Assembly, for aid for the construction of the inter-colonial railway from Halifax to Quebec - - -	43
6	11 Dec. 1851 (40.)	Transmitting a report from Mr. Howe, dated 11th December 1851, respecting a misinterpretation of the views of Her Majesty's Government relative to the aid to be afforded towards the proposed railway - - -	45
7	24 Dec. 1851 (44.)	Forwarding a further communication from Mr. Howe, dated 24th December 1851, on the same subject -	47

DESPATCHES FROM LIÉUT. GOVERNOR SIR J. HARVEY—*continued.*

No. in Series.	Date and Number.	SUBJECT.	Page.
8	5 Feb. 1852 (50.)	Acknowledging Earl Grey's despatch of 9th January 1852, in reply to the preceding communications - - -	50
9	5 Feb. 1852 (52.)	Forwarding a correspondence showing the progress of the negotiations between the provincial delegates met at Halifax, with a view of obviating difficulties and arriving at a combined railway policy - - -	50
10	19 Feb. 1852 (54.)	Enclosing a resolution of the House of Assembly accepting the proposal made by the delegates from Canada and New Brunswick - - -	56
11	3 March 1852 [Extract.]	Announcing the intended departure of Mr. Howe for London, with the view of joining the other delegates to Her Majesty's Government - - -	56
12	12 April 1852 -	Enclosing Acts of the Provincial Legislature for raising funds and making provision for the construction of the Halifax and Quebec railway - - -	57

DESPATCHES FROM THE SECRETARY OF STATE.

1	3 April 1851 (264)	Acknowledging the address to Her Majesty enclosed in Sir J. Harvey's despatch, No. 11, of 13th March 1851 -	58
2	27 Aug. 1851 (284.)	In reply to the Acting Governor's despatch, No. 8, of 4th August, enclosing Mr. Howe's report of proceedings of railway conference; the dissolution of the Provincial Parliament, &c. - - -	58
3	13 Oct. 1851 (288.)	Acknowledging Lieutenant-Governor's despatch, No. 16, of 18th September, forwarding copy of a communication to the Government of New Brunswick - - -	58
4	27 Nov. 1851 (292.)	In reply to Sir J. Harvey's despatch, No. 33, of 13th November, and adverting to a misconception relative to the intentions of Her Majesty's Government, contained in the speech on opening the session of the Legislature -	58
5	9 Jan. 1852 (297.)	Reply to Governor's despatches, Nos. 40 and 44, enclosing communications from Mr. Howe relative to a misinterpretation of the views of Her Majesty's Government -	59
6	20 Feb. 1851 Separate -	Forwarding a letter, dated 20th February, addressed to Mr. Hincks - - -	62
7	26 May 1852 (11.)	Relative to the course to be followed with certain Railway Acts of the Provincial Legislature of the past session -	62
8	27 May 1852 (12.)	Forwarding copy of a despatch addressed to the Governor-General of British North America, conveying the decision of Her Majesty's Government upon the subject of Imperial aid for the construction of the projected line of railway from Halifax to Quebec - - -	63
9	10 June 1852 (16.)	Acknowledging Lieutenant-Governor's despatch No. 38, of 11th December 1851, transmitting a joint Address to Her Majesty from the Provincial Legislature on the subject of aid required for carrying on the proposed railway -	63

NEW BRUNSWICK.

DESPATCHES FROM THE LIEUTENANT-GOVERNOR.

Number in Series.	Date and Number.	SUBJECT.	Page.
1	13 June 1851 (37.)	Enclosing a copy of certain resolutions passed at a public meeting in the county of Kent	66
2	11 July 1851 (44.)	Forwarding a memorandum of the Executive Council on the subject of certain Railway Facility Bills	66
3	2 Aug. 1851 (51.)	Reporting arrangements with reference to the Executive Council, and forwarding copy of a memorandum of the policy agreed on by members on the question of the Halifax and Quebec Railway	67.
4	8 Nov. 1851 (66.)	With copy of letter and accompanying resolutions received from President of the European and North American Railway Company on the amendments proposed in their Act of Incorporation	68
5	17 Jan. 1852 (2.)	Forwarding copies of speech on opening the Legislature, and of addresses presented in reply thereto, having reference to the Railway question	69
6	23 March 1852 (8.)	Notifying the appointment of the Hon. E. B. Chandler as a delegate to England on the Railway conference	71
7	April 1852 (12.)	Governor's speech on closing the Legislative Session	72
8	8 April 1852 (16.)	Referring to the several enactments connected with Railways; the Act, respecting the European and North American line, &c.	72
9	9 April 1852 (18.)	Forwarding resolutions and addresses to Her Majesty adopted at public meetings of the inhabitants of the counties of Gloucester and Northumberland	73
10	10 April 1852 (19.)	Forwarding copy of resolutions adopted at meeting held at Dalhousie, county of Restigouche	77
11	10 April 1852 (20.)	Acts for promoting the construction of the Halifax and Quebec Railway, transmitted	79

DESPATCHES FROM THE SECRETARY OF STATE.

1	27 June 1851 (273.)	Conveying Her Majesty's confirmation of the Provincial Act, No. 2,063, "to facilitate the construction of the St. Andrew's and Quebec Railway"	80
2	28 June 1851 (274.)	In reply to Lieut.-Governor's despatch, No. 32, of 23d May, forwarding resolutions passed at a public meeting at Dalhousie	80
3	8 July 1851 (278.)	Acknowledging Lieut.-Governor's despatch, No. 37, of 13th June, forwarding resolutions passed at a public meeting in the county of Kent	81
4	5 Aug. 1851 (281.)	With reference to the question of submitting for Her Majesty's confirmation the Acts relative to the European and North American Railway	81
5	28 Aug. 1851 (288.)	Reply to Lieut.-Governor's despatch, No. 51, 2d August 1851, reporting Council arrangements, and enclosing a memorandum of the railway policy agreed upon by members	81
6	27 Nov. 1851 (300.)	Forwarding copy of a despatch addressed to the Lieutenant-Governor of Nova Scotia, on the subject of the assistance to be rendered by the Imperial Government in the construction of the proposed railway	82

DESPATCHES FROM THE SECRETARY OF STATE—*continued.*

Number in Series.	Date and Number.	SUBJECT.	Page.
7	5 Dec. 1851 (302.)	In reply to Lieutenant-Governor's despatch, No. 66, of 8th November, on the subject of the amendments proposed in the European and North American Railway Act -	82
8	9 Jan. 1852 (308.)	Transmitting copies of correspondence with the Lieutenant-Governor of Nova Scotia -	82
9	25 May 1852 (6.)	Acknowledging the addresses to Her Majesty from the Inhabitants of Gloucester and Northumberland, enclosed in Sir E. Head's despatch, No. 18, 9 April 1852 -	82
10	27 May 1852 (9.)	Transmitting copy of a despatch addressed to the Governor-General of British North America, conveying the decision of Her Majesty's Government on the proposal relative to the Halifax and Quebec Railway -	83
11	27 May 1852 (10.)	In reply to Lieutenant-Governor's despatch, No. 19, 10 April, forwarding resolutions adopted at a meeting held at Dalhousie, county Restigouche -	8

OTHER CORRESPONDENCE.

ST. ANDREW'S AND QUEBEC RAILWAY COMPANY.

1	B. Sharpe, Esq., to the Right Hon. Earl Grey, 11 Feb. 1852.	Containing a proposal for combining a section of the European and North American line with the railroad under construction between St. Andrew's and Quebec, and extending communication with Quebec and the United States. Proposed "Albion" settlement -	86
2	Ditto, 13 Feb. 1852		89
3	F. Peel, Esq., M.P., to B. Sharpe, Esq., 16 Feb. 1852.	In reply -	89
4	B. Sharpe, Esq., to the Right Hon. Sir J. Pakington, 2 March 1852.	Submitting on behalf of the St. Andrew's and Quebec Railway Company a plan for the construction of an entire line of railway between Halifax and Quebec -	89
5	Earl of Desart to B. Sharpe, Esq., 13 March 1852.	In reply to the preceding communication -	92
6	B. Sharpe, Esq., to Right Hon. Sir J. Pakington, 4 May 1852.	Containing a statement of the views of the directors of the St. Andrew's and Quebec Railroad Company in reference to the proposed line from Halifax -	92
7	Earl of Desart to B. Sharpe, Esq., 19 May 1852.	In reply -	94
8	28 May 1852	Memorandum on this question left by a deputation from the St. Andrew's and Quebec Railway Company with Sir J. Pakington -	94
9	Earl of Desart to Earl Fitzwilliam, 9 June 1852.	Acknowledging the memorandum -	96

CORRESPONDENCE WITH MR. JACKSON.

Number in Series.	Date and Number.	SUBJECT.	Page.
1	W. Jackson, Esq., M.P., to the Right Hon. Earl Grey, 12 Jan. 1852.	Submitting for consideration certain proposals for the construction of railways in British North America - - -	97
2	F. Peel, Esq., M.P., 27 Jan. 1852.	In reply - - - - -	99
3	W. Jackson, Esq., M.P., 5 February 1852.	In continuation of previous letter, submits certain definite proposals in conformity with what is understood to be the views of Her Majesty's Government with respect to the great trunk line from Halifax to Quebec - - -	100
4	Ditto - - - -	Proposing also to undertake the construction of a line from the Halifax and Quebec line, by way of the city of St. John, to the United States frontier - - - - -	101

OTHER CORRESPONDENCE.

1	H. B. Willson, Esq., to the Right Hon. Sir J. S. Pakington, 28 April 1852.	Forwarding for consideration a memorandum respecting the proposal of the Hon. Mr. Hincks, Inspector-General of Canada, to the Imperial Government, to obtain aid in the construction of the proposed system of railways in the provinces of Canada, New Brunswick, and Nova Scotia; and reasons against its adoption by the British Government - - - - -	102
2	The Earl of Desart, 10 May 1852.	In acknowledgment of the foregoing - - - - -	116
3	R. Gillespie, Esq., 20 March 1852.	Views respecting the proposed railway - - - - -	116
4	Earl of Desart, 31 March 1852.	In reply - - - - -	118
5	T. Wilson, Esq., 8 May 1852.	Views respecting the proposed railway - - - - -	118
6	Earl of Desart, 22 May 1852.	In reply - - - - -	119

APPENDIX,

CONSISTING OF PROVINCIAL ACTS.

CANADA.

Number in Series.	Chapter.	SUBJECT.	Page.
1	Cap. 51. - - -	An Act to consolidate and regulate the general clauses relating to railways - - - - -	122
2	Cap. 73. - - -	An Act to make provision for the construction of a main trunk line of railway throughout the whole length of this province - - - - -	138
3	Cap. 74. - - -	An Act to extend the provisions of an Act passed in the present session, intituled "An Act to make provision for the construction of a main trunk line of railway throughout the length of this province" - - - - -	144
4	Cap. 75. - - -	An Act for raising by way of loan a sum not exceeding four millions of pounds currency, for making a main trunk line of railway throughout the length of this province - - - - -	144
5	Cap. 143. - - -	An Act to incorporate the Montreal and Kingston Railway Company - - - - -	146
6	Cap. 146. - - -	An Act to incorporate the Kingston and Toronto Railway Company - - - - -	151

NOVA SCOTIA.

Number in Series.	SUBJECT.	Page.
1	An Act to make provision for the construction of a trunk railway through British America.—(Passed the 29th day of November 1851) - - - - -	154
2	An Act for raising, by way of loan, a sum not exceeding one million of pounds sterling for the construction of a trunk railway through British North America.—(Passed the 29th day of November 1851) - - - - -	155
3	An Act relative to the Crown Land Department.—(Passed the 29th day of November 1851) - - - - -	157
4	An Act for the incorporation of Land Companies.—(Passed the 29th day of November 1851) - - - - -	158
5	An Act to make provision for the construction of a trunk railway from Halifax to Quebec.—(Passed the 8th day of April 1852) - - - - -	159
6	An Act for raising by way of loan, a sum not exceeding eight hundred thousand pounds sterling for the construction of a trunk railway from Halifax to Quebec	161

NEW BRUNSWICK.

1	An Act to amend an Act to incorporate the European and North American Railway Company.—(Passed 7th April 1852) - - - - -	163
2	An Act to make provision for the construction of a great trunk line of railway from Halifax to Quebec.—(Passed 30th March 1852) - - - - -	164
3	An Act for raising, by way of loan, funds for the construction of a great trunk line of railway from Halifax to Quebec.—(Passed 30th March 1852) - - - - -	166

FURTHER CORRESPONDENCE

RELATIVE TO THE

PROJECTED RAILWAY FROM HALIFAX TO QUEBEC.

C A N A D A.

Despatches from the Governor General the Right Hon.
the Earl of Elgin and Kincardine.

(No. 104.)

No. 1.

CANADA.

No. 1.

COPY of a DESPATCH from the Earl of ELGIN AND KINCARDINE to
Earl GREY.

Government House, Toronto, August 28, 1851.

(Received September 15, 1851.)

MY LORD,

(Answered No. 644, October 3, 1851, page 17.)

IN compliance with the request of Mr. Archibald, I have the honour to transmit to your Lordship the copy of a communication which that gentleman has addressed to me on the subject of the contemplated railways in British North America.

I have, &c.

The Right Hon. Earl Grey, (Signed) ELGIN AND KINCARDINE.
&c. &c. &c.

Enclosure in No. 1.

Encl. in No.

MY LORD,

Toronto, June 21, 1851.

WITH your Lordship's permission I will now proceed to put in writing the proposals in reference to the contemplated railways in British North America which I have already had the honour of personally submitting, accompanied by such views and explanations as may be calculated to place the whole subject matter in its proper light.

In order to carry out a complete railway system commensurate with the prospective requirements of the British North American provinces provision must be made for the construction of a grand trunk line from Halifax to the American frontier at Detroit. Of this line the only part now actually in progress is the Great Western, between Hamilton and Windsor; and it is supposed that the same company will construct the link between Hamilton and Toronto. If all the provinces were to agree to accept the terms proposed by the Imperial Government provision would be made for the whole line from Halifax to Quebec or Montreal; but whilst it is not quite certain that either province will accept those terms, New Brunswick has actually rejected them. Assuming for the present, however, that Canada and Nova Scotia will concur in accepting the offer of the British Government, it remains to be considered by what means the New Brunswick section can be carried through, and how the great trunk line can be extended from Montreal to Toronto. It may be that the Legislature of New Brunswick, upon reconsideration of the whole subject, may be induced to come into the general arrangement, or that Canada and Nova Scotia may agree to assume a part of her burden. But should neither of these alternatives avail, I hope to be able to suggest a plan that shall eventually accomplish the whole object, without pressing unduly upon the resources of that province.

The configuration and geographical position of New Brunswick render it necessary to the completion of a perfect railway system that the province should be traversed its entire length by two main lines; and in the present condition of its finances the people appear to be unwilling to assume the burden of constructing both, even with the liberal proffer of aid from the British Government. In view of the construction of one only of these lines great differences of opinion and angry discussions have arisen as to their comparative importance. The northern section of the province naturally contends for the northern line, whilst the southern division, including the commercial capital, as strongly advocates its favourite scheme. For my own part, I regard them both as of equal importance, and each indispensable to the requirements of its particular district. It is to the all-prevailing

CANADA.

sense not in New Brunswick alone of the importance of the European and North American line that we owe the revival of the Halifax and Quebec project, which had been all but abandoned; and if this latter line should now weigh heavier in the general scale, it is due not so much to any special provincial object that it serves as to its bearing upon emigration and colonization, which are questions rather of *national* concern. I do not mean to say that these questions do not very nearly touch New Brunswick; on the contrary, what she most wants is a sound system of colonization and the progressive influx of people of steady habits and some means.

It is estimated that there are in New Brunswick from twelve to fourteen millions of acres of ungranted lands, which, however, are at the present moment comparatively worthless. In case of urgent necessity the province could hardly realize 100,000*l.* from the whole of this vast territory; and at the rate at which the lands are now taken up several centuries must elapse before they will be fully occupied. If I am rightly informed, the sales of Crown lands barely realize sufficient to defray the current expenses of the department, and it would appear that in fact they are virtually given away.

At certain periods the lands are put up for sale at public auction, and sold generally to the poorest class of transient emigrants, upon condition that the purchase money is *to be worked out in labour* on some road nearest to the land, and if, as often happens, there is no road to the lot, the purchaser makes one, and so pays for his freehold by a few days labour upon it. It is evident that under such a system a body of settlers will be introduced who can contribute nothing to the public wealth or weal; but on the contrary, it is easy to imagine that when these enfranchised paupers shall become greatly increased in numbers they may form a class capable of being influenced prejudicially to the character of the Legislature and the best interests of the province.

It is one of the main features of the plan that I am to propose, to make these wilderness lands available for the completion of the railways, and at the same time the field of a system of colonization that cannot fail to be productive of the greatest benefits to the province as well as to the mother country.

The parties whom on this occasion, in the absence of their more able representative, it falls to my lot to personate, are an association of British capitalists and contractors, limited in point of numbers, but powerful from their influence, combinations, and means. The chief among them are the men who have taken the foremost lead in the construction of those great lines of railway and other public works which have been undertaken in Great Britain and upon the continent of Europe during the last five-and-twenty years. It will readily be believed that men of this stamp are not at all under the necessity of seeking employment for their capital or connexions in North America. On the contrary, they are precisely the parties upon whom the largest enterprises in Europe are continually pressed, and at this moment they are pausing upon very inviting offers, on the part of the French Government, until the fate of these Anglo-American railways shall be decided. In the course of their gigantic operations, an army of dependents and retainers, amounting to several thousands, has sprung up, and for these they feel bound to provide employment. A large division of this veteran force, consisting of artizans and skilled labourers, regularly organized under their clerks of works, architects, surveyors, and foremen, &c. &c., were upon the point of being removed and domiciled in France, when influences were brought to bear upon their employers which induced them to turn their attention to British North America. Upon certain conditions, which I do not think will appear at all unreasonable, these parties are willing to make these countries, upon which British capitalists have hitherto turned their backs, the exclusive field of their future operations, and to transfer here the whole of that disciplined force which has carried them triumphantly through so many great undertakings. Such an opportunity of securing a combination of every thing essential for the construction, equipment, and management of our great railway system may never occur again, and ought not to be left unimproved. The very first detachment of this army of peaceful operatives would introduce more realized wealth than all the thousands of emigrants who have straggled into New Brunswick during the last twenty years. But it is not their worldly possessions, after all, that will prove of most importance. All the various mechanical arts which railway enterprise brings into requisition would be introduced in the highest state of perfection; and the various necessary establishments and factories for purposes of the works would form normal schools for training the rising youth in the knowledge and practice of arts and manufactures, hitherto entirely unknown in the country.

The construction of these great lines of railway, under such auspices and by such means, cannot fail to be productive of the most beneficial effects upon the social, moral, and political condition of the people of these colonies; whilst the mother country will at the same time be greatly relieved by the sound and healthy system of emigration and colonization which they will necessarily promote. The advantages both to the parent state and the colonies are so great and so obvious, that they need not be laboured; but I cannot pass by this part of the case without desiring to strengthen the argument, by referring to your Lordship's powerful reasoning, conveyed in the communication to Earl Grey, under date of the 20th December 1848.*

Having said so much, perhaps unnecessarily, with a view of demonstrating the expediency of carrying out these great works by means of British skill and labour, and, by

* Page 58, Parliamentary papers presented to both Houses of Parliament by command, February 1849,—“Halifax and Quebec Railway.”

consequence, of British capital, I proceed to consider the case of New Brunswick, as it stands at present. So far from joining in the censure which has been unduly attached to that province, I feel bound to say, that she has done much, and done it well, towards the encouragement of the common object. I discover in her legislation and other proceedings a liberal spirit, which I have no doubt will still further expand itself before a certain prospect of the realization of all their wishes. With respect to the European and North American line, New Brunswick has already granted a liberal charter of incorporation, accompanied by facility bills, which concede a tract of the ungranted lands along the line, and provide for the subscription, on the part of the province, of 250,000*l.* sterling to the capital stock of the company. Towards the Halifax and Quebec, or Northern line, the province has appropriated 20,000*l.* currency per annum for twenty years; has agreed to provide the breadth of way and stations; and has conceded a tract of land along the line, estimated to contain about 2,000,000 acres.

Supposing that all other plans for obviating the difficulties that have arisen in New Brunswick should miscarry, I propose, on the part of the association to which I have referred, to construct the European and North American line, through New Brunswick, agreeably to the charter of incorporation and the conditions of the facility bills, and to subscribe for this purpose all the capital not already taken up. I therefore provide for the accomplishment of this project upon the precise terms already arranged by the Legislature.

With respect to the Halifax and Quebec, or Northern line through New Brunswick, I propose that an Act, corresponding as nearly as circumstances will admit with the charter of the other company, shall be passed, for the purpose of incorporating a company with a capital of 3,000,000*l.* sterling; and all I ask the province to do, in addition to what she has already pledged herself, is to double the quantity of wilderness lands on both lines, and to subscribe 250,000*l.* sterling to the stock of the Northern Company, or, at her option, to divide that amount between that northern and southern lines. In either case, the province to be entitled to add two directors to the board of the Northern Company. This being done, I propose in like manner, on the part of the association, to organize the company by subscribing all the capital that shall not be taken up in New Brunswick. It is understood that the people of the province are to have the privilege of subscribing to any extent they please to the stock of both companies. These offers pre-suppose that the Legislature will pass facility bills, securing the pecuniary grant, and conferring all needful powers and privileges for the settlement, disposal, and management of the conceded territory, which, it is understood, is to be vested in the company in fee-simple, with the timber, mines, minerals, and appurtenances, subject, of course, to such restrictions and conditions as shall prevent the company from disposing of the lands, except in a ratio proportionate to the progress of the railway.

It is quite clear that, with all that New Brunswick is expected to do, a very large amount of capital will remain to be provided by the company, and that too for the construction of a line of railway which it is generally believed will not for an indefinite period pay its working expenses. The great national objects, however, to be attained, justify the expectation of liberal aid and encouragement on the part of the Imperial Government; but this is a part of the case upon which it is not my province to enter. So far as New Brunswick is concerned, she must begin to derive *immediate* benefit from the proposed arrangements; *ex necessitate*, the company must expedite by every possible means the sale and settlement of their lands, and the development of their resources. The coal-fields will be opened up; iron mines will be worked; foundries, machine shops, and factories established. Every first-class station along the line will become the *nucleus* of a town, and every stopping place will form the centre of an agricultural ambit, and a rallying point for the poor and unskilled emigrants, who will be cheered and instructed by the well-regulated operations they will witness on every side. The expenditure upon the works will facilitate the settlement of the lands along the line, and the improvement of these lands will bring traffic to the railway. It is not too much to expect that the population and revenue of the province will be doubled within ten years, and long before the 20,000*l.* a year guaranteed to the northern line shall become payable, the amount will be anticipated in the exchequer from the effect of these operations, and thus the end, in advance of its accomplishment, will furnish the means to this extent. This is no fancy picture, nor does it foreshadow half the realities of such a future as New Brunswick may now command.

I come now to another very important part of the general scheme; namely, the section of the grand trunk line from Montreal to Toronto. The capital required for this portion of the work may be estimated at about 1,600,000*l.* sterling, one half of which would be advanced by the province under the provisions in the Act in this behalf. It is assumed that at least 300,000*l.* would be provided by the municipalities along the line, leaving about 500,000*l.* to be subscribed by other parties. In the event of a favourable charter of incorporation being granted, I have no doubt that, as a part of the general plan, the whole stock that shall not be taken up in the province will be immediately subscribed. It would appear only a reasonable stipulation in this case, that the provincial advance, which will be secured by the first mortgage on the line and its tolls, shall not bear more than four per cent. interest until the line shall pay a clear dividend of four per cent. upon the whole paid-up capital; the amount subscribed by the company to form the second

CANADA.

charge on the line, and (after payment of the provincial interest) to be entitled to six per cent. before any interest shall become payable upon the contingent of the municipalities, which however shall, in their turn, be entitled to a like interest of six per cent. when the profits will allow. The surplus *ultra*, if any, after payment of six per cent. on all the charges, to be received by the company, or appropriated to form a sinking fund towards the extinction of the provincial debt. It is understood that the municipalities have already agreed to some such arrangement, and I see no difficulty in organizing a company on the above basis, so soon as an Act of incorporation shall be passed by the Legislature.

It is assumed that the whole line, from Halifax to its extreme western *terminus*, is to be carried out upon a uniform plan, and that all the provinces will readily allow Her Majesty's Government to nominate the engineer in chief, who will of course be assisted by other engineers to be appointed in behalf of the respective provinces.

It is not too much to suppose that, for the reasons above stated, both the Imperial and Provincial Governments would prefer that these great works should be undertaken by British contractors; and it is assumed that the associated contractors, whose names have been submitted to Her Majesty's Government by Wm. Jackson, Esq., M.P. are to have the entire contracts for all the contemplated lines, upon such fair and equitable terms as may be agreed upon. These parties do not expect or desire any pecuniary preference, but as they and their associated capitalists are about to incur heavy risks, not ordinarily undertaken by contractors, they feel that they are justified in seeking to guard themselves against competition that might have the effect of enhancing the price, labour, and materials to a ruinous extent. The lines to be made by funds provided under the imperial guarantee could be constructed agreeably to estimates to be furnished by the board of engineers, or they might be constructed under inspection, upon terms of allowing the contractors a certain commission to be agreed upon. At all events it will not be difficult to settle the "fair and equitable terms" upon which they are willing to engage the whole scheme.

In undertaking works of such magnitude and importance, it will be wise to look beyond the present, or even the immediate future. Already an enormous traffic awaits these lines; but who can form a notion of the proportions to which it may expand within the next ten or twenty years? Already the knell of protection is sounding along the fertile vallies and boundless prairies of the far west, and those barriers to free trade which we should vainly assail from without will soon be prostrated by the pressure from within. The productions of that vast region, consisting for the most part of the bulky articles of human subsistence, will, in spite of all restraints, flow through the most natural and facile channels, to be exchanged for the products of other countries. But I cannot bound my view by these remote territories, or even the more distant region stretching to the Pacific, or by the ocean itself. A great arc of the globe passing through Halifax and Toronto, if projected on the one hand into Asia, and on the other into Europe, will bisect the richest, most populous, and most civilized countries under the sun. On the one side are the countless millions of the Indian Archipelago, China, and Hindostan; on the other, the over-crowded, busy marts of Europe. The interchange of the commodities of Europe and Asia has, in all ages, constituted the most lucrative commerce of the world. Since the days of Solomon, if not before, it has been the desire of nations to possess or control this trade, with which the highest state of prosperity and great power have ever been associated. The track of this commerce has built up cities of palaces in the desert; its diversion has marked the decline of empires. Once lost, it has never been regained; and although the great nation we most affect now controls the trade of the far east, it is deserving of serious consideration whether the route is not yet capable of one further change. We have the authority of the spirited and intelligent originator of the great Atlantic and Pacific railroad, who more than any other man has studied the intercommunications of the globe, for the fact that there is a practicable line across the continent of North America that shall shorten the distance between England and the East Indies by more than 5,000 miles in comparison with the route by the Isthmus of Panama. The British possessions in North America lie midway between those great countries occupying that zone of the earth upon which, in the other continents, three fourths or more of the whole human family are congregated. Within our borders there is a vast unoccupied food-producing territory capable of absorbing a population equal to that of the whole of Europe. In addition, I believe that we hold the keys and the track of the future communication between the two grand divisions of the human race; and who shall say that a large share of that enriching traffic which has gilded every former path shall not, ere many years, glide along those very channels which it is our present business to open up?

The day is not far distant when this great highway of nations will traverse our now neglected territory as surely as that a straight line is the shortest distance between two given points.

To descend, however, from these speculations, I would beg to suggest that the pending negotiations between the several provinces should be brought to issue as speedily as possible. The parties on whose behalf I submit these proposals, and to whom the magnitude of the enterprise is its chiefest recommendation, are abundantly able to accomplish the whole design, and upon the conditions and with the encouragement I have indicated, I believe that they will be willing to undertake the task immediately. The most urgent

parts of the work seem to be the section through Nova Scotia, the European and North American line through New Brunswick, and the line from Montreal to Toronto, which might *all* be commenced simultaneously, so soon as the needful legislative action shall have taken place.

I have thus, my Lord, in great haste, endeavoured to convey the impress upon my own mind of the importance of the great objects to which the foregoing refers, and of the best means of accomplishing them. If these proposals shall be found acceptable, and the needful measures be speedily adopted by the Imperial and Provincial Governments, the leaves shall not begin to fall before the approach of the coming winter ere the staff and pioneers of a powerful force shall be upon the ground, prepared to commence operations along the whole line.

If, on the contrary, these offers shall be rejected, the present generation, I fear, may abandon all hope of witnessing the attainment of these great and important national objects, for I believe the day of their accomplishment will then be too deep in the womb of time to be sounded by the span of any life in being.

I have, &c.
(Signed) C. D. ARCHIBALD.

(No. 15.)

No. 2.

No. 2.

COPY of a DESPATCH from the Right Hon. the Earl of ELGIN AND KINCARDINE to Earl GREY.

Government House, Quebec,

February 26, 1852.

(Received March 17, 1852.)

MY LORD,

I HAVE the honour to enclose the copy of a Minute of the Executive Council of this province advising that the Inspector General should proceed to England as early as possible, to confer with Her Majesty's Government on the subject of the aid to be granted to British American Railways.

Mr. Hincks proceeds accordingly to England with the mail which carries this despatch. He has the advantage of being already known to your Lordship, and I am sure I need not add anything to secure for him your kind consideration.

I have, &c.
(Signed) ELGIN AND KINCARDINE.

The Right Hon. Earl Grey,
&c. &c. &c.

Enclosure in No. 2.

Encl. in No. 2.

EXTRACT from a Report of a Committee of the Honourable the Executive Council on matters of state, dated 20th February, 1852, approved by his Excellency the Governor General in Council on the same day.

"ON the Report, dated 18th instant, of the Honourable Messrs. Hincks, Taché, and Young, relative to the proceedings during their late mission to Fredericton and Halifax, on the subject of the Halifax and Quebec Railway, and suggesting that a member of the Canadian Government should be despatched to London without delay to co-operate with members of the Governments of the sister provinces in procuring the assent of Her Majesty's Government to the line by the valley of the St. John, and to use his best endeavours to obtain the Imperial aid in such a manner as that it shall apply to the main trunk line as far westward as possible :

"The Committee concur in the recommendation of the deputation, and advise that the Inspector General should proceed to England, as early as possible, in company with members of the Governments of Nova Scotia and New Brunswick, to confer with Her Majesty's Government on the subject of the aid to be granted to British American Railways, and to obtain that aid in the manner most advantageous to Canada and consistent with the Act of Parliament relating to the main trunk line of railway.

(Certified) Wm. H. LEE,
Actg. C. E. C.

CANADA.
No. 3.

(No. 29.)

No. 3.

COPY of a DESPATCH from the Right Hon. the Earl of ELGIN AND
KINCARDINE to Secretary Sir J. PAKINGTON.Government House, Quebec,
April 1, 1852.

(Received April 19, 1852.)

SIR,

(Answered April 27, 1852, No. 15, page 17.)

I HAVE the honour to enclose a memorial to you, signed by M. Joly, seigneur of Lotbiniere, as Chairman of the Quebec and Montreal Railroad Committee, by the north shore, praying that the north shore of the St. Lawrence, from Quebec to Montreal, be adopted for the main trunk line to form a portion of the great provincial railway to be executed by the North American provinces with the aid of an Imperial guarantee. Mr. Joly waited upon me in person, accompanied by a deputation comprising the Mayor of Quebec, several members of the Provincial Parliament and other influential citizens, for the purpose of placing this memorial and the documents enclosed with it in my hands. He requested that I would both support the prayer of the memorial, and use such influence as I might possess to prevent a decision adverse to the memorialists from being taken before the next meeting of the Provincial Parliament. I replied, that with reference to the former portion of this request it would be well that they should address themselves to the Commissioners appointed by the Act of the last session of the Provincial Parliament, 14 & 15 Vict. cap. 73*, to whom Parliament had expressly delegated the authority to decide between conflicting railway lines; and that as to the latter, I could not take on myself the responsibility of tendering any advice which might have the effect of embarrassing the negotiations already entered into by this Government acting in concert with the Governments of the lower provinces with the Imperial authorities for the execution of a work so important to all the colonies. I ventured, however, to assure them that their representations in favour of the north line would not fail to receive your full consideration.

I have, &c.

(Signed) ELGIN AND KINCARDINE.

The Right Hon. Sir J. S. Pakington, Bart.

&c.

&c.

&c.

Encl. 1 in No. 3.

Enclosure 1 in No. 3.

SIR,

Quebec, March 24, 1852.

THE period seems to have arrived for a decision on the part of Her Majesty's Government whether a guarantee, the granting of which is now in question, for the construction of a railroad from Halifax to Quebec, shall be extended as far as Montreal.

In case the plan last mentioned should be adopted, the undersigned believes that he represents correctly the wishes of a large majority of the population of the two Canadas in requiring that the north shore of the St. Lawrence, from Quebec to Montreal, should be adopted for the main trunk line, and that the guarantee of the Government should be afforded to it in preference to a line which passing through Richmond on the south of the river St. Lawrence would leave Quebec without a railroad.

In support of this application the undersigned has the honour to transmit—

1st. A prospectus showing some of the advantages which the country would derive from a road having its course on the north of the St. Lawrence.

2d. A statement of the resolutions passed at a general meeting of the citizens of Quebec on the ninth of the present month of March.

The undersigned requests further the permission to urge the following considerations, which appear to him of a nature to make an impression on the mind of Her Majesty's Ministers.

A railroad from Quebec to Montreal on the north shore of the St. Lawrence would throughout its entire extent be protected by the river, and these two large cities would be united by an uninterrupted line, rendering unnecessary any breaking of bulk, even if continued to the extremity of Upper Canada.

If, on the contrary, this railroad passes upon the south shore of the St. Lawrence, by Richmond, it will approach very nigh to the frontier of the United States, without any natural defence being afforded in case of war, a danger which Major Robinson has endeavoured to avoid in his plan of a railroad between Halifax and Quebec. It would then be necessary to cross the St. Lawrence twice in order to go from Quebec to Montreal or

Page 9.

Page 11.

* This Act will be found printed in the Appendix to the present Paper.

Upper Canada, which is often impracticable in the spring of the year, in autumn and in winter, when the river ice is in motion.

By passing on the north shore of the St. Lawrence this railroad will supply the wants of Quebec, a city which has always been loyal and well affected to the British Government; and it will traverse the most populous and the richest part of the country, including the oldest settlements.

If the British Government were to give a preference to the line of road upon the south of the St. Lawrence it would ruin comparatively the city of Quebec, which would be forever deprived of a railroad, and the trade belonging to her would be transferred to the opposite shore; it would render discontented the dense population upon the north shore of the river, and be forgetful of the interest of Upper Canada, which evidently require a means of communication with Quebec by railroad, without any breaking of bulk. For this the Government would receive no other return than that of having advanced the interests of a sparse population and those of a few extensive landowners, whose uncultivated land by means of this railroad would be raised in value.

A railroad upon the north shore presents no difficulty in the making, and the land could not be more favourable than it is throughout the whole extent. Experienced engineers are about proceeding to the exploration of this route, and the result of their labour will be submitted to Her Majesty's Government within the shortest possible delay.

The undersigned deems it useless to enter into larger details to exhibit the advantages which the northern line has over that of the south in a commercial, political, and military point of view.

If there remain any doubts upon this head the undersigned is authorized, by the committee named by the citizens of Quebec to represent their interest in this matter, to pray that Her Majesty's Ministers will suspend their decision upon the course to be chosen for a railroad in continuation of that from Halifax to Quebec until the wishes and the interests of this colony be better known by their organ, the Legislative Assembly, at the approaching session of the Provincial Parliament.

The undersigned has the honour to be, &c.

G. JOLY,

Chairman of the Quebec and Montreal Railroad
Committee, by the North Shore.

The Right Hon. Sir J. Pakington,
&c. &c. &c.

Enclosure 2 in No. 3.

Encl. 2 in No. 3.

RAILROAD ON THE NORTH SHORE.

At a preliminary meeting of citizens favourable to the construction of a railroad from Quebec to Montreal, held in this city on Saturday last, a project was submitted and approved of, and is as follows:—

PROJECT of a Railroad from Quebec to Montreal, on the North Side of the River St. Lawrence.

Never was the question of railroads more agitated than at the present moment. The press of our own and every other country devote the greater portion of their columns to its advocacy. Everywhere those discussions are followed by results. Quebec only has as yet done almost nothing. The public mind is divided upon this grand question; instead of advancing, we retrograde. One day sees destroyed that which the preceding one accomplished. Whence this hesitation? Does it proceed from indolence, from want of capital, from ignorance of the true interests of the country? No; it proceeds from none of these.

The citizens of Quebec are fully sensible of the advantages which must necessarily accrue to their city from the establishment of a railroad which will put it in direct communication with the rest of the world; but they are also aware that all will depend upon the first direction given to it. That if the point of departure be not established in the proper locality, they will have expended their energy and resources uselessly; that if, on the contrary, their first efforts be properly directed, their city must become the *depôt* of the riches of the west, and one of the greatest seaport towns in the world, as its harbour already is by nature one of the most magnificent.

Who can doubt, witnessing what occurs elsewhere, that before the lapse of many years we shall have, not only a railroad from Halifax to Quebec, and from Quebec to the extreme limits of Upper Canada, but also one extending to the very shores washed by the Pacific Ocean? Time and money will of course be necessary to the execution of this magnificent enterprise; but events follow each other in such rapid succession on this young continent, and credit may to so great an extent be substituted for money, that, in a growing country, where in the course of a man's life population and the value of property increase tenfold, we need not be afraid to draw upon the future. In order that this future may prove productive of advantage to Quebec, it is necessary that the railroad, to which attention is now called, should terminate in Quebec itself.

It has frequently been asserted, that our city is situate on the wrong side of the St. Lawrence. This is an error. If she were situate on the opposite side, we should frequently have occasion to wish her on this. We are on the same side as Montreal,

CANADA.

Kingston, and Toronto, as the whole of Upper Canada, and the greater part of Lower Canada. We can communicate without transshipment with nearly the whole of our country, and this is highly important for a railroad. In a military and commercial point of view, few cities in North America are more advantageously situated than Quebec. Let us avail ourselves of this.

From the foregoing, it would appear evident that the principal efforts of the citizens of Quebec ought to be directed to the construction of a railroad from their city to Montreal, on the north side of the river. It is the only means of having the terminus in Quebec. It is the only means of causing our markets to be plentifully supplied, in winter as well as summer, with a quantity of articles of too cumbersome a nature to admit of long carriage, or of being conveyed across the St. Lawrence in canoes,—such as firewood, timber for the construction of ships and houses, building stone, hay, cattle, and numerous other necessaries absolutely required to supply the demands of a large city. Population would be vastly increased by the greater facility that would be afforded of procuring the means of subsistence; and the value of property in the city, as well as in the country, would be enhanced in equal proportion. The magnificent rivers which intersect the north side of the St. Lawrence would be employed in working innumerable manufactories, which cannot now be established for want of such an easy and economical means of transport as the railroad would afford them. The St. Maurice forges, and divers other manufactories already in existence, experience considerable inconvenience and loss from the want of conveyance for their products during the six winter months.

Happily, an enterprise of such great utility as this does not present any serious engineering difficulties. It is generally admitted that the ground is eminently favourable to the establishment of a railroad; it would intersect the richest and most populous portion of Lower Canada; the inhabitants on the south side would be extensively benefited on a large portion of its route, as well as those on the north side.

The distance between Quebec and Montreal, on the north side, is estimated at about 150 miles. It is to be supposed that the Government would do for this route that which they have done for others of less importance—they might guarantee the funds to complete half the road. There would then remain seventy-five miles to be completed by the subscriptions of private individuals and corporations. The probable cost of the road would be 3,000*l.* per mile.* It is easy to prove that, in the States, a large extent of railroad (single track) did not cost more. We have here the ground, the iron, the wood, and manual labour, at a rate cheaper than our neighbours pay for them.

Taking, then, seventy-five miles, at 3,000*l.* per mile, as a basis, it would amount to 225,000*l.*

The corporation of Quebec would certainly not refuse to contribute	100,000
The divers parishes and corporations between this and Montreal, inclusively	90,000
Individual subscriptions at Quebec and elsewhere	35,000
Total	225,000

If the different parties interested would come to an understanding among themselves, it would be easy to construct a branch line to connect the St. Lawrence and Atlantic railroad, at the most advantageous point, with that running between Quebec and Montreal.

The population on the north side of the river between Quebec and Montreal, that of these two cities included, is estimated at 250,000 at least. According to statistical information, generally admitted, it has been found that each individual comprehended within the territory intersected by a railroad, contributed, on an average, about 10*s.* annually to the total revenue derived by the conveyance of merchandise and travellers over such railroad; therefore, 250,000 persons would occasion traffic to the amount of 125,000*l.* The expenses of working the railroad are estimated at one half of the gross receipts; which would leave the sum of 62,500*l.* as interest and profit upon a total expenditure of 450,000*l.*, being equal to about 14 per cent. Supposing, now, the road to cost 4,000*l.* per mile, the total cost of 150 miles would be 600,000*l.*, and the interest even then would be over TEN per cent. This would justify the expenditure of a much larger sum, especially if we take into consideration the supplementary traffic that would be supplied by Upper Canada, and by the south side of the River St. Lawrence.

It is to be supposed that the Imperial Government would be as favourably disposed towards the present enterprise, and to extend to it the same facilities which it intends to accord to the Quebec and Halifax railroad; that is to say, money at 3½ per cent. It is impossible for it not to appreciate the advantages, in a military point of view, which would be derived from the establishment of a railroad which would link together the principal cities of Canada, and which would have, as a natural protection, on the only side on which it is vulnerable, a river such as the St. Lawrence.

The moment has arrived when it is necessary to pronounce in a definite manner upon these great questions, under the penalty of seeing other localities enjoy the advantages due to the city of Quebec. A public meeting of the citizens will shortly be convened

* In Pennsylvania the Schuylkill Valley Railroad costs \$5,500 per mile (double track); the Schuylkill Railroad (double track) costs \$7,000 per mile; the West Branch Railroad (double track) costs \$10,000 per mile; in New York the Saratoga and Schenectady Railroad costs \$12,000 per mile.

PROJECTED RAILWAY FROM HALIFAX TO QUEBEC. 11

which will be the moment to put an end to all hesitation, and to enter at once upon all such measures as shall be deemed necessary to carry into execution the present proposition, should it meet with public approbation.

CANADA

Quebec, 9th February, 1852.

Enclosure 3 in No. 3.

Encl. 3 in No. 3.

EXTRACT from The Quebec Mercury, dated 11th March 1852.

RAILROAD on the NORTH SHORE from QUEBEC to MONTREAL

Public Meeting.

A numerous and respectable meeting of the citizens of Quebec was held in the City Hall, St. Louis Street, on Saturday evening, the 9th instant, at seven o'clock.

His worship the Mayor, N. F. Belleau, Esq., presided, and Hector L. Langevin, Esq. was requested to act as secretary.

The Chairman having explained the object of the meeting, read the following letter received from G. O. Stuart, Esq., M.P.P., then absent at Montreal:—

“ Sir,

Quebec, 5th March 1852.

“ I have to express my regret that absence upon professional business at Montreal prevents my attending the meeting of the citizens of Quebec, on Tuesday next, having for its object the establishment of a railroad on the north shore, between this city and Montreal. Concurring as I do in the opinion entertained by a large number, if not the mass, of my fellow citizens, that this measure is one of vital importance, and without which not only this city, but the whole north shore of the St. Lawrence, will be most injuriously affected, I beg that you will do me the favour to mention to the meeting that I shall heartily concur in any proceedings which may advance the measure, and afford such co-operation in the matter as the citizens of Quebec may desire.

“ His Worship the Mayor of Quebec.

G. O. STUART.”

Apologies were also made for the absence of H. Dubord, Esq., M.P.P.

Mr. Belleau said, that the number of persons who were assembled before him, while a Canadian snow storm raged without, was to him (the mayor) conclusive evidence of the interest taken in the railroad. He felt that the charge of apathy, which had been made so often against the city of Quebec, was going to be disproved; that those whom he addressed would soon have an opportunity of proving their sense of the paramount importance of the subject, and of the incalculable advantages to be derived from railroads. Some encouragement to those zealous and energetic individuals who had set the project on foot was needed; they had succeeded to a certain point, they had made the road popular; but a constitutional agitation among the people was required, in order to induce the Government to examine this route, and decide whether it should form part of the great trunk line from Halifax. He reminded the meeting that on the resolutions to be then adopted depended in some measure the action of the administration; he concluded by saying that, for his part, he entertained no doubt of our gaining the victory for the whole line.

The following resolutions were then adopted, after animated speeches from the movers and seconders:

Moved by G. Joly, Esq., seconded by J. E. Turcotte, Esq., M.P.P.,—

1. That, in the opinion of this meeting, it is of the highest importance to the commercial interests of these provinces in general, and to the prosperity of this city in particular, that a railroad be constructed which shall unite the two great cities of Lower Canada, intersect the numerous municipalities and parishes on the north shore of the St. Lawrence, and have its terminus in Quebec.

Moved by Angus M'Donald, Esq., seconded by U. J. Tessier, Esq., M.P.P.,—

2. That a railroad, traversing the most populous portion of British North America, presenting no difficulties in its construction, and offering greater promise of immediate advantage than any other line in the province, ought to form part of the great line of communication which is destined to unite Halifax with the remotest districts of Upper Canada, intercepting, as it would, all those canals and railroads which are now diverting and conveying to the ports of the United States an immense and increasing commerce, which ought to be and might be retained in our own hands.

Moved by J. Cauchon, Esq., M.P.P., seconded by M. Scott, Esq.,—

3. That one of the causes which have heretofore prevented the city of Quebec from enjoying a larger share of the export business to Europe and the lower provinces from Upper Canada and the Western States, has arisen from the tardiness of travel on the lakes, rivers, and canals, and the consequent uncertainty and irregularity of arrivals before the close of the navigation; whilst if the transit from the Lakes Erie and Huron to Quebec were accomplished (as it would be with a railroad), in two or three days, the produce of the West, now turned into other channels, might reach this port with the greatest ease before the shipping season has closed, and the Quebec route would be preferred to every other, as the shortest, the cheapest, and the only one on which there need be no breaking of bulk.

CANADA.

Moved by W. Lampson, Esq., seconded by Thos. Gordon, Esq.,—

4. That, considering the vast importance of this line of communication, not only to the city of Quebec, but also to the several parishes lying between this city and Montreal, the different corporations and municipalities therein interested be invited to contribute, to the utmost of their ability, towards the success of an undertaking which is calculated to secure to them and the country at large such lasting and extensive benefits.

Moved by J. P. Rheame, Esq., seconded by Dr. Rousseau, —

5. That a committee of seventy-five persons, with power to add to their number, be now appointed by this meeting, authorized to adopt all necessary measures towards the formation of a company under an Act of incorporation for the construction of a railroad from Quebec to Montreal, on the north shore, to seek the concurrence and support of the Government, and to procure such amount of subscription as shall guarantee the completion of this important enterprise with all possible despatch, and that the following persons do compose said committee; viz.—

In the City of Quebec,—

Messrs. N. F. Belleau, Mayor of Québec, G. O. Stuart, M.P.P., H. Dubord, M.P.P., J. Joly, U. J. Tessier, M.P.P., James Gibb, Joseph Cauchon, M.P.P., Jeffery Hale, Joseph Légaré, George Hale, F. X. Paradis, Capt. Boxer, R.N., E. Chinic, Weston Hunt, W. Lampson, Jos. Tourangeau, Augus M'Donald, A. Stuart, J. P. Rheame, George Alford, T. C. Lee, J. Hamel, Thos. Cary, A. Dorval, Henry Benjamin, Dr. Robitaille, J. H. Oliver, L. Bilodeau, Ronald M'Donald, Germain Guay, J. H. Joly, jr., John Childs, W. S. Henderson, &c., in all 80.

In the Country Parishes,—

Ancienne Lorette.—J. Hamel.
St. Augustin.—D. Watters.
Pointe-aux-Trembles.—Capt. Chateauvert, C. Larue, J. Angers.
Ecurevils.—L. Dussault.
Cap-Santé.—E. Thibaudeau, Hon. E. Hale, J. Poliquin, H. Smith, A. Logan.
Deschambault.—F. Hamelin, P. Benoit, E. Defoy, A. C. De Lachevrotière, V. Gariépy.
St. Catherine de Fossambault.—A. J. Duchesnay.
St. Anne Laperade.—A. Bochet.
Batiscan.—Ls. Guillet, A. Marchand (mayor), T. Marchildon (M.P.P.), L. E. Lanouette.
Three Rivers.—A. Polette (M.P.P.), J. E. Turcotte (M.P.P.), J. M'Dougall (M.P.P.).
 P. B. Dumoulin (M.P.P.), J. Ogden (Sheriff), L. Gordon, J. Dickson.
Ste. Anne d'Yamachiche.—F. L. Desaulniers, L. L. Desaulniers.
St. Paulin.—T. Kimpton.
Rivière-du-Loup.—The Hon. M. Mayrand.
St. Joseph de Maskinonge.—F. Boucher.
Assomption.—P. H. Archambault, A. Archambault, G. Chagnon.
Berthier.—D. M. Armstrong, Dr. Moll, L. A. Olivier.
St. Paul de Lavaltrie.—J. H. Jobin (M.P.P.).
Industrie.—Dr. Leodel, G. De Lanaudière.
St. Roch de L'Achigan.—L. Archambault (Mayor).

In proposing the first resolution, Mr. Joly, seignior of Lotbinière, addressed the meeting as follows:—

Gentlemen,—So much has been already said, and so much written, upon the subject of this railroad, that I should accuse myself of abusing your patience were I now to enter anew into the details of its importance to the city of Quebec. I conceive it to be more desirable to meet the principal objections that have been raised in opposition to this enterprise, which will enable me, at the same time, to convince you of its necessity.

Firstly, then, gentlemen, we have been frequently asked, in a contemptuous manner, "What will be the difference to the good people of Quebec, whether the terminus be in its port or on the south shore? Have not New York, Albany, and Montreal, their termini on their respective opposite shores? Do those cities complain of it, or do they believe themselves to have been ruined in consequence?" It will be easy for me to prove to you the futility of such an argument.

The city of New York has so keenly felt the advantage of having a terminus in her centre, that, despite innumerable obstacles, and at an immense cost, she has just constructed a railroad of nearly 200 miles in length, for the greatest portion of its distance cut through solid rock, or carried upon piles in the bed of the Hudson river. This railroad connects New York with Troy, and from thence communicates with the greater number of those of New England and the West; thus also placing the first-named city in direct communication with from 1,200 to 1,500 miles of railway.

Albany already possessed a gigantic canal, which bore to her the products of the great lakes. But this alone did not content her. She also desired her terminus; and a railroad extending nearly 300 miles in length now connects her with Buffalo, and gives her communication with a large number of iron highways, over which tribute is brought to her from all directions. Accord us also a certain number of miles of railway on our own shore of the St. Lawrence, and Quebec will cordially extend her hand to Pointe Levi and St. Nicholas, and with unfeigned sincerity wish them all prosperity.

I had almost omitted allusion to Montreal. That city has, in reality, but a short trunk of railway, which unites her to Lachine. But you all are aware of what her citizens have effected. No sooner did they perceive in course of construction at Ogdensburg, on the opposite bank of the river, a railway destined to intercept the produce they had expected to receive by the river than they resolved to accomplish one to Prescott. Let it be now proposed to the city of Montreal that in lieu of this road terminating in her port, it be crossed to Beauharnois, to run from thence to Laprairie and Longueuil, and you would instantly hear the just cry of indignation with which her citizens would respond.

It is, however, contemplated for the city of Quebec for ever to disinherit her, and the north bank of the St. Lawrence, from that railway upon which her future depends.

Was I not correct, gentlemen, in asserting the futility of those objections to which I have replied; or rather is not the example of the three cities I have cited, in favour of the project submitted to you?

Another objection to which I desire to reply might possess some force as emanating from the Honourable the Inspector-General, on the eve of his departure for England. "Gentlemen," said he, "in soliciting government aid for this railroad, while there are already so many in course of construction and in contemplation, you will ruin the credit of the province."

I conceive, gentlemen, that railroads which for a considerable distance on their line would be intended to traverse only swamps and virgin forests, and to serve but for a sparse population,—that undertakings which according to the general belief will yield their benefits only in a future more or less distant,—I repeat that I conceive such railroads might ruin, or at least compromise the credit of the province,—but that a railroad which shall intersect the richest and most populous tracts of British North America,—which shall unite together the largest towns and cities on the same river-bank,—which might eventually be considerably extended,—which in all probability will yield immediate and considerable benefits,—that such a road could ruin the credit of the province is what you will not more readily or better comprehend than I.

I will request your attention to an objection which more nearly concerns you; it regards the credit and resources of the city of Quebec. We cannot disguise from ourselves the heavy charges which already press upon the city; and when it becomes a question of a fresh appeal to its funds, I can imagine the hesitation it will encounter. You must, however, reflect, gentlemen, that with us it is

"To be, or not to be."

You will be of opinion with me, that our corporation ought not to fetter its liberality in favour of this enterprise with other restrictions than those which the duty (a duty which should be inviolable) of not entering into any engagements they cannot honourably fulfil shall impose. The earnest co-operation of a large majority of our fellow citizens will greatly tend to smoothen this difficulty.

Are you aware, gentlemen, of what is being done to this effect in other parts of the province? For example, look at what has been done for the Toronto and Simcoe Railroad. The municipality of the county of Simcoe subscribed 50,000*l.*, and the city of Toronto 35,000*l.* But that is not all. Toronto also gave (gave, not lent,) the sum of 25,000*l.*, nay, more, all the land necessary for the establishment of the terminus in her port. And yet, gentlemen, our population is nearly double that of Toronto, and our position a much finer one. If I may so express it, although that city is at the source of produce we are at its outlet. Even as our noble river receives in its course the tribute of thousands of smaller streams, so shall the small train started from Toronto, on its way to us, receive its tribute from thousands of localities, until, of vast proportions, it arrives to pour upon our wharfs abundance, riches, and sources of labour for our entire population.

Well-intentioned persons, without foresight, perhaps, may say, since this railroad presents so many advantages it will undoubtedly be constructed some day or another; wait for more propitious circumstances. More treacherous advice could not be proffered you. You are already the last in the race. Can they cite a single city of the importance of Quebec in the United States, in France, or in England that has not already assured itself of a railroad? Not one. Wherever those iron arteries do not carry life there will be decay. The largest city without a railroad must infallibly dwindle into a small one. With the profoundest conviction I tell you, gentlemen, that if you neglect the existing occasion it will never again present itself. Interests and habits will rear themselves in opposition to you, which you will in vain strive to surmount. If, on the other hand, from this moment you declare unanimously and with energy, "we desire this road," you will get it.

I thank you, gentlemen, for the attention with which you have thus far listened to me, the more that I am unaccustomed to speak in public. It required for me to do so a full conviction of the importance and utility of the measures we are assembled to discuss. If by my feeble efforts I can aid in forwarding this noble enterprise I shall feel that I have repaid to the good city of Quebec the debt I owe her for the hospitality I have ever experienced at the hands of her citizens.

Mr. Turcotte, M.P.P., in seconding the resolution said, the little town of Three Rivers was ready to subscribe 10,000*l.*, and the citizens would take additional stock to the amount of 7,000*l.* or 8,000*l.* The farmers in the county of St. Maurice felt so keenly their position—laggards, while all the rest of the world was advancing—that they were ready to

CANADA

take 30,000% stock. From Grondines to Montreal there was not a serious obstacle to be met with. At Bout de l'Isle it was said the bridge required would be expensive; but, if his memory was not at fault, 32,000% had been voted by Parliament in 1842 for a bridge at Bout de l'Isle, and the money was now lying in the coffers of Government. As to the road paying, no one who knew the manufacturing establishments, the water-powers, and the mines on the north shore, could entertain any doubt on that head.

Mr. M'Donald, moving the second resolution, said,—

It affords me unmitigated pleasure to meet so many of my fellow citizens on this occasion. I think the number and respectability of this meeting is a guarantee that the project will be carried out with success. The resolution put into my hands asserts that the proposed railroad will pass through the most populous part of British North America. To those acquainted with the country, this requires no proof; but I believe I assert what is within the mark when I say that, independent of Quebec and Montreal, there are 200,000 people that are fairly within reach of this railroad, taking both sides of the St. Lawrence, and it will be as useful to those on the south side as to those on the north. In summer it is easy to establish ferries to meet the railroad at the points where it would touch the river, and in winter to drive over on the ice. I may observe that the St. Lawrence will not compete with the railway for the way travel, even in summer, because, from the natural form of the beaches and the disturbing influences of the tides, steamers cannot approach the shore except at few points, say at Three Rivers and Batiscan on the north shore, and Port St. Francis and Sorel on the south shore, so that the way travel and traffic would be secure to the railroad all the year round. This would alone be sufficient to justify us in making the railroad.

The resolution next asserts that the country to be traversed presents no difficulties to its construction. This is admitted; and taking the length of the route, there is not in North America a line, either made or projected, presenting so few difficulties. It has been said that from Grondines to Quebec the ground is irregular and difficult, but by keeping at a reasonable distance from the St. Lawrence, we can escape the inequalities of the high lands bordering on the river, and make the road both straight and level. Another reason why the road can be easily and economically built is, from the large population on the line, there would be no need to introduce crowds of strangers to pillage the farmers and disturb and demoralise the country. I have no hesitation in saying that, in my own parish, the people would make the road in one summer, and take stock for a good part of the rest. I could show many parishes on the north shore with as many inhabitants as are to be found from St. Nicholas to Richmond.

It is next asserted that this line, possessing so many advantages, ought to form part of the great trunk line that is to unite Halifax with the remotest districts of Upper Canada. This proposition requires no argument. If the Government is to advance money to build the road, or to give their guarantee to a company, they are bound to see that the said road is built where it would be most likely to pay, and where it would accommodate the greatest number of people. Now, as there can be no comparison between the south shore and the north, in this regard, it is clear, if the interest of the people or the credit of the province be consulted, the Government has no choice but to make the trunk line on the north shore from Quebec upwards. But, Sir, we do not depend on the Government to make this road; I believe the people interested are both able and willing to make the road for themselves. The advantages are so numerous, that when properly understood, there will be no hesitation. Look, for instance, at our ship-building; where does the material for their business come from? Almost entirely from the north shore. You will find depôts for collecting knees, birch timber, and red spruce in every direction, some of them thirty miles from the city, and they have to be collected from perhaps eight or ten miles to those places. It is a wonder our ship-building can be carried on at all, in the face of such obstacles; but once get the railroad, and at every concession road there would be a station to collect timber and firewood, and then it would be considered as in Quebec. Look, again, at building-stone; it is well known that if a house or church is to be built in Quebec, we have frequently to send the plan to Montreal to get the stone cut, and then bring it to Quebec by barges, while we have quarries of far better stone at Point aux Trembles and Deschambault, directly on the line of the proposed railroad, which would be a source of great revenue to the road, and at the same time furnish means of employment to our own citizens at preparing the stone in winter for summer building. Mr. Turcotte has mentioned the iron mines of St. Maurice and Batiscan as sources of revenue; but I beg to remind this meeting that it was from Portneuf the iron ore was taken that got the first prize at the Provincial Exhibition, and the quantity is inexhaustible. It would be a profitable business to bring this ore to Quebec, where coal can be got for fuel at a much cheaper rate than wood can be obtained even in the country, and thus open a new branch of industry, the manufacture of iron. It would tire this meeting if I were to go over all the advantages to be derived from making the railroad on the north shore. I might mention the water-power on the Jacques, Cartier, Portneuf, St. Ann's, and indeed all the rivers on the north shore. I am persuaded that, from the abundant water-power and the great population, that the country between Quebec and Montreal is destined to be the Massachusetts of Canada, and that we will supply not only our own markets, but those of Upper Canada, with all sorts of manufactured goods, but to be able to do so we must have means of communication in winter.

My resolution says a trunk line of railroad would intercept the commerce which the canals and railroads south of the St. Lawrence are now diverting to the United States, unless we stir ourselves to counteract our very intelligent and persevering neighbours in the United States, we will soon have no commerce at all. I confess I was surprised on turning my attention to this subject lately, to find that the great lakes and the River St. Lawrence are tapped at no less than eleven different places, thus, as it were, sucking the life's blood out of our commerce, and diverting our trade from its natural and legitimate channel. The trade of the west is a prize worth contending for; New York, Philadelphia, and Boston have each spent enormous sums in canals and railroads, to secure a portion of this trade, while Quebec has been idle. I hope we will now put forth energies worthy of the occasion, and press this business to a successful termination. If this road is once completed, I have not the least doubt but the population will be doubled in ten years, and the value of property increased in an equal or greater extent.

U. Tessier, Esq., M.P.P., seconded the resolution in a speech of some length. He said that Canada was waking up, and was about to lay out 4,000,000*l.* in railroads. The people of Quebec and the north shore would be called upon to pay their share of the interest on this sum, and they have a right to a share of the profits accruing from the road. The speaker entered into long details on the advantages of the proposed scheme.

Jos. Cauchon, Esq., M.P.P., entered at some length into the state of public feeling in Canada, on the subject of railways. He had always been in favour of the north shore route; and the more he thought of it, the more convinced was he that this new railroad must be built. He would appeal both to the sentiments and intelligence of his hearers. He would ask them if they meant to be dishonoured, by remaining supinely idle while every one around them was moving? He would observe, that the railroad would not only pay, but that every landowner on the line would find his property doubled and trebled in value. The annihilation of distance, and the removal of the obstacles which impede free communication, were the real signs of the progress of a country. He knew that it had never been the intention of the Government, last session, to make any portion of the Montreal and Portland line part of the great trunk road; it was true that a word existed in the Act which conveyed that impression; but that word had been slipped in surreptitiously, and would be explained or amended during next session of Parliament. He declared his intention of supporting the north shore line in the House, and moved *

* So in copy.

Mr. Michael Scott, on seconding the third resolution, said,—I am placed in rather a disagreeable position, nearly all I intended to say having been already said. It is with much pleasure I second the present resolution, because its contents exactly agree with my own ideas. The utility of railroads in other parts of the world, where they have been made, and their great benefit to the cities in which they terminate, and the places through which they pass, are well known. And what I am about to state in relation to the proposed line now under consideration is principally from my own personal knowledge and experience. The resolution proposed extends to operations beyond our own line of road; this is founded on the supposition that it will run in connexion with other lines extending south and west, from the city of Montreal; thereby giving to Quebec and the intermediate places the benefit of these other roads as well as of our own. Some people are of opinion that these railroads will not be able to compete with water transport; perhaps it may be so, and it would be well it should be so, because there is a great deal of capital invested in vessels on the lakes and river, both steam and sailing vessels; there is also a great deal of money laid out on canals and the improving of the river navigation, so that it would be a serious loss to the province, and private individuals, were this money entirely lost, or the revenue arising therefrom materially impaired; but I do not think that can arise, because as the means of transportation increases the production of transportable property will also increase, and there will be sufficient employment for every means of intercommunication. But whatever rivalry there may be between land and water conveyance, this can exist but for a limited period every year, say, during the summer months; for when the fall sets in, and navigation becomes difficult, dangerous, and expensive, and during winter, when it ceases entirely, it is then railways will be in request, the trader will feel the benefits of the railroad. This period especially will be the railroad's harvest; thus will they make plenty of money without hurting or in any way injuring any other parties or enterprises. The lateness of the season, in which a great part of the trade of Upper Canada has to be transacted, is a great hindrance and drawback to that trade; this I have myself like many others often experienced. The system on which the Upper Canada farmer conducts his business is this: when his grain is ripe he cuts it down and secures it, he then turns to ploughing his land and sowing his fall grain, preparatory to next year's crop, and during these operations, nothing will induce the farmers (except very needy ones, of whom there are but few,) to thrash and carry their grain to market, rendering operations in grain late, so that it is only at great risk and outlay that grain can be carried to its destination the same year that it grows. This inconvenience has often been severely felt in Quebec. In those years when the navigation closes early, we are left short of breadstuffs, and the 6 lb. loaf has been known to be 1*d.* to 2*d.* higher here than in other parts of the province, even though elsewhere there was great abundance. All these evils will be remedied by railroads. Some people suppose that railroads will lower the price of agricultural produce in Quebec; I do not concur in this opinion; indeed it would be a great pity if it should be so, because it would benefit the consumer at

CANADA.
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the expense of the grower. All, in my opinion, railroads will do is to equalize prices, both as to time and place, prevent hazardous and frequently mischievous speculation, and cause a more steady and wholesome state of things. As to that section of the country through which our road will pass, I can speak of it with much certainty, and I think I am not arrogating too much when I say that there is not an individual in the whole province who knows it better than I do. I have lived forty-one years in Canada, and there have been but few years that I have not travelled once or oftener up and down the north bank of the River St. Lawrence from Quebec to Montreal, and frequently intersected the country at various places and at all seasons of the year, so that what I am about to state is from my own personal observation. Also, I have travelled a great deal in the northern and western States, and have no hesitation in saying that there are few places in Canada or on the whole continent of America that present greater advantages for a railroad than this locality. The face of the country is well adapted for the construction of the road, the ground being for the most part level, the soil good for that purpose, and materials handy. The only obstacle is the number of rivers to cross, and some of them pretty large; but even if there should be a little extra expense incurred in bridging, compared with other roads, this will be counterbalanced by the very great facilities of making the road in other respects; so that on the whole, with prudence and economy, it can be made at as low a cost, if not lower, than any road ever made in Canada. As to the support of the road when it is made, its prospects are great. In addition to the through trade, there will be a great deal of way traffic. The greatest part of the line will be through a dense and wealthy population. The country from Three Rivers upwards is rich and fertile, and abounds in agricultural productions. Below Three Rivers the soil is not quite so good, though it is by no means barren, and it abounds in other articles which will give much business to the road. There are rich beds of iron ore to be found here, and in the rear there are vast forests of timber; and last, not least, an endless and vast water-power on the rivers which the road will cross. So that these rivers, though there may be some expense in bridging them, will be on the whole a real benefit to the road, as large manufacturing towns and villages will undoubtedly spring up on their banks. As to the means we have of constructing the road, our prospects are certainly not very flattering, other lines having got the start of us, and all the provincial and city aid that can well be expected to objects of this kind is already engaged, so that we will be in a great measure thrown on our own resources. But we must not succumb as our difficulties increase; rather should we augment our energies, stare our difficulties in the face, and grapple with them, and we will be sure to overcome them. If we are only true to ourselves, there can be no doubt we will receive abundance of assistance, and that perhaps from a quarter whence we least expect it. We may yet get something from the corporations of the cities of Quebec and Montreal, and also from the provincial Government. Who knows but that the Imperial Government may come to our assistance, should this road be selected for military and other purposes. At all events there is one thing we are sure of; that is, if we can only make it appear that money invested in this line will be safe, and yield a suitable return, capitalists will come to our assistance. The only way this can be done for the present is to show that we ourselves have confidence in the undertaking, by coming forward liberally and promptly in taking stock. Then parties will say to us as Jupiter said to the waggoner, "help yourselves, and we will help you." "Let us give a long pull, a strong pull, and a pull all together," and there is no doubt we will ultimately succeed.

Mr. M'Donald being called to the chair, on motion of J. Légaré, Esq., a vote of thanks was carried by acclamation to his Worship the Mayor, for his able conduct in the chair, and the meeting adjourned.

Despatches from the Secretary of State.

(No. 644.)

No. 1.

CANADA.

COPY of a DESPATCH from Earl GREY to the Earl of ELGIN AND KINCARDINE.

No. 1.

MY LORD,

Downing Street, October 3, 1851.

I HAVE the honour to acknowledge the receipt of your Lordship's despatch, No. 104,* of the 28th August, enclosing the copy of a letter from Mr. Archibald on the subject of the contemplated railways in British North America; and should Mr. Archibald be still at the seat of Government I request that you will thank him for the communication.

* Page 3.

I have, &c.

(Signed) GREY.

The Earl of Elgin and Kincardine,
&c. &c. &c.

(No. 664.)

No. 2.

No. 2.

COPY of a DESPATCH from Earl GREY to the Earl of ELGIN AND KINCARDINE.

MY LORD,†

Downing Street, November 27, 1851.

I TRANSMIT for your Lordship's information the copy of a despatch which I have had occasion to address to the Lieutenant-Governor of Nova Scotia on the subject of the assistance proposed to be rendered by the Imperial Government in the construction of a trunk line of railway through the British provinces in North America.

No. 292.
27 Nov. 1851.
See Page 58.

I have, &c.

(Signed) GREY.

The Earl of Elgin and Kincardine.
&c. &c. &c.

(No. 689.)

No. 3.

No. 3.

COPY of a DESPATCH from Earl GREY to the Earl of ELGIN AND KINCARDINE.

MY LORD,‡

Downing Street, February 20, 1852.

I HAVE the honour to transmit for your Lordship's information a copy of a letter which I have caused to be addressed to Mr. Hincks, a member of the Executive Council of Canada, on the subject of the contemplated trunk line of railway through the British North American provinces.

20 February 1852
Page 22.

I have, &c.

(Signed) GREY.

The Earl of Elgin and Kincardine,
&c. &c. &c.

(No. 15.)

No. 4.

No. 4.

COPY of a DESPATCH from the Right Hon. Sir JOHN PAKINGTON to the Earl of ELGIN AND KINCARDINE.

MY LORD,

Downing Street, April 27, 1852.

I HAVE the honour to acknowledge the receipt of your despatch, No. 29,§ of the 1st instant, enclosing a letter from the chairman of the Quebec and Montreal Railroad committee, advocating the adoption of the north shore of the St. Lawrence for the main trunk line of railway; and I have to request that you will acquaint Mr. Joly that the representations which he has submitted to me will not fail to receive careful consideration at the proper time.

§ Page 8.

I have, &c.

The Earl of Elgin and Kincardine, (Signed) JOHN S. PAKINGTON.
&c. &c. &c.

† Similar Despatch addressed to the Lieut.-Governor of New Brunswick.

‡ Similar Despatch addressed to the Lieut.-Governor of New Brunswick, No 313, Feb. 20, 1852.

COPY of a DESPATCH from the Right Hon. Sir JOHN PAKINGTON to the Earl of ELGIN AND KINCARDINE.

MY LORD,

Downing Street, May 20, 1852.

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 a 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 10th * March 1851, and Mr. Hincks on 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 simple 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 favourably inclined they might themselves feel towards any project of this character, they are satisfied that some more special ground 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 cannot 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. John's, and thus, though strictly within British territory, be exposed throughout its whole length to an unguarded frontier, and at the same time

* Page 63 of Papers relative to the Halifax and Quebec Railway, presented by Command, 8 April 1851.

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 favourably 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 provinces, 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 favourable 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.

(Signed) JOHN S. PAKINGTON.

The Earl of Elgin and Kincardine,
&c. &c. &c.

(No. 31.)

No. 6.

No. 6.

COPY of a DESPATCH from the Right Hon. Sir JOHN PAKINGTON to the Earl of ELGIN AND KINCARDINE.

MY LORD,

Downing Street, May 26, 1852.

CERTAIN Acts passed by the Legislature of Canada, in the session of 1851, having reference to the proposed construction of a trunk line of railway from Halifax to Quebec, being at present under the consideration of Her Majesty's Government, the operation of which Acts is made contingent upon the question of affording to the railway the pecuniary assistance of this country, I have to instruct you to report to me your opinion whether, since Her Majesty's Government have decided that it is impossible, under existing circumstances, to apply to the Imperial Parliament for the desired assistance, it would be proper that these Acts should be left to their operation in the usual manner by the Queen in Council, or whether Her Majesty should abstain from making any order thereupon.

I have, &c.

(Signed) JOHN S. PAKINGTON.

The Earl of Elgin and Kincardine,
&c. &c. &c.

Correspondence with Mr. Hincks.

CANADA.

No. 1.

No. 1.

Copy of a LETTER from F. HINCKS, Esq. to Earl GREY.

Halifax, N. S., February 5, 1852.

MY LORD,

(Received February 16, 1852.)

PRESUMING that your Lordship will be anxious to obtain early and reliable information as to the opinions of the Canadian Government with regard to the prospects of the Halifax and Quebec Railway, I take the liberty of addressing you from this city in anticipation of the communication which will doubtless be made to your Lordship by his Excellency the Governor-General of Canada after my return to Quebec. In order to place the present position of affairs fully before your Lordship, I shall have to revert to many circumstances with which you are doubtless well acquainted already. Your Lordship's despatch of the 14th March last* to the Earl of Elgin and Kincardine contained a suggestion that a deputation from the Executive Councils of the two lower provinces should proceed to the seat of Government in Canada, in order to confer with the Governor-General and his Council for the purpose of coming to some agreement upon the subject of the construction of the Halifax and Quebec Railway on the basis of the proposition contained in the letter of Mr. Under-Secretary Hawes to Mr. Howe of Nova Scotia, dated on the 10th† of the same month. In accordance with your Lordship's suggestion, the Governor-General communicated with the Lieutenant-Governors of the lower provinces, and the result was, that the Hon. Joseph Howe of Nova Scotia and the Hon. E. B. Chandler of New Brunswick arrived at Toronto in June last, and conferred on the subject of the railway with the Governor-General and his Council. Your Lordship is already aware that the favourite scheme both in Nova Scotia and New Brunswick was a line of railway to connect Halifax *via* St. John, N.B., with the lines in the United States leading to Portland and Boston. Such a line would connect all parts of Canada as far eastward as Quebec with the city of Halifax. In a commercial point of view, it is the general impression that such a railway, constructed with money borrowed at a moderate rate of interest, would be remunerative. On the other hand, the prevailing public opinion in all the provinces is, that the line recommended by Major Robinson is defensible only as a military road, that a large portion of it would not for a long time pay more than working expenses, and that great difficulties would be experienced in winter from the snow, owing to the length of that section of the road which passes through unsettled territory in Canada and New Brunswick. As it was distinctly laid down as a condition in Mr. Hawes's letter, that "any deviation from the line recommended by Major Robinson and Captain Henderson must, however, be subject to the approval of Her Majesty's Government," the negotiation at Toronto was conducted on the assumption that that line would be the one selected; and I think I am warranted in assuring your Lordship that a proposition for the three provinces to unite in constructing on joint account a railway from Halifax to Quebec by Major Robinson's route would have been unanimously rejected. It would indeed have been vain to bring such a proposition before any of the Legislatures. When, however, it was represented by Mr. Howe that it was the intention of Her Majesty's Government to extend the aid of the Imperial guarantee, and that such was the interpretation to be put on Mr. Hawes's letter, where it is stated that "Her Majesty's Government will by no means object to its forming part of the plan which may be determined upon,—that it should include a provision for establishing a communication between the projected railway and the railways of the United States," the difficulty was in a great degree removed. New

* Page 21 of Papers on the Halifax and Quebec Railway, presented to both Houses of Parliament by Command, 8 April 1851.

† Page 63 *ibid.*

Brunswick, in consideration of obtaining the aid of the Imperial guarantee for what was considered a paying line, was willing to take an interest of one-third in an unproductive one, believing that her loss on the one line would be compensated by the profit on the other. Nova Scotia, in consideration of securing both lines as feeders to her trunk, consented to take a third also in a line which as a separate speculation she would have refused to do. The inducement for Canada to join was, that under Mr. Hawes's letter the line was to terminate at "Quebec or Montreal." And as the intermediate line between those cities offered a fair prospect of being remunerative, she consented, though reluctantly, to co-operate in a work in which she had less interest than the other provinces. Such were the views of the parties to the conference at Toronto in June last, and your Lordship will therefore readily understand how completely your despatch of the 27th November* last destroyed all our calculations. Canada, of course, was not so much affected by that despatch as the lower provinces; and as it was important to ascertain with as little delay as possible what course the Governments and Legislatures of those provinces would be prepared to take under the altered circumstances of the case, it was deemed expedient by his Excellency the Governor-General and by his Council that a deputation should proceed at once to Fredericton, to confer with his Excellency the Lieutenant-Governor of that province and with his Council, as well as with a deputation from Nova Scotia, which it was hoped would be sent to that city. As it was well known that the consent of New Brunswick could not be obtained to Major Robinson's line as a separate proposition, and as under any circumstances the opinion of the Canadian Government was strongly in favour of a line through the country watered by the tributaries of the St. John, irrespective of merely military considerations, it was agreed that the deputation to be sent to Fredericton should be instructed to endeavour to obtain the joint action of the three Governments in favour of such a line. I was accordingly honoured with the commands of his Excellency the Governor-General to proceed to Fredericton, in company with the Hon. Mr. Taché, Receiver-General, and the Hon. Mr. Young, Chief Commissioner of Public Works, and was duly accredited by his Excellency to Lieutenant-Governor Sir Edmund Head, whose kind attentions and whose cordial co-operation in furthering the object of our mission I am bound gratefully to acknowledge. I left his Excellency fully impressed with the conviction that he and his Council had arrived at the same conclusion that we had come to in Canada, that the only feasible mode of constructing the trunk railway, with Imperial aid, was by adopting the line of the valley of the St. John, by which means an important section of the European and North American would be common to both lines. As no deputation had been sent from Nova Scotia, and as the Legislature of that province was on the eve of meeting, it was deemed advisable that we should proceed to Halifax, accompanied by the Hon. Mr. Chandler of New Brunswick. On our arrival here we put ourselves immediately in communication with Lieutenant-Governor Sir John Harvey, from whom we have received all the co-operation that we could have desired, and whose kindness and courtesy during our stay have been unremitting. We were put by his Excellency in communication with the members of his Council; and your Lordship will, I have been assured, receive by this mail copies of the various papers which have passed between the deputations from Canada and New Brunswick and the Councillors of Nova Scotia. Your Lordship will observe, that Nova Scotia conceives that Major Robinson's line, in connexion with the European, would be more advantageous to her local interests. She anticipated connexion with the United States by the latter; while if Major Robinson's had been adopted as the trunk, she relied not only on a trade with the seaports on the Gulf of St. Lawrence and Bay of Chaleurs, but also on a monopoly of the Canada trade which might be diverted by the valley of St. John line to the city of St. John. While, therefore, she was ready to incur a liability in proportion to the length of the road in Nova Scotia, she demurred to taking the interest of one third, which was the basis of the Toronto agreement. The Canadian deputation then proposed that New Brunswick should take five twelfths interest and Nova Scotia one fourth, leaving Canada to assume one third of the line to Quebec and the whole of the continuation to Montreal. This was at first refused, but I have been assured that within a day or two there has been a considerable reaction in public opinion. Among other proofs of this, I may mention that a requisition for a public meeting, most respectably signed,

CANADA.

was sent to the mayor, in accordance with which he called a meeting of the inhabitants of this city, which was held yesterday, and most numerous and respectably attended. Having been invited, with my colleagues, to offer explanations of our views, we addressed the meeting, and obtained a unanimous vote of thanks; and I have been assured, on what I consider good authority, that the assent of Nova Scotia to the scheme is now a matter of certainty. The question now is, will any difficulty be made by Her Majesty's Government? I can conceive of no objection to the line agreed to, unless one based on mere military considerations; and I trust that your Lordship will excuse me for offering a few remarks on this point. It is first to be observed, that if a practicable line can be found on the left bank of the St. John river, traversing the country watered by its tributaries, all the provinces are willing to adopt it. It is believed in New Brunswick that such a line can be found, although it must be admitted that Major Robinson's opinion is unfavourable. Major Robinson, however, did not cause explorations to be made with a view to a line running from the city of St. John, via Fredericton or its neighbourhood, to the St. Lawrence. In case a practicable line on the left bank cannot be found, then it will be necessary to fall back on the right bank, which certainly would approximate nearer than could be desired to the frontier of the United States. It is, however, the settled opinion of the people of these provinces, that railroads should be constructed with a view to commercial advantages; and that great works, erected for merely military purposes, would inevitably prove a failure. The Rideau Canal may be adduced as an evidence of the inexpediency of constructing works of the description referred to. In a commercial point of view great hopes are entertained, as your Lordship will see by the official papers sent by this mail, of the line by the valley of the St. John proving remunerative. It would afford the means of conveying western produce into the lumbering regions of the St. John and its tributaries, both in British and United States territory. But I must further remind your Lordship, that, even with a view to military purposes, important sections of Major Robinson's line will be completed under the proposed arrangement. The Nova Scotia line and that in New Brunswick to the neighbourhood of the bend of the Peticodiac will be common to both, as will the line in Canada along the south bank of the St. Lawrence. In course of time, as population and commerce extend, Major Robinson's line will doubtless be completed, but your Lordship may rely on it that settlement must precede and not follow railroad communication. I have a strong hope that your Lordship will not allow this great national enterprise to be sacrificed to mere military considerations. It has been a work of great difficulty to obtain the concurrence of the three provinces, not only to the line, but also to the mode of dividing the responsibility for the cost of construction. All this, after much labour, has I hope been accomplished, although I fear that the steamer by which I must return with my colleagues to Quebec will arrive before the sense of the House of Assembly of Nova Scotia has been taken on this question. I will only state to your Lordship, in conclusion, that it is my settled conviction, that if the present arrangements should prove unsatisfactory, it will be vain to expect the concurrence of the three Legislatures to any new proposition.

The Right Hon. Earl Grey,
&c. &c. &c.

I have, &c.
(Signed) F. HINCKS.

No. 2.

No. 2.

COPY of a LETTER from F. PEEL Esq., M.P., to F. HINCKS Esq.

SIR,

Downing Street, February 20, 1852.

I AM directed by Earl Grey to acknowledge the receipt of your letter of the 5th* instant, addressed to him from Halifax, upon the subject of the contemplated railway from that city to Quebec.

His Lordship directs me to state that he much regrets to find from the contents of your letter and from the correspondence between the members of the three Governments interested in this question assembled at Halifax, that in the opinion of the members of the Executive Councils of Canada and New Brunswick a decided objection would be entertained to the construction of the line of railway proposed by the officers who conducted the survey through

the three provinces in British North America in 1848. His Lordship feels that the views of gentlemen possessing great local knowledge, and well acquainted with the opinions of the most influential classes of society in British North America on this subject are justly entitled to great weight. He is, therefore, disposed to consider in the most favourable light the plan submitted in the printed correspondence, emanating as it does from parties intimately conversant with the subject. The establishment of the means of rapid and easy communication between the different British provinces, and from Canada to this country through Halifax, is an object of such extreme importance that it is the earnest desire of Her Majesty's Government to promote, if possible, the construction of a railroad by which such a communication could be maintained; even though it should not follow the line which appears to Her Majesty's Government as the most advisable. His Lordship directs me to state, that he is not insensible to the force of the reasons advanced in your letter for affording the assistance which is desired to the railroad, notwithstanding its passing through a different line of country from that originally proposed, and that he is even prepared to admit that in some respects the line now suggested would possess an advantage over the other, though on the whole it may be less desirable. But the proposal contained in your memorandum of the 29th of January, concurred in by Mr. Chandler on the part of New Brunswick, involves so important a deviation from the plan which Her Majesty's Government had signified their readiness to submit to Parliament, that until it has undergone further consideration it is out of his Lordship's power to say whether it may be judged expedient to recommend that assistance should be given to the project as now proposed. His Lordship directs me to state, that this question shall be taken into consideration as soon as possible; and, with a view to its satisfactory decision, his Lordship has learnt with pleasure that it had been suggested, and he hopes it may be determined, to send a deputation to this country from the Executive Councils of the three provinces for the purpose of personally conferring with Her Majesty's Government on this important subject.

Lord Grey directs me to add, that no proposal for obtaining the assistance of Parliament towards the construction of the proposed railway could be entertained by Her Majesty's Government, unless it can be shown that it would establish a complete line wholly on British territory.

F. Hincks, Esq.
&c. &c.

I am, &c.,
(Signed) F. PEEL.

No. 3.

COPY of a LETTER from F. HINCKS Esq., to the Right Hon. Sir JOHN PAKINGTON.

Morley's Hotel, Trafalgar Square,
March 31, 1852.

SIR,

HAVING been honoured with the commands of his Excellency the Governor-General of British North America to proceed to London to endeavour to make final arrangements with regard to the terms on which a loan can be effected for the construction of a line of railway in the provinces of Canada, Nova Scotia, and New Brunswick, with the guarantee of the Imperial Parliament, and having had an opportunity of explaining personally the views entertained on the subject by the Governments and Legislatures of the three provinces respectively, I now, in accordance with your request, have the honour to place those views before you in a more formal manner, trusting that they will receive the early and favourable consideration of Her Majesty's Government. The scheme of uniting the three principal provinces of British America by means of a railway originated with the late Earl of Durham, who formed a strong opinion that Imperial interests would be largely promoted by such a work. No action however was taken in the matter for some years, nor until it was proposed to construct a great military road through New Brunswick at the expense of the mother country. The scheme of substituting a railway was then revived, on the supposition that, the necessity for a military road being superseded, Imperial assistance would be given in aid of such a work to a considerable extent. On application being made to the Secretary of State for the Colonies on the subject, it was proposed by him that a survey of the line should be made

CANADA.

by officers of the Royal Engineers, and that the expense of such survey should be borne by the three provinces in such proportions as might be agreed on.

At this time Canada had taken little interest in the scheme, and I have no hesitation in saying that had it been announced that Imperial assistance was not to be expected in any shape, the provinces would, with one accord, have declined incurring the expense of a survey which would have been deemed wholly useless.

The Legislatures of the several provinces, fully convinced that if the result of the explorations should be satisfactory Imperial aid would be afforded in some way, did not hesitate to give a pledge to pay the expenses of the survey, which was accordingly ordered, and was in due course executed under the able superintendence of Major Robinson, R.E. That officer strongly recommended the execution of the work, and suggested that it should be undertaken at the risk, in certain proportions, of the Imperial Government, Canada, Nova Scotia, and New Brunswick. Major Robinson's report having been referred to the railway department of the Board of Trade, the measure was considered by that Board more with reference to the probability of an adequate revenue being derived from the tolls than to its importance in a national and intercolonial point of view, and they recommended that no Imperial assistance should be given to it. It is proper to state here, that in the expectation that the work would be constructed by the Imperial Government, the three provinces agreed to secure the right of way, the land required for stations, ten miles in extent of all ungranted land on each side of the line, and 60,000*l.* sterling per annum to cover any deficiency in revenue. Such an offer on the part of the three provinces is sufficient evidence of their anxious desire to co-operate as far as in their power in the construction of this great national work.

It is true that the people of British America are not insensible to the effect which this line of railway would have in promoting their material interests, but it is my duty to impress on Her Majesty's Government that all the provinces, and more especially Canada, feel strongly, that quite as much benefit would accrue to the mother country as to any of the colonies by its construction. The offer made by the three provinces conjointly having been rejected by Her Majesty's Government, no further action was taken in the matter until last year, when the Honourable Mr. Howe, Secretary of the Province of Nova Scotia, having come to England to promote the construction of local works, was invited to confer with Earl Grey, then Her Majesty's Principal Secretary of State for the Colonies, on a scheme of a more extensive character than his instructions contemplated. The result of this conference was a letter addressed to Mr. Howe by Mr. Under-Secretary Hawes, dated 10th March 1851, announcing that, on certain conditions, Her Majesty's Government were prepared to recommend to Parliament to afford its guarantee to a loan, or to advance the required sum from the Imperial Treasury, for the construction of a railway on British territory, between Halifax and Quebec or Montreal. Earl Grey's project was based on the supposition that the three provinces would be able to unite on some plan for dividing the responsibility which they were required to assume, and it of course became necessary that the Legislatures of the several provinces should be consulted. Prior, however, to any legislative action, the Governor-General, the Earl of Elgin and Kincardine, in accordance with the suggestion of Earl Grey, requested the attendance, at the seat of Government in Canada, of members of the Governments of Nova Scotia and New Brunswick. In accordance with his Excellency's request, the Lieutenant-Governors of those provinces directed the Honourable Messrs. Howe of Nova Scotia and Chandler of New Brunswick to proceed to Toronto, where, after much consultation, a satisfactory arrangement was effected as the basis of legislative action. It was agreed that the line from Halifax to Quebec should be constructed on joint account of the three provinces, each assuming one third of the risk, and that the extension to Montreal should be undertaken by Canada alone. On this basis Canada proceeded forthwith to legislate, the provincial Parliament being in session at the time, and on Mr. Howe's return to Nova Scotia a new Parliament for that province was summoned to consider the railway measure, and a Bill was passed in accordance with the Toronto agreement.

Before the meeting of the New Brunswick Legislature, however, a despatch was received from Earl Grey, by which it appeared that Mr. Howe had misunderstood his Lordship's intention and Mr. Hawes's letter in a very important

particular, viz., as to the Imperial guarantee being afforded to the Branch Line leading by the city of Saint John, New Brunswick, to the frontier of the state of Maine. This line being the one of the greatest importance to New Brunswick, no doubt was entertained in Canada, on the receipt of Earl Grey's despatch, that the Legislature of that province would abandon the scheme agreed to at Toronto. Under these circumstances I was deputed, with two of my colleagues, by the Governor-General to proceed at once to Fredericton to endeavour to effect a new arrangement. After conferring with Lieutenant-Governor Sir Edmund Head, and with the members of his council, it was deemed advisable that we should continue our journey to Halifax, having been joined by the Honourable Mr. Chandler, member of the Executive Council of New Brunswick. The negotiations which took place in that city have been officially communicated to Her Majesty's Government, and I need not enter here into any detailed statement of them. When, after much anxiety and trouble, the serious difficulties arising from conflicting interests were removed, it was deemed expedient that a member of each Government should proceed to London to arrange matters of detail finally with Her Majesty's Government. The Legislatures of Nova Scotia and New Brunswick being in session, Messrs. Howe and Chandler were unable to leave their respective provinces as early as circumstances enabled me to do, and they, therefore, requested me to do all in my power to arrange matters before their arrival, which my full knowledge of their views enables me to do.

I cannot too strongly impress on Her Majesty's Government the importance of coming to an early decision on this important subject. If a satisfactory arrangement of details can be made, it is highly desirable that no time should be lost in commencing the survey and location of the line, and in preparing the estimates. I am not without hope that Her Majesty's Government may consent to submit a measure to the present Parliament to authorize the guarantee, but it is my duty to anticipate a refusal to take such a step at the present juncture. I feel persuaded that Her Majesty's Government will be most anxious to prevent, if possible, the delay and vexation that will be caused by a refusal to adopt any measure to promote the great enterprise which I have been instructed to advocate, especially as in case the present opportunity of arranging difficult matters of detail with members of the several Governments be lost, so favourable a one may not occur again. I feel convinced that if the details can be agreed on with Her Majesty's Government, an assurance that the measure of granting the Imperial guarantee would be submitted during the first session of the next Parliament would answer every present purpose. On such an assurance surveys could be commenced and estimates prepared, and all other necessary arrangements effected.

The details to be arranged are few, and I shall now proceed to their consideration. First, the line: The result of the negotiations which have lately taken place between the Governments of Canada, Nova Scotia, and New Brunswick, and on which legislation has been based, has been the adoption of a different line from that recommended by Major Robinson, which was carried away from the most populous settlements of New Brunswick, and from her principal cities, St. John and Fredericton, through an unsettled country, to the St. Lawrence. The proposed line is to pass by the city of St. John, the commercial capital of New Brunswick, and thence, by the valley of the River St. John, to the St. Lawrence.

In a commercial point of view the two lines do not admit of comparison, but as the advantages of the valley of St. John line have been urged in papers already under the consideration of Her Majesty's Government, I feel that I should unnecessarily trespass on your time by discussing them here. It is admitted that the northern line is recommended principally on military considerations. It must, however, be borne in mind, that when Major Robinson made his report, the Oregon question had assumed a very threatening aspect, and such, perhaps, as to cause undue weight to be given to the advantage of the railway in a mere military point of view. It is further to be recollected that Major Robinson recommended that large Imperial assistance should be given to the work, and that consequently revenue was treated as a secondary consideration. My own conviction is, that in the improbable contingency of war with the United States, the section of the line on the south bank of the St. Lawrence, between Rivière du Loup and Quebec, distant less than thirty miles from the



CANADA.

Maine frontier, would be nearly, if not quite, as much exposed to the enemy as that passing by the valley of the St. John. The Halifax and Quebec line is only a section of a great trunk line, which must very soon be completed to the western frontier of Canada, and which in many points would be equally assailable with the proposed line in New Brunswick; and it may be observed that the obstruction in time of war of any portion of this great line, extending from Halifax to the Detroit river, would be as injurious as that of the particular section between the city of St. John and the St. Lawrence. It must, I think, be sufficiently obvious that in time of war the section of the British railroads lying between such important posts as Quebec and Halifax, and having a large population in its neighbourhood which would be interested in its defence, would be less exposed to the attack of an enemy than any of the numerous lines in those parts of the United States bordering on British territory. I have, perhaps, dwelt too much on the subject of the proposed location of the line, especially as I had the honour of bringing the subject under the consideration of Her Majesty's Government in a letter dated* 5th ultimo, addressed to the Right Honourable the Earl Grey, and which was acknowledged by Mr. Under-Secretary Peel on the 20th† ultimo in terms which encouraged the hope that the decision arrived at in Halifax regarding the route would not prove a barrier to the carrying out of the liberal intentions of Her Majesty's Government. I ought, however, to state that the opinion expressed at the conclusion of my letter to Earl Grey, that "if the present arrangement should prove unsatisfactory, it will be vain to expect the concurrence of the three Legislatures to any new proposition," has only been confirmed by all that has since come to my knowledge. If the decision of Her Majesty's Government should unfortunately lead to the abandonment of this magnificent enterprise, the three provinces will be placed in the position in which they were two years ago, and will have to follow out separately their various schemes of railway communications, all of which, it is to be regretted, tend to foster intercourse with a foreign country rather than with that to which the people of British America are united both by ties of affection and interest. The second matter of detail is the amount of the guarantee and the principle upon which the aid of the Imperial Parliament is to be extended. Hitherto no definite sum has been named in the official communications, and it is rather to be inferred from Mr. Hawes's letter that the guarantee would be given for whatever sum should be found necessary to construct the line between Halifax and Montreal. I can readily understand that serious objections would be taken in Parliament to any proposition which would involve the guarantee of an indefinite amount, and it therefore seems to me that it would be the most satisfactory arrangement for all parties that the guarantee should be given for a specific sum, which should not be exceeded in case of its insufficiency, and that no objection should be made to the expenditure of this sum on the main line of railway as far west as it could be made available. If that principle, which appears to be both the most simple and most satisfactory be approved of by Her Majesty's Government, the only remaining point to be settled is the amount of the guarantee. Major Robinson's estimate of the line to Quebec was 5,000,000*l.* sterling. The proposed line may be fifteen to twenty miles longer, but the expense may be estimated at the same sum. For the extension to Montreal, which was contemplated by Earl Grey, as will be seen by a reference to Mr. Hawes's letter, taking Major Robinson's estimate as a guide, a million might be estimated, and I therefore consider that the minimum sum required to carry out the contemplated arrangements is six millions of pounds sterling. I desire, however, to submit for the serious consideration of Her Majesty's Government whether the security of the Imperial Government would not be strengthened and the great objects of the work promoted by authorizing a guarantee of seven millions instead of six. A glance at the map will show that the British line from the Detroit river to Halifax will have to compete with several great lines of the United States for the western trade. In this competition they will have several advantages. It will be the best road, will have the best gauge, and by far the best gradients of any line in America. The American lines are in the hands of a number of corporations, which have often conflicting interests, but a common object to obtain large dividends. The object of the three provinces would be to place the tolls at the lowest possible rate, even at the risk of causing a charge on their revenues, so as to secure not only the pas-

* Page 20.

† Page 22.

senger travel to and from Europe to the west, as well as between Halifax and Boston and New York, but likewise to obtain the passenger trade from the west to the principal Atlantic cities of the United States. This trade would diverge at various points along the line, such as Hamilton, Toronto, Kingston, Prescott, and Montreal, to the American railroads. It must be obvious that the line west of Montreal will be the best paying portion; and indeed the only reason urged for confining the Imperial aid to the section between Halifax and Montreal has been, that the western section being likely to prove remunerative, no necessity existed for granting Imperial aid. It may, however, be well worthy of consideration whether it is wise for the Imperial Government to abandon its lien on the section of the line admitted to be commercially the best, and to retain it on the section expected to be unproductive. It may be urged that in case the guarantee was extended to seven millions there would be no security for the completion of the line. In answer to this I have to state that eminent English capitalists have announced their readiness to construct the entire line from Halifax to the western frontier on the assurance that the Imperial assistance will be extended to seven millions. I am myself persuaded that if the principle of granting aid at all be admitted, it is the interest of the Imperial Parliament to grant seven millions and secure the completion of the entire line. I believe that the importance to Imperial interests of this great work is not sufficiently appreciated. I have reason to believe that were a line of railway completed from Halifax, and that port made the terminus of the voyage of the ocean steamers, fully 50,000*l.* per annum might be saved in the Atlantic mail service, independent of the saving of the sum now paid to the United States for carrying the Canada mails,—a service most unsatisfactorily performed and most extravagantly charged for. Instead of the British mails being carried over the American railways, it must be obvious that the mails and passengers destined for New York, Boston, and other American cities would be carried over the projected railway from Halifax to St. John, and thence by branch lines to their several destinations. Such a railway would lead to the establishment of ocean steamers of a larger class than those now used, and which would convey the emigrants at all seasons of the year cheaply and expeditiously. With such a means of rapid communication between the mother country and all parts of the British American territories, not only would the charges for transporting troops and stores be materially reduced, but a considerable diminution in the military force might be made if such a step were on other grounds deemed expedient. I need not urge the advantage which would accrue to the mother country by the employment of labour in the construction of these works, and the ultimate settlement in British America of a population which would be consumers of British manufactures. Although in advocating the extension of the loan to seven millions I may be thought to be peculiarly urging the claim of Canada, I have the satisfaction of knowing that the importance of completing the entire line to the Detroit River so as to connect it with the valley of the Mississippi and the great western states is fully appreciated by the Governments and people of Nova Scotia and New Brunswick. The aspirations of the people of Halifax are that their city should be the great Atlantic terminus for North America; but I must admit that those who feel most strongly on the subject are the people of Upper Canada. Whatever reluctance was evinced in the Canadian Parliament to aid in the great railway scheme arose from the restriction of Imperial aid beyond Montreal. The Upper Canadians felt that their interests would be wholly overlooked if the construction of a line from Halifax to Montreal were secured, and that extending westward from Montreal left in uncertainty. Many of them would have preferred constructing the western section without Imperial assistance, thus applying all the unaided energies of the province to the favourite and more profitable section in Upper Canada. In fact the Legislature, in agreeing to assume the heavy responsibility of the Halifax and Montreal line, was mainly influenced by the consideration that it was one of great national importance, and that as an integral portion of the empire Canada would not be justified in declining to co-operate with the sister provinces in securing its construction.

In concluding this branch of my subject I have merely to add that I consider the guarantee of six millions as indispensable to give effect to Earl Grey's proposition, and that while I have no doubt that the three provinces will thankfully carry out their pledges if that sum be guaranteed, I trust to

CANADA.

the liberality of Her Majesty's Government, and to the soundness of the arguments which I have advanced, to fix it at seven millions, it being understood that the entire line is to be completed and the whole revenue pledged to the Imperial Government.

I proceed, thirdly, to consider the conditions on which the guarantee was to be granted, as I find them stated in Mr. Hawes's letter to Mr. Howe of the 10th March last. The first of these was, that the three provinces should agree upon the proportion of the liability to be respectively borne by each in the construction of the whole line. An arrangement has been effected by which the cost of the line between Halifax and Quebec is to be borne, one fourth by Nova Scotia, five twelfths by New Brunswick, and one third by Canada, the line being constructed on account of the three provinces, and the entire net revenue going to each in proportion to its interest in the work. The next stipulation was, that the line should pass through British territory, a condition of course which the provinces are equally anxious with the mother country to affirm. The next stipulation is, that the new loan should be made a prior charge on the provincial revenues after any existing debts and payments on account of the civil list, and also that permanent taxes should be imposed sufficient to cover the interest and a sufficient sinking fund. To the principle of making the new loan a prior charge on the revenue of each province after any existing debts there can be no objection, but I feel assured that on further consideration it will not be deemed necessary to require the imposition of fresh taxes specially applicable to the new loan. It can easily be shown that the revenue of Canada is an amply sufficient security for her proportion of the risk. Instead of finding it necessary to impose new taxes, I was, as finance minister of Canada, only able during last session to resist the demand for a reduction of duties on the ground that the new loan would entail increased burthens on the province, and render it unsafe to reduce the revenue. The sister provinces have no debt worthy of notice, and of course all their revenues of every kind will be liable for their proportion of the loan. Taxes specially appropriated are for many reasons objectionable; they have been found so in England, and the same objections may be urged against them in the colonies; a better security cannot be given than a consolidated revenue fund which embraces every description of revenue that is received into the colonial exchequer. I believe that the same high sense of honour for which England has justly obtained such credit will be found among the people of British North America; and I am convinced that any colonial finance minister who would allow the provincial credit to be impaired would be as utterly ruined as a public man as the Chancellor of the Exchequer would be in this country by similar mismanagement. I hold that the best possible security that the Imperial Government can have is a charge upon the revenues of the several provinces; and as I know that this view is participated in by the Governments of the sister provinces I trust that the provisions of the Acts passed by the several Legislatures will be found satisfactory. I may observe, that in the British provinces, as in England, there are frequently changes made in the tariffs owing to the pressure of public opinion, and it would be found extremely inconvenient to have particular taxes specially appropriated. The revenue of each province will be maintained at an amount sufficient for the liquidation of all demands on it, and this is all that the public creditor can require. Canada has provided a sinking fund of two per cent. to commence immediately, but the provinces of Nova Scotia and New Brunswick have not deemed it expedient, in view of the probability of having to pay the interest out of their general revenue, to assume the additional burthen of a sinking fund, relying, as they are justified in doing, on the rapidly progressive increase of the tolls. In the case of the Canada guaranteed loan of 1841, the Imperial Government permitted the postponement of the sinking fund for a period of years, and Nova Scotia and New Brunswick have relied on the liberality of the Imperial Government not to press too severely on their small revenues. The caution manifested by the Legislatures referred to is a proof that they are determined to fulfil their engagements. To the condition that the Government troops, stores, and mails should be sent over the line at reasonable charges no objection can exist. One other point requires consideration, viz., the mode in which Her Majesty's Government will exercise supervision over the expenditure. In the absence of all information as to the views of Her Majesty's Government it would be presumptuous in me to discuss the subject, but I feel

assured that no difficulty can arise on this point. I have to apologize for the length of this communication, which I trust you will attribute to my anxious desire to fulfil the trust reposed in me, and to represent to the Queen's Government the wishes of Her Majesty's loyal subjects in British North America. I cannot, however, conclude without expressing to you, sir, my warmest acknowledgments for the courtesy with which you have received me, and for the interest which you have taken in the subject which it has been my duty to bring under your consideration.

I have, &c.
(Signed) F. HINCKS.

The Right Hon. Sir John S. Pakington, Bart., M.P.
&c. &c. &c.

No. 4.

COPY of a LETTER from F. HINCKS, Esq. to the Right Hon.
Sir JOHN S. PAKINGTON.

No. 4.

SIR,

Morley's Hotel, London, May 1, 1852.

At the interview with which the Hon. Mr. Chandler of New Brunswick and myself were yesterday honoured by the Earl of Derby, we were given to understand by his Lordship that he would examine the various papers on the subject of the British American Railway, and that he would see us again after the arrival of Mr. Howe of Nova Scotia. I left his Lordship in the confident hope that I should receive an early communication of the intentions of Her Majesty's Government, and, although at great inconvenience, I determined to postpone my departure from England until the 22d instant. I must, however, be permitted to say that Mr. Howe's arrival can have no effect whatever on the question of route, the only one yet raised by Her Majesty's Government. If a final arrangement were agreed to, Mr. Howe's presence to adjust some details as to the mode of constructing the work would, doubtless, be important; but as the Legislature of Nova Scotia has passed an Act settling the route by the city of St. John, Mr. Howe would not be in a position to enter into any new arrangements; and even if he were, as Mr. Chandler and I could be no party to them, the negotiation, unless based on the valley of St. John route, would fall to the ground. I may here observe that it is not only the anxious wish, but the confident hope of the three provinces, that a practicable line may be obtained on the left bank of the river St. John, or rather in the country watered by the tributaries of that river, a point that I think the Earl of Derby seemed to attach much importance to. I trust, Sir, that you will perceive that Mr. Howe's presence in England, at the present stage of the negotiations, is of no importance whatever; whereas if any satisfactory result be arrived at, my presence during the arrangement of details will be almost indispensably necessary. Observing, by the report in the "Times" of this morning of a conversation which took place last evening in the House of Commons, that it is not the intention of Her Majesty's Government to come to any final decision without communicating information to the House, and apprehending that much delay may yet be contemplated, I feel that it is my duty, on the part of the province whose interests are entrusted to my care, to explain frankly, but most respectfully, to Her Majesty's Government, that it will be quite impossible for Canada to continue any longer a negotiation which has already involved her in much expense and trouble, and which has naturally retarded other arrangements which can be made for securing the construction of the most important sections of a great Canadian trunk line of railway. I am anxious that Her Majesty's Government should understand most distinctly that I have not been sent to England as an humble suitor on the part of Canada for Imperial aid. Canada was invited by the Imperial Government to aid in the great national work under consideration, and I must be permitted to say that she has generously and patriotically responded to the invitation. Much time has unfortunately been lost, though not from any fault on the part of the Government or Legislature of Canada; and I therefore trust that my present formal appeal to Her Majesty's Government will not be attributed to impatience, but to an

CANADA.

anxious desire to promote the interests of my country. It seems to me far from improbable that, on some ground or other, this negotiation will prove a failure. If so, it is of the very highest importance to Canada that the fact should be known as soon as possible. I have reason to believe that I can effect arrangements on the spot with eminent capitalists, to construct all the railroads necessary for Canada, with our own unaided credit. I have likewise reason to know that the European line from Halifax to the frontier of Maine can be constructed by the unaided credit of Nova Scotia and New Brunswick. We cannot afford to lose the opportunity of effecting such an important object to us, which will afford communication between Halifax and the western frontier of Canada. I am convinced that Her Majesty's Government, if unable to meet our wishes by granting us the aid spontaneously offered by the late Government, would regret extremely that we should lose the opportunity of effecting other desirable arrangements, and that they will not deem me importunate or unreasonable in respectfully begging for an answer, after being delayed nearly seven weeks in England. I must leave this country by the steamer of the 22d instant, and I cannot possibly effect the arrangements which must be carried out, whether the negotiation with Her Majesty's Government succeeds or fails, in less than a week. I therefore most respectfully request of you, sir, that you may give me a final answer by the 15th instant; and I must add, that, if Her Majesty's Government are unable, either from want of time or from the necessity of consulting Parliament, to come to a decision by that period, I must beg it to be understood that Canada withdraws from the present negotiation, and that I shall deem it my duty to enter into arrangements, which if confirmed, as I believe they will be, by the Government and Legislature, will put it out of the power of the province to negotiate on the present basis. I must also observe, that my conviction is, that there is but one mode of securing the construction of the favourite military road, which is, by the Imperial Government undertaking it at their own expense. I cannot conclude this letter without expressing my deep regret that so little confidence has been manifested by Her Majesty's Government in Mr. Chandler and myself, being, as we are, sworn confidential advisers of the Crown. I have reason to believe that at this time foreign influence is at work to prevent the accomplishment of the great national object which we have in view. I have reason to believe that Mr. Cobden, M.P., the avowed opponent of the colonies, is in communication with parties actuated by motives of the most anti-British character. Communications have been made to the Colonial Office on the subject of this railway hostile to the views of the Governments and Legislatures of the three provinces of Canada, Nova Scotia, and New Brunswick, supported as those views are by the Queen's able representatives in those provinces. No communication of those papers, the existence of which I only know by current rumour, has been made to us. Our position has been in no way recognized by Her Majesty's Government; and I cannot but express my conviction, that such withholding of confidence has not conduced to the interests of the Queen's service.

I have, &c.

(Signed) FRANCIS HINCKS.

The Right Hon. Sir J. S. Pakington,
&c. &c. &c.

No. 5.

No. 5.

COPY of a LETTER from Lord DESART to F. HINCKS, Esq.

SIR,

Downing Street, May 6, 1852.

I AM directed by Secretary Sir John Pakington to inform you, that he can at present only acknowledge the receipt of your letter of the *1st instant, on the subject of the proposed Halifax and Quebec Railway, and that he extremely regrets any inconvenience to which you may have been exposed by a delay, from unavoidable circumstances, in coming to a decision on a subject of such great importance as that which you have brought under his notice.

I am to add, that the question itself is now under the consideration of Her Majesty's confidential advisers, and that in a few days Sir John Pakington hopes

to have it in his power to answer your letter more fully, and at the same time to communicate to you the final decision of Her Majesty's Government on the subject.

CANADA.

Francis Hincks, Esq.
&c. &c.

I have, &c.
(Signed) DESART.

No. 6.

COPY of a LETTER from Lord DESART to F. HINCKS, Esq.

No. 6.

SIR,*

Downing Street, May 20, 1852.

I AM directed by Secretary Sir John Pakington to communicate to you a copy of the despatch which he has this day addressed to the Governor-General of British North America, conveying the decision of Her Majesty's Government on the subject of the construction of a railroad from Halifax to Quebec.

No. 25.
20 May 1852.
See Page 18.

Francis Hincks, Esq.

I have, &c.,
(Signed) DESART.

* Similar letter addressed to W. B. Chandler, Esq.

NOVA SCOTIA.

Despatches from the Lieut.-Governor.

NOVA SCOTIA.

No. 1.

(No. 8.)

No. 1.

COPY of a DESPATCH from the Officer administering the Government to
Earl GREY.

Government House, Halifax, August 4, 1851.

(Received August 18, 1851.)

MY LORD,

(Answered No. 284, August 27, 1851, p.58.)

REFERRING to your Lordship's despatch of the 14th of March (No. 569,* addressed to the Governor-General), I have now the honour to enclose a copy of the report made to this Government by Mr. Howe, the delegate selected to attend the conference at Toronto, held under your Lordship's instructions.

The important measure matured at that conference seeming to depend on the legislative action of the provinces interested, and the spirit, if not the strict letter of the law rendering an appeal to the constituencies of Nova Scotia indispensable before the session could be held, I deemed it to consist with my duty to dissolve Parliament by proclamation on the 29th day of July.

In taking this step I have been sustained by the unanimous opinion of the Executive Council, and trust that it will meet with your Lordship's approval.

The elections will be held on the 28th of August, and the writs are returnable on the 20th of September.

I have, &c.

(Signed) JOHN BAZALGETTE,

Administrator.

The Right Hon. Earl Grey,
&c. &c. &c.

Encl. in No. 1.

Enclosure in No. 1.

DELEGATION TO CANADA

Mr. Howe's Report.

SIR,

Amherst, July 20th, 1851.

THE negotiations which I was charged to conduct with the Governments of Canada and New Brunswick having been brought to a close, in a final conference held with the delegate from the latter province this afternoon, I lose no time in submitting, for the information of his Honour the Administrator of the Government, a report of my proceedings under the commission and instructions with which I was honoured by his Excellency Sir John Harvey.

You are aware that his Excellency Sir Edmund Head had selected the Hon. Edward B. Chandler to represent the Government of New Brunswick at Toronto, and that it had been arranged that I was to meet him at Dorchester on the 1st of June.

As I had to pass through the county of Cumberland, where the bill, pressed so earnestly on the Legislature at its last session, originated, and as it was more than probable that public opinion in New Brunswick would be largely influenced by the decision of that county against the measure, and in favour of the proposition made by Her Majesty's Government, I deemed it to consist with my duty to invite, in the shire town, the most ample discussion of the whole subject. I therefore addressed a letter to the Custos Rotulorum of Cumberland, acquainting him with my intention to attend any meeting that might be called for that purpose.

On reaching Amherst, I found that a meeting had been convened, and that a very numerous and respectable body of the leading men of Cumberland crowded the court-house. The result of an animated discussion, which extended over several hours, was an almost unanimous decision to sustain the views and policy of the Government.

At Amherst I received invitations to attend two meetings in the county of Westmoreland, New Brunswick, and another in the county of Kent: the former I accepted, as the places named lay upon my route; the latter I was compelled to decline. The unanimity of feeling displayed at Dorchester, and at the Bend of Peticodiac, convinced me that the rural population of New Brunswick only required information; and that, when the subject came to be fully discussed, their support would be given to any fair modification of the terms which the Legislature had rejected.

An experiment on the city of St. John appeared to offer less assurance of success. The office bearers and agents of the Portland Company resided there, and formed, with their friends, clients, and stockholders, an organized combination. A large portion of the press

* Page 21, Papers respecting Halifax and Quebec Railway, presented to both Houses of Parliament by Command, 8 April 1851.

had taken its tone from these gentlemen; and for many weeks the propositions contained in Mr. Hawes's letter, and the general policy of this Government, had been discussed in a spirit which was certainly not calculated to ensure me a very cordial reception. When I entered the city I was assured that there would not be three exceptions to the unanimity with which the offers of Her Majesty's Government would be rejected and condemned. The result of the discussion which ensued, at a public meeting to which I was invited by the citizens, may be gathered from the altered tone of a very influential portion of the press, and from the fact that the promoters of the Portland Company have postponed further proceedings until the 20th of August. "It is evident," says the editor of the "Freeman," (a journal originally hostile—still doubtful, but faithfully interpreting the prevailing sentiment of the community,) "that the public mind is excited by the magnificent proposal of Earl Grey, as interpreted by Mr. Howe and others."

Having attended three meetings within his Excellency's Government, I deemed it but respectful to proceed to Fredericton, and explain to Sir Edmund Head the reasons by which I had been influenced, and the general views which I entertained. These explanations were regarded as satisfactory, and I received from his Excellency very gratifying marks of confidence and consideration.

On reaching St. Andrews, on my way to the United States, I was met by a deputation, with a request that I would address a public meeting at that place on the following day. Though apprehensive that the interest which the people of St. Andrews naturally felt in the success of their own railroad might place them in hostility to the inter-colonial lines, I consented to attend the meeting, and received at its close the most satisfactory assurances from a very large assemblage of all ranks and classes that no mere local interests or predilections would induce St. Andrews to place herself in opposition to a great scheme of inter-colonial policy and improvement.

The charge having been frequently made that the Government of Nova Scotia had broken faith with the Portland convention, and much pains having been taken to persuade the people of that city that the North American and European line had been abandoned, it appeared very desirable that the conduct of this Government should be vindicated, and its policy clearly explained to the leading men of this friendly and very interesting community. Mr. Chandler and myself spent nearly a day at Portland on our way to Canada. John A. Poor, Esq., one of the most active members of the convention, rejoined us at Toronto, and we exchanged frank explanations with and received much courtesy from that gentleman and his friends on our return. Misconceptions previously entertained were dispelled by these friendly conferences. Mr. Hawes's letter of the 10th of March, Earl Grey's despatch of the 14th, addressed to the Governor General, with copious extracts from the correspondence between the Imperial and Colonial Governments, have been published and extensively circulated in the state of Maine. Assuming that the policy explained to them will be acted upon in good faith, and "that the provinces of New Brunswick and Nova Scotia will, in some mode or other most agreeable to themselves, carry out the plan of a continuous line of railway from the boundary of Maine to the eastern shores of Nova Scotia," all opposition to our policy has been wisely withdrawn by the people of Portland, who are now appealing to the Legislature and citizens of Maine to come promptly forward and supply the means to complete that portion of the line which is to extend from Bangor to the boundary of New Brunswick.

Mr. Chandler and myself reached Toronto on the 15th of June, and during our stay at the seat of Government received from his Excellency the Governor-General, from the Speakers of the two Houses of Parliament, from the members of Administration, and from the mayor and citizens of Toronto generally, such marks of distinction and courtesy as assured us of the very high estimation in which the provinces we represented were held.

Invited to take seats in Council on the 16th, we were at once assured of the cordial co-operation of the Government of Canada, of the readiness of the Administration to accept the terms offered by the Imperial Government, and to unite with Nova Scotia in meeting the difficulties presented in New Brunswick, by such fair modification of those terms as would enable Mr. Chandler to secure the co-operation of that province. It is due to that gentleman to state, that he made no importunate demands; explained the position of his Government and the prevailing sentiment of the country frankly, and then left it to the discretion and good feeling of the conference to determine to what extent the peculiar aspects of New Brunswick should be considered, and aid given to that province, in the construction of one of her great lines, to enable her to complete them both.

If New Brunswick maintained an antagonistic position, it was clear that neither the line to the St. Lawrence nor that to Portland could be accomplished; the proposition of the British Government would in that case have to be rejected, and the three provinces be driven, in bad temper and at ruinous rates of interests, to carry on their internal improvements without mutual sympathy or co-operation.

To obviate this state of things appeared to all parties most desirable; and, at length, Mr. Chandler was empowered to invite the co-operation of his Government upon these terms, it being understood that the Governments of Canada and Nova Scotia were to be bound by them if New Brunswick acquiesced:—

That the line from Halifax to Quebec should be made on the joint account and at the mutual risk of the three provinces, ten miles of Crown land along the line being vested in

a joint commission, and the proceeds appropriated towards the payment of the principal and interest of the sum required :

That New Brunswick should construct the Portland line, with the funds advanced by the British Government, at her own risk :

That Canada should, at her own risk, complete the line from Quebec to Montreal, it being understood that any saving which could be effected within the limits of the sum which the British Government are prepared to advance should be appropriated to an extension of the line above Montreal :

That on the debt contracted on the joint account of the three provinces being repaid, each should own the line within its own territory.

It was also understood that Canada would withdraw the general guarantee offered for the construction of railways in any direction, and that her resources should be concentrated upon the main trunk line, with a view to an early completion of a great inter-colonial highway, on British territory, from Halifax to Hamilton; from whence to Windsor, opposite to Detroit, the Great Western Company of Canada have a line already in course of construction.

This policy having been arranged, it became very desirable that Mr. Chandler should return promptly to New Brunswick to submit it to his colleagues; and to assure himself that in the event of the administration assuming the responsibility which it involved, they would be sustained by a majority of the Legislature. Allowing a sufficient time for a deliberate review of the whole ground, and for a final decision, a meeting was arranged with Mr. Chandler at Dorchester on my return. I rejoined him this afternoon, and was happy to receive from him the assurance that the Government of New Brunswick will be prepared to submit the policy agreed upon to the Legislature of that province, with the whole weight of its influence, so soon as the Government of Nova Scotia intimates that it is prepared to co-operate on the terms proposed.

The final adoption of this great scheme of inter-colonial policy now rests with the people of Nova Scotia, to whom it is probable that it will be submitted by a dissolution of the Assembly at an early day. I have pledged the Government to it beyond recall. I have staked, upon the generous and enlightened appreciation of their true interests by my countrymen, all that a public man holds dear. Having done my best to elevate Nova Scotia in the eyes of Europe and of the surrounding colonies, I have no apprehension that she will repudiate the pledges which I have given.

Her clear interest demands the prompt acceptance of the proposition,

1st. Because it secures to her within very few years a railway communication of 1,400 miles, extending through the noble territory of which she forms the frontage, and with which her commercial, social, and political relations must be very important in all time to come.

2d. Because it gives to her, almost at once, connexion with 8,000 miles of railway lines already formed in the United States, makes her chief seaport the terminus for ocean steam navigation, and her territory the great highway of communication between America and Europe.

3d. Because, on the extinction of the debt, she will possess a road with which there can be no competition within the province, a road towards which two great streams of traffic must perpetually converge, and the tolls upon which must become a source of revenue, increasing with each succeeding year.

4th. Because the completion of these great lines of communication will give to all the North American provinces a degree of internal strength and security and consideration abroad, which will far transcend any pecuniary hazards which may be incurred.

5th. Because the completion of these lines will draw into the province much of the surplus labour and capital of Europe.

6th. Because, the line from the seaboard once completed to Canada, there cannot be a doubt that it will soon be extended into the fertile and almost boundless country beyond; being followed at every advance by a stream of emigration, and ultimately, and in our own time, reaching the shores of the Pacific.

It may be argued that we ought not to risk any thing beyond the limits of our own frontier. But I regard the risk as involving a very slight liability beyond what we have already cheerfully assumed.

All our calculations have been based upon the presumption that our roads will cost 7,000*l.* currency per mile. From the best information which we could obtain in Canada and in the United States, and we gathered the opinions of the chief promoters of the Vermont, Great Western, Portland, and St. Andrews roads, there is every reason to believe, if the provinces avail themselves of the most modern experience, and of the present low price of iron, that with the money in hand, and large contracts to offer, the work need not cost much more than 5,000*l.* currency per mile. Should this be the case, the sum which was originally contemplated will probably cover the whole expenditure for which Nova Scotia will be liable; and if it does not, with her present low tariff and annually increasing consumption, the deficiency may be soon supplied.

But, after a careful examination of the country traversed by American and Canadian railroads, and of the general testimony borne by their promoters and officers, that in all cases the money with which they have been constructed has cost from 7 to 12 per cent., I have brought my mind to the conclusion that a railway built with money

PROJECTED RAILWAY FROM HALIFAX TO QUEBEC. 37

NOVA SCOTIA.

at 3½ per cent. will pay almost immediately, even if made through a wilderness, provided the land be good, water-power and wood abundant; and provided that there are formed settlements at either side, to furnish pioneers, and local traffic with them, when they are scattered along the line. We have other resources, beyond our own limits, in associations of the industrious and enterprising, who are prepared to come into the provinces the instant these great works are commenced, and who, within the limits at least of the lands dedicated to this enterprise, will soon form a continuous street through that portion of the territory between our frontier and the St. Lawrence, which appears to present any really serious hazard.

In estimating the relative risks and advantages which this scheme involves, it should also be borne in mind, that while Nova Scotia has but little Crown land left along her portion of the line (and this has been frankly explained) the lands which Canada and New Brunswick are prepared to grant are extensive and valuable. They will probably amount to 3,000,000 of acres, which, if sold at 5s. an acre, (and with a railroad running through them they will soon command a much higher price,) would form a fund out of which to pay the interest on the whole capital expended for the first three or four years.

I cannot close this report without some notice of the very enthusiastic and honourable treatment that I received during short visits to Quebec and Montreal. In both cities, men the most distinguished for social positions, commercial and intellectual activity, and commanding influence, vied with each other in recognizing the importance and value of the maritime provinces. Among all ranks and classes the railroads seemed to be regarded as indispensable agencies by which North Americans would be drawn into a common brotherhood, inspired with higher hopes, and ultimately elevated, by some form of political association, to that position which, when these great works have prepared the way for union, our half of this continent may fairly claim in the estimation of the world.

I have the honour to be,

Sir,

Your very obedient servant,

JOSEPH HOWE.

Wm. H. Keating, Esq. Deputy Secretary,
&c. &c. &c.

(No. 16.)

No. 2.

No. 2.

COPY of a DESPATCH from the Officer administering the Government to
Earl GREY.

Government House, Halifax,
September 18, 1851.

(Received, Sept. 29, 1851.)

MY LORD,

(Answered, Oct. 13, 1851, No. 288, page 58.)

With reference to my despatches of the 4th August and 15th instant, I have the honour to transmit, for your Lordship's information, copy of a letter which the Provincial Secretary, by my direction, addressed to the Honourable J. R. Partelow, for the information of the Lieut.-Governor of New Brunswick, in relation to the subject of the proposed inter-colonial railways.

I have, &c.

The Right Hon. Earl Grey,
&c. &c. &c.

(Signed) JOHN BAZALGETTE,
Administrator.

Enclosure in No. 2.

Encl. in No. 2.

SIR,

Provincial Secretary's Office,
Halifax, September 15, 1851.

I have it in command from his Honour the Administrator of this Government to acquaint you, for the information of his Excellency Sir Edmund Head, that his Honour will be prepared to call an extra session of the Legislature of this province, to consider the subject of inter-colonial railways, whenever the Legislature of New Brunswick has decided to accept the terms described in my report of the 20th of July,* for the construction in three equal portions of the trunk line from Halifax to Quebec.

* Page 34.

His Honour commands me to say, that his Government will be prepared to submit such a measure and carry it through the Legislature whenever his Honour is assured that the Government of New Brunswick adhere to the Minute of Council dated at Fredericton on the 1st of August,* and is prepared to confirm, or has confirmed, by legislation the policy embodied in that minute.

* Page 67.

I have, &c.

The Hon. J. R. Partelow,
&c. &c. &c.

(Signed) JOSEPH HOWE.

NOVA SCOTIA.
No. 3.

(No. 33.)

No. 3.

COPY of a DESPATCH from Lieut.-Governor Sir JOHN HARVEY to
Earl GREY.

Government House, Halifax, November 13, 1851.

(Received November 24, 1851.)

MY LORD,

(Answered November 27, 1851, No. 292, Page 58.)

I HAVE the honour to enclose a copy of the speech with which I opened the extra session of the Legislature of this province on the 4th instant.

Copies of the answers of the two branches, adopted with unusual promptitude and unanimity, and of my replies to both, are also enclosed.

Your Lordship will be gratified to learn that the railway bills submitted by the Government have been, up to this moment, discussed in a temperate and dignified manner by the members of the lower house, and that there is now no doubt of their being carried by a large majority.

I have, &c.

The Right Hon. Earl Grey,
&c. &c. &c.

(Signed) J. HARVEY.

Encl. 1 in No. 3.

Enclosure 1 in No. 3.

His Excellency opened the Session with the following speech :

Mr. President and Honourable Gentlemen of the Legislative Council :

Mr. Speaker, and Gentlemen of the House of Assembly :

Public attention has for some time past been directed to the importance of establishing railway communication between the southern sea-board of Nova Scotia and the St. Lawrence, with a branch line to connect the main trunk with the railway systems of the United States.

The negotiations, which I deemed it my duty to open last year, with the Right Honourable the Secretary of State for the Colonies resulted in a generous offer from Her Majesty's Government to recommend to Parliament to guarantee or advance the funds required to construct both these lines upon certain conditions, the adjustment of which, during the past summer, rendered communications with the Governments of the neighbouring provinces indispensable.

The Legislature of Canada has made provision for their portion of the line from Halifax to Quebec, and for its extension, through the territory of that province, to the western frontier.

The Government of New Brunswick waits your ratification of the terms proposed at the conference held at Toronto in June last to assemble the Legislature with a view to secure its friendly co-operation.

As the Imperial Parliament will probably meet early in the new year, and as it is of great consequence that the laws passed by the Colonial Legislatures should be transmitted without delay, to secure the appropriations contemplated in time to warrant the commencement of operations in the spring, I have called you together at this unusual period, confident that you would, at whatever personal sacrifice, cheerfully aid me by a prompt and calm consideration of a question of the greatest magnitude and importance.

The correspondence that has taken place, and the measures which I have directed to be prepared, shall be laid before you as soon as the forms of Parliament permit.

I confidently commend the subjects which they embrace to your diligent and enlightened review ; and believing, as I do, that the destinies of these noble provinces are, to a great extent, involved in the result of your consideration of this question, I shall anxiously await your decision, and trust that the Author of all wisdom and goodness may guide your deliberations.

Encl. 2 in No. 3.

Enclosure 2 in No. 3.

THE ADDRESS OF THE LEGISLATIVE COUNCIL.

To his Excellency Lieutenant-General Sir John Harvey, Knight Commander of the Most Honourable Military Order of the Bath, Knight Commander of the Royal Hanoverian Guelphic Order, Lieutenant-Governor and Commander in Chief in and over Her Majesty's province of Nova Scotia and its dependencies, &c. &c. &c.

May it please your Excellency,

WE, Her Majesty's loyal subjects, the Legislative Council of Nova Scotia, thank your Excellency for the speech with which you have been pleased to open the present Session of the General Assembly.

A railway communication through a large portion of Her Majesty's North American Provinces being deemed of sufficient importance by your Excellency to require a special meeting of the Legislature, we shall give to that subject our most careful attention.

The advancement of these noble Provinces in population, and in agricultural and commercial prosperity, being an object of our deepest solicitude, we unite with your Excellency in the desire that that Great Being who governs and controls all things may assist and guide us in our deliberations.

HIS EXCELLENCY'S REPLY.

Mr. President, and Honourable Gentlemen of the Legislative Council :

I willingly receive this loyal and dutiful Address as an earnest of the calm and temperate spirit in which you are about to approach the discussion of the important measure to which your attention has been called.

Government House, November 6, 1851.

J. HARVEY.

Enclosure 3 in No. 3.

Encl. 3 in No. 3.

ADDRESS OF THE HOUSE OF ASSEMBLY.

To his Excellency Lieutenant-General Sir John Harvey, Knight Commander of the Most Honourable Military Order of the Bath, Knight Commander of the Royal Hanoverian Guelphic Order, Lieutenant-Governor and Commander-in-Chief in and over Her Majesty's province of Nova Scotia and its dependencies, &c. &c. &c.

May it please your Excellency,

We, Her Majesty's dutiful and loyal subjects, the representatives of the people of Nova Scotia, thank your Excellency for the confidence expressed in our readiness to aid your Excellency in the calm review of a question of great magnitude and importance.

The mode by which railway communication with each other, and with the populous states beyond the frontier, may be best secured, deeply interests the inhabitants of British America.

When the correspondence which illustrates the state of the negotiations hitherto conducted, and the measures promised by your Excellency, have been submitted, we shall endeavour to bring to their consideration a spirit that we trust will warrant the hope expressed by your Excellency that the Author of all wisdom and goodness may guide our deliberations.

HIS EXCELLENCY'S REPLY.

Mr. Speaker, and Gentlemen of the House of Assembly :

The promptitude and unanimity with which you have responded to my sentiments at the opening of this Session assures me that your future deliberations will be characterised by harmony and wisdom.

(No. 34.)

No. 4.

No. 4.

COPY of a DESPATCH from Lieut.-Governor Sir JOHN HARVEY to Earl GREY.

Government House, Halifax, November 27, 1851.

(Received December 9, 1851.)

(Answered January 9, 1852, No. 297, Page 59.)

MY LORD,

ON the 13th instant I had the honour to report the opening of an extra session of the Legislature called to mature the measures required to carry out the railway policy suggested in Mr. Hawes's letter of the 10th March and your Lordship's despatch of the 14th idem.

2. The negotiations conducted at Toronto in June last formed the basis of the bills introduced, and I have the honour to forward copies of those bills * as they finally passed the lower house by large majorities. They are now before the Legislative Council, and will probably receive the sanction of that body without material alteration.

3. Two other bills providing for an improved management of the Crown Lands, and giving power to the Governor in Council to charter land companies and prepare for emigration, have also passed the Assembly, and are before the Council. Copies of these bills * are also enclosed.

* These Acts will be found printed in the Appendix to the present paper, page 154.

NOVA SCOTIA

4. The sheets of the journals which I have the honour to forward will show the character of the objections urged to the railway bills, and the very decisive majorities by which they were carried.

5. Your Lordship will be gratified to receive the assurance that never, during my long administration of Colonial Government, have I known a great subject debated with more dignity and moderation than have characterized the legislative discussions in this province during the present session. The questions involved have been treated as affecting interests too elevated and important to permit the indulgence of mere party or personal feelings, and the majorities have included gentlemen of all shades of political opinion.

6. I shall send copies of the bills to his Lordship the Governor General and to his Excellency Sir Edmund Head by the next mail.

The Right Hon. Earl Grey,
&c. &c. &c.

I have, &c.
(Signed) J. HARVEY.

Encl. in No. 4.

Enclosure in No. 4.

EXTRACT from the JOURNALS of the HOUSE OF ASSEMBLY.

The Order of the day for the further consideration in committee of the railway bills being read,

The house resolved itself into such committee.

Mr. Speaker left the chair.

Mr. Thorne took the chair of the committee.

Mr. Speaker resumed the chair.

The chairman reported from the committee that they had gone through both the bills referred to the committee, viz., the bill to make provision for the construction of a trunk railway through British North America, and the bill for raising by way of loan a sum not exceeding one million of pounds sterling for the construction of a trunk railway through British North America, and had made amendments thereto respectively, which they had directed him to report to the house with the bills; and he delivered the bills and amendments in at the clerk's table, where the amendments were read.

Upon the usual question being propounded from the chair that such bills be fairly engrossed,—

Mr. Killan moved, by way of amendment, that the house do come to the following resolution:

Whereas it is the duty and the privilege of the people, by their representatives, from year to year to impose the taxes and grant the supplies necessary to conduct the civil government, and the continued exercise of this right is essential to the preservation of liberty and a just influence over the administration of affairs.

And whereas it has hitherto been the just and wise policy of the legislature of this province to apply, by a fair and equitable distribution, the remaining revenue, after defraying the ordinary expenses of government, in constructing and improving the roads and bridges, in the advancement of education, and in forwarding other objects of general utility.

And whereas the bills before the house, by placing in the hands of the executive and disposing of the principal part of the available revenues of the province, diminishing the salutary power of the people and their representatives, afford no security against a lavish expenditure, and by confining the application of that revenue to a single work of vast magnitude, the benefits of which cannot be equally participated in by the different sections of the province, which involves an expenditure disproportioned to our limited resources, and extends far beyond the boundary of the province, propose entirely to change and subvert the existing policy of this legislature:

Resolved therefore, That a measure involving changes of such vital importance, and pregnant with results which, if not successful, must prove highly detrimental to the best interests of the country, is not the best and safest course of obtaining railway communication through this province, and that for these reasons the bills be re-committed, with a view to the adoption of a measure more consonant with sound British principles and practice, and less hazardous to the highest interests of Nova Scotia.

Which proposed amendment being seconded and put, and the house dividing thereon, there appeared for the amendment, fourteen; against it, thirty-six.

For the Amendment:

Mr. Wade,
" Comeau,
" Brown,
" Marshall,
" Thorne,
Hon. Mr. Johnston,
Mr. Whitman,

Mr. Shaw,
" Killam,
" Ryder,
" Josiah Coffin,
" Moore,
" Jost,
" Creighton.

Against the Amendment :

Mr. M'Kinnon,	Mr. Murray,	Mr. Locke,
„ Henry,	„ Jas. Campbell,	„ S. Campbell,
„ Martell,	„ J. Munro,	„ M'Lelan,
Hon. Fin. Sec.,	„ Freeman,	„ Dimock,
Mr. Zwicker,	„ Doyle,	„ Wier,
„ Fraser,	„ B. Smith,	„ Holmes,
„ Esson,	„ John Campbell,	Hon. Atty. General,
„ Hall,	„ Mosher,	„ Prov. Sec.,
„ H. Munro,	„ Thos. Coffin,	Mr. Fulton,
„ Young,	„ Cowie,	„ Archibald,
„ M'Queen	„ Bent,	„ Wilkins,
„ P. Smyth,	„ M'Leod,	„ Chipman.

So it passed in the negative.

The Hon. Mr. Johnston then moved, by way of amendment, that the house do come to the following resolution :

Resolved, That a railroad through Nova Scotia connecting this province by a line of railroad through New Brunswick with the frontier of the state of Maine, and thence with Portland, whereby a general railway communication would be opened with the United States, and also with Montreal, Quebec, and other parts of Canada, promises more remunerative returns and more general advantages to this province than can be expected from a railway route from the frontier of Nova Scotia through New Brunswick directly into Canada ; and that the formation of both lines would lead to an expense greater than any benefit to be expected from the concurrent existence of the two ; and therefore resolved, that the bills be re-committed for the purpose of amending the same in such manner that the railroad through Nova Scotia may be kept distinct from and independent of the formation of a railroad through New Brunswick directly into Canada.

Which proposed amendment being seconded and put, and the house dividing thereon, there appeared for the amendment, fourteen ; against it, thirty-six.

For the Amendment :

Mr. Wade,	Mr. Shaw,
„ Comeau,	„ Killam,
„ Brown,	„ Ryder,
„ Marshall,	„ Josiah Coffin,
„ Thorne,	„ Moore,
Hon. Mr. Johnston,	„ Jost,
Mr. Whitman,	„ Creighton.

Against the Amendment :

Mr. M'Kinnon,	Mr. Murray,	Mr. Locke,
„ Henry,	„ Jas. Campbell,	„ S. Campbell,
„ Martell,	„ J. Munro,	„ M'Lelan,
Hon. Fin. Sec.,	„ Freeman,	„ Dimock,
Mr. Zwicker,	„ Doyle,	„ Wier,
„ Fraser,	„ B. Smith,	„ Holmes,
„ Eason,	„ John Campbell,	Hon. Atty. General,
„ Hall,	„ Mosher,	„ Prov. Sec.,
„ H. Munro,	„ Thos. Coffin,	Mr. Fulton,
„ Young,	„ Cowie,	„ Archibald,
„ M'Queen,	„ Bent,	„ Wilkins,
„ P. Smyth,	„ M'Leod,	„ Chipman.

So it passed in the negative.

The Hon. Mr. Johnston then moved, by way of amendment, that the house do come to the following resolution :

Resolved, That an agreement for the formation of a railroad from Halifax to Quebec, through New Brunswick, at the equal expense of the three provinces of Canada, New Brunswick, and Nova Scotia, not only entails upon this province the expense of contributing to keep up an unproductive line of road, whereby any profit that may be expected from the more productive line through our own territory will be absorbed and lost, but will in effect impose upon Nova Scotia the expense of constructing and operating upwards of sixty-five miles, which Canada, and of twenty-two miles which New Brunswick, would respectively have to bear were the several provinces to construct and operate the portion within their own limits, and that a share in the ungranted lands on the line would be a very inadequate consideration for the unequal burden thus imposed on Nova Scotia ; and therefore resolved, that the bills be re-committed for the purpose of being so amended that the agreement among the three provinces of Canada, New Brunswick, and Nova Scotia may be so restricted that this province shall not be required to assume a greater responsibility than the construction and operation of that part of the line within its own territory.

NOVA SCOTIA.

Which proposed amendment being seconded and put, and the house dividing thereon, there appeared for the amendment, fourteen ; against it, thirty-six.

For the Amendment :

Mr. Wade,	Mr. Shaw,
" Comeau,	" Killam,
" Brown,	" Ryder,
" Marshall,	" Josiah Coffin,
" Thorne,	" Moore,
Hon. Mr. Johnston,	" Jost,
Mr. Whitman,	" Creighton.

Against the Amendment :

Mr. M'Kinnon,	Mr. Murray,	Mr. Locke,
" Henry,	" Jas. Campbell,	" S. Campbell,
" Martell,	" J. Munro,	" M'Lelan,
Hon. Fin. Sec.,	" Freeman,	" Dimock,
Mr. Zwicker,	" Doyle,	" Wier,
" Fraser,	" B. Smith,	" Holmes,
" Esson,	" John Campbell,	Hon. Atty. General,
" Hall,	" Mosher,	" Prov. Sec.,
" H. Munro,	" Thos. Coffin,	Mr. Fulton,
" Young,	" Cowie,	" Archibald,
" M'Queen,	" Bent,	" Wilkins,
" P. Smyth,	" M'Leod,	" Chipman.

So it passed in the negative.

The Hon. Mr. Johnston then moved that the house do come to the following resolution:
Resolved, That the bills be re-committed for the purpose of adding a clause providing that when the railroad shall be paid for, this province shall retain the ownership and benefit of one third thereof, or such a proportion thereof as this province may have contributed to make.

Which proposed amendment being seconded and put, and the house dividing thereon, there appeared for the amendment, nineteen ; against it, thirty-one.

For the Amendment :

Mr. Wade,	Mr. Josiah Coffin,
" Comeau,	" Moore,
" Brown,	" Jost,
" Marshall,	" Creighton,
" Thorne,	" John Campbell,
Hon. Mr. Johnston,	" Freeman,
Mr. Whitman,	" Cowie,
" Shaw,	" M'Leod,
" Killam,	" H. Munro
" Ryder,	

Against the Amendment :

Mr. M'Kinnon,	Mr. Murray,	Mr. M'Lelan,
" Henry,	" Jas. Campbell,	" Dimock,
" Martell,	" J. Munro,	" Wier,
Hon. Fin. Sec.,	" Doyle,	" Holmes,
Mr. Zwicker,	" B. Smyth,	Hon. Atty. General,
" Fraser,	" Mosher,	" Prov. Sec.,
" Esson,	" Thos. Coffin,	Mr. Fulton,
" Hall,	" Bent,	" Archibald,
" Young,	" Locke,	" Wilkins,
" M'Queen,	" S. Campbell,	" Chipman.
" P. Smyth,		

So it passed in the negative.

Mr. Brown then moved, by way of amendment, that this house do come to the following resolution :

Whereas the trade and consumption of the whole province will be equally taxed for the production of a revenue to discharge the interest of the debt incurred by the construction of the Quebec railroad, amounting at three and a half per cent. to the annual sum of 43,750/. And whereas the inhabitants of the counties through which the said railroad will pass are chiefly interested in and will be principally benefited thereby, while the distant counties will receive no immediate corresponding benefit.

Resolved therefore, in order to obviate the partial operation of the measure before the house, that the lands and real estate within twenty miles of the railroad shall con-

PROJECTED RAILWAY FROM HALIFAX TO QUEBEC. 49

NOVA SCOTIA

tribute one fifth part of the whole interest accruing on the said debt, to be levied on the owners thereof, in a fair and equitable proportion, by assessors or commissioners, or otherwise, due regard being had to the relative advantage to be derived from the greater or less proximity of the several owners, and other circumstances incidental thereto; and that the bills be re-committed for the purpose of amending the same accordingly.

Which proposed amendment being seconded and put, and the house dividing thereon, there appeared for the amendment, seventeen; against it, thirty-three.

For the Amendment :

Mr. Comeau,	Mr. Josiah Coffin,
„ Brown,	„ Moore,
„ Marshall,	„ Jost,
„ Thorne,	„ Creighton,
Hon. Mr. Johnston,	„ John Campbell,
Mr. Whitman,	„ Freeman,
„ Shaw,	„ Cowie,
„ Killam,	„ M'Leod.
„ Ryder,	

Against the Amendment :

Mr. M'Kinnon,	Mr. Murray,	Mr. Dimock,
„ Henry,	„ Jas. Campbell,	„ Wier,
„ Martell,	„ J. Munro,	„ Holmes,
Hon. Fin. Sec.,	„ Doyle,	Hon. Atty. General,
Mr. Zwicker,	„ B. Smith,	„ Prov. Sec.,
„ Fraser,	„ Mosher,	Mr. Fulton,
„ Esson,	„ Thos. Coffin,	„ Archibald,
„ Hall,	„ Bent,	„ Wilkins,
„ Young,	„ Locke,	„ Chipman,
„ M'Queen,	„ S. Campbell,	„ H. Munro,
„ P. Smyth,	„ M'Lelan.	„ Wade.

So it passed in the negative.

Mr. Whitman then moved by way of amendment, that the second of such bills, viz., the bill for raising by way of loan a sum not exceeding one million of pounds sterling, &c. be re-committed to a committee of the whole house for the purpose of inserting the following clause therein :

“ And be it enacted, That in order the more fully to provide for the annual payment of the interest that may become due and payable under this Act, the city of Halifax shall be assessed annually for the amount of interest on one hundred thousand pounds, at the same rate of interest at which the loan is obtained, such annual sum to be assessed and levied by the same authority and in the same manner that county or city rates are now assessed and levied, and to be paid into the hands of the receiver general to form a part of the general revenues of this province, and to continue so to be annually assessed, levied, and paid in until the loan obtained under this Act shall become extinguished under the provisions thereof.”

Which last proposed amendment being seconded and put, was agreed to by the house; and thereupon

Ordered, That such railway loan bill be re-committed to a committee of the whole house for the purpose of inserting such clause.

Ordered, That the bill to provide for the construction of a trunk railway, &c. be engrossed.

Then the house adjourned until to-morrow at Twelve of the Clock.

(No. 38.)

No. 5.

No. 5.

COPY of a DESPATCH from Lieutenant-Governor Sir J. HARVEY to
Earl GREY.

Government House, Halifax, December 11, 1851.

(Received December 22, 1851.)

MY LORD,

(Answered June 10, 1852, No. 16, Page 63.)

THE proceedings of the recent very satisfactory meeting of the General Assembly of this province having terminated, I have the honour to transmit to your Lordship a copy of the speech with which, on the 29th ultimo, I closed the session; also certified copies of the Acts passed during the sitting of that body, with the Attorney General's remarks thereon, and the joint Address of the Legislative Council and Assembly to the Queen, designed to obtain for the

44 FURTHER CORRESPONDENCE RELATIVE TO THE

NOVA SCOTIA.

proposed important undertaking to construct an inter-colonial railway from Halifax to Quebec the aid and most favourable consideration of the Imperial Government.

In transmitting this Address, I have much pleasure in adding my earnest recommendation that it may be favourably entertained by Her Majesty.

The Right Hon. Earl Grey,
&c. &c. &c.

I have, &c.
(Signed) J. HARVEY.

Encl. 1 in No. 5.

Enclosure 1 in No. 5.

His Excellency was pleased to close the Session with the following Speech :

Mr. President, and Honourable Gentlemen of the Legislative Council,
Mr. Speaker, and Gentlemen of the House of Assembly,

NEVER, during my long administration of colonial governments, did I close a legislative session with more pride and more entire satisfaction than I feel at this moment.

Having served in all the provinces which you have laboured to unite by bands of peace and mutual co-operation, I know their value and highly estimate their vast resources.

At the close of a long life, nearly thirty years of which have been passed in the North American colonies, in peace and war, the great measure in which you have been engaged assures me that, more firmly set and beaming with high lustre, they are yet to remain the brightest jewels in the British Crown.

The moderation and elevated spirit which have pervaded the deliberations of both branches will ever honourably distinguish the present session.

In returning to your homes, I beg you to be assured that the high powers which you have conferred, and the grave responsibilities that you have imposed upon my government, will but increase my vigilance and care to carry out the measures you have perfected in the spirit in which they have been conceived.

Encl. 2 in No. 5.

Enclosure 2 in No. 5.

To the Queen's most Excellent Majesty :

The humble Address of the Legislative Council and House of Assembly of
Nova Scotia.

May it please Your Majesty,

WE, Your Majesty's dutiful and loyal subjects, the Legislative Council and House of Assembly of Nova Scotia in provincial Parliament assembled, beg leave to thank Your Majesty for the gracious offer made to the North American provinces in the letter addressed by the Under Secretary of State to the delegate from Nova Scotia on the 10th day of March last.

The construction of trunk lines of railway through these provinces must advance their material prosperity, multiply their commercial and social advantages in tranquil times, and greatly strengthen them should the peace of this continent be broken.

Strongly impressed with the high political and industrial interests involved in the completion of these great highways, the Legislature of Nova Scotia have not only cheerfully made provision for that part of the main trunk line which crosses this province, but, with a view to relieve a sister colony, have also pledged the public revenues for the extension of that line far into the bosom of New Brunswick.

While we have done this, and while we have felt deeply sensible of the substantial service to be rendered to the colonies by the interposition of Imperial credit, we will not disguise from Your Majesty that a very strong feeling prevails that the great interests at stake upon this continent would warrant some direct aid from the Imperial Treasury.

The same policy which secured the highlands of Scotland from disquiet, which has bridged the ocean with noble steam ships, would seem to justify direct aid to a great national work, that, however desirable, the provinces are scarcely able to accomplish.

This railway will, we trust, before many years, be extended across this continent, securing to the mother country, upon British soil, and under the protection of the national flag, and of the Queen's own subjects, easy and rapid communication, not only with the rising communities upon the Pacific, but with the rich and populous provinces and nations which lie beyond.

With entire confidence in the wisdom of our Sovereign and the liberality of the Imperial Parliament, we commend this great subject to their care, having given it all the aid which can be justified by the limited resources of our country.

House of Assembly,
29th November 1851.
(Signed) W. YOUNG, Speaker.

Legislative Council,
29th November 1851,
MICHAEL TOBIN, President.

(No. 40.)

No. 6.

No. 6.

COPY of a DESPATCH from Lieut.-Governor Sir JOHN HARVEY to
Earl GREY.

Government House, Halifax, December 11, 1851.

(Received December 22, 1851.)

MY LORD,

(Answered No. 297 January 9, 1852, Page. 59.)

HAVING, as my first duty, placed your Lordship's despatch, No. 292,* dated 27th November, in Mr. Howe's hands, that gentleman has made to me a report, a copy of which there is barely time to enclose, leaving any observations which I may deem it right to offer for another mail.

* Page 58.

The Legislature of New Brunswick, I learn by telegraph, is to meet on the 7th of January.

I have, &c.

The Right Hon. Earl Grey,
&c. &c. &c.

(Signed) J. HARVEY.

Enclosure in No. 6.

Encl. in No. 6.

May it please your Excellency,

Halifax, December 11, 1851.

As the mail for England closes this evening I deem it a duty which I owe to the Right Honourable the Secretary of State for the Colonies, no less than to your Excellency, to lose no time in offering such explanations as appear to be demanded of me by the tenor of the despatch from his Lordship, No. 292, dated 27th November, which has just been put into my hands.

That I have read that despatch with regret and deep mortification I cannot conceal from your Excellency. That in a question of such vital importance to the success of the policy of which I have been the advocate I have misunderstood the views of Her Majesty's Government, and for six months have misrepresented them to all British America, is as apparent from that despatch as that much time has been wasted in an unavailing attempt to ripen a scheme of improvement which must now fall to the ground.

While I do not shrink from the full weight of the responsibility which this despatch throws upon me, and while it would be unfair to disguise from your Excellency for a moment the inevitable consequences of the decision which it communicates, I am now only solicitous that your Excellency should be convinced that, however I may have misinterpreted the views of Her Majesty's Government, I have acted throughout with candour and good faith.

In my first letter to Earl Grey, dated 25th * November, I set forth at large the advantages, not only to the maritime provinces but to the empire, of a line across Nova Scotia and New Brunswick to shorten the time required to make the passage between Europe and America, and secure to our own ports the advantages of ocean steam navigation. I pointed out the danger of allowing this line to be made by foreign capitalists at high rates of interest, and, assuming that it would be so made if the British Government did not interpose, claimed the guarantee for it, under the impression that the line to the St. Lawrence had been abandoned.

In my second letter of the 16th of January a wider range was taken. The extent, value, and political and industrial importance of the provinces was argued, and assuming that it would be good policy for the mother country to aid them by guaranteeing or advancing funds for their internal improvements, I reasoned upon the construction of the two great lines of railroad in which they were interested, and treated them as indispensable portions of one great scheme.

I never dreamed that New Brunswick would assume the responsibility of making the northern line unless the European were provided for, nor have I ever entertained that opinion. The following passage near the close of the letter of the 16th † January shows that in referring to that province I assumed that she had two lines to make, for which provision must be made.

"Although having no authority to speak for the other colonies, I may observe the province of New Brunswick, which lies between Nova Scotia and Canada, has, in addition to her ordinary sources of revenue, 11,000,000 of acres of ungranted lands. She might pledge to Her Majesty's Government the proceeds of as many millions of acres of these lands along the lines to be opened as might be necessary, in addition

* Page 39. } Papers relative to Halifax and Quebec Railway, April 8, 1851.
† Page 47. }

NOVA SCOTIA.

“ to the pledge of her public funds, to secure this country from loss. The troops might be employed and settled in this province also. The lands pledged could be sold to emigrants, the British mails and soldiers could be transported at fair prices, and the amounts might be carried to the credit of the loans. I believe that New Brunswick could, if moderately aided, ultimately make *her great lines*, absorb and provide farms for millions of emigrants, increasing the home market for British goods by the annual amount of their consumption, and in a very few years pay any loan she may require to contract without costing England a farthing.”

On the 10th of March * I received Mr. Hawes's letter, containing the passage quoted in Earl Grey's despatch: “ It is also to be understood that Her Majesty's Government will by no means object to its forming part of the plan which may be determined upon, that it should include a provision for establishing a communication between the projected railway and the railways of the United States.”

Having urged that provision should be made for both lines, and being satisfied that the one ranked far higher in the estimation of New Brunswick than the other, I did not for a moment suppose that the line which she valued most was to be excluded from the advantage of the imperial guarantee, or that she could be tempted to aid the other colonies to make a national highway, leaving her chief commercial city without any connexion with Great Britain, the United States, or the other colonies by the work for which her revenues were to be so deeply pledged.

Had I so interpreted this passage of Mr. Hawes's letter I should at once have abandoned the negotiation as hopeless, for I believed then, as I believe now, that New Brunswick will never consent to pledge her revenues to make a northern or central road unless the European is included in the arrangement. If she has to make one road with money costing six or ten per cent. she will of course make that which is to her of primary importance. She can make but one, if either is to cost so much, and the line to Canada must be postponed until her resources increase.

It is unfortunate that this matter should have been misconceived, and the blame must rest entirely upon me, for nothing could exceed the frankness and unreserve with which I was treated by Earl Grey upon all occasions.

That I never understood Mr. Hawes's proposition to include less than I have assumed is apparent from my report to Mr. Keating, dated two days after its receipt.

“ I have now the honour to enclose a copy of a letter addressed to me on the 10th instant by Mr. Hawes, in which the Lieutenant Governor will be gratified to learn that my mission has resulted in the determination of Her Majesty's Government to propose to Parliament to advance or guarantee the funds which may be required by the three North American Provinces to make a railroad from Halifax to Quebec or Montreal, including a line of connexion across New Brunswick, with the railroad lines of the United States.”

At the public meeting held at Mason Hall shortly after my return I described the offer of Her Majesty's Government as I have ever understood it until to-day. After stating the generous terms proffered, and the policy to be pursued, I used this language:

“ Three hundred and thirty miles will connect us with Portland, with all the lines which interlace the American republic, and bind together the prosperous communities of the south and west. Six hundred and seventy miles more, opening up the central lands and settlements of New Brunswick, will not only connect us, as we originally contemplated, with Quebec and the St. Lawrence, but, passing through one hundred and eighty miles of settlements on that noble river, will place us in communication with that populous city of Montreal, which will soon be in connexion with Portland on the other side; the circle being thus complete, and chains of intercommunication established, easily accessible by shorter lines to all the rising towns and settlements which that wide circuit will embrace.”

At the meetings held in New Brunswick, whenever charged with abandoning the Portland line, my invariable answer was that provision had been made for it, and that both lines could be built for the same price with the imperial guarantee that one would cost without it.

Mr. Chandler and myself went to Toronto in this belief. Neither of us would have gone with any other, for we both knew that New Brunswick would be no party to any arrangement which threw her funds into a comparative wilderness, and left her chief commercial cities in a state of hopeless isolation.

In my report of the proceedings at Portland, where Mr. Chandler and I passed some time, secured “ provision ” for the branch line to the states was propounded in vindication of the good faith of the Colonial Governments. In the report of the results of the negotiations at Toronto it was distinctly stated, that, in consideration of Nova Scotia consenting to make one third of the road to the St. Lawrence, “ New Brunswick should construct the Portland line *with the funds advanced by the British Government at her own risk.*”

To this engagement we have bound her in the bills recently passed, in one of which it is expressly declared, “ That this Act shall not go into operation unless provision be made

" by the province of New Brunswick for the construction of a branch line from some convenient point of intersection with the main trunk line to the river St. Croix." NOVA SCOTIA.

The presence of this clause shows the interest which Nova Scotia as well as New Brunswick has in the branch line. This province would never have consented to make eighty miles beyond her frontier of the northern road, except with the certainty of securing both. With the traffic of the European line added to its own the northern line will pay. Standing by itself the risks would be too great to tempt either of the maritime provinces, unaided, into the speculation.

I deeply regret that any misconception upon this important point, propagated and reiterated in a variety of public documents and speeches, most of which were transmitted to the Colonial Office as they appeared, should have been corrected so late. Nova Scotia will have to charge to one, overzealous in her service, the cost of an extra session of the Legislature, ending in disappointment.

New Brunswick will have received the intelligence in time to shape her legislation to suit her obvious interests. What course your Excellency's Government may deem it prudent to pursue in the altered circumstances in which they stand there is but little time to consider, but I would respectfully suggest that laws passed by the three branches under an entire misconception should not be submitted for the Queen's assent until after Parliament meets again.

I have, &c.
(Signed) JOSEPH HOWE

(No. 44.)

No. 7.

No. 7.

COPY of a DESPATCH from Lieut.-Governor Sir JOHN HARVEY to Earl GREY.

Government House, Halifax, December 24, 1851.

(Received January 5, 1852.)

MY LORD,

(Answered January 9, 1852, No. 297, Page 59.)

REFERRING to my despatch No. 40.* of the 11th instant and its enclosure, I have now the honour to transmit a copy of a second report which Mr. Howe has placed in my hands.

* Page 45.

Your Lordship is aware that I was absent from the province from the beginning of May to the end of September, having returned only just in time to meet the Legislature. In submitting the measures matured by my Government, I acted upon the wider interpretation of the proposition embodied in Mr. Hawes's letter, upon which the three Governments had negotiated throughout the summer, and which it is but due to Mr. Howe to state has been, within the provinces, universally recognized.

I have thought it but fair to Sir Edmund Head not to promulgate your Lordship's despatch here until publicity is given to it in New Brunswick. Your Lordship will perhaps allow me the expression of my firm conviction that the failure of this great enterprise would, in the present state of feeling in these provinces, do mischief in the same proportion that its successful accomplishment would have done good. Combined action for the construction of reproductive works under the auspices of the Queen's Government would, I am assured, have cheered the public mind, and elevated the character of the colonists. The disappointment of hopes so highly raised I sincerely trust may yet be averted by the wisdom and magnanimity of Her Majesty's Government.

The Right Hon. Earl Grey,
&c. &c. &c.

I have, &c.
(Signed) J. HARVEY.

Enclosure in No. 7.

Encl. in No. 7.

May it please your Excellency,

Halifax, December 24, 1851.

Since the departure of the last mail for England I have had leisure to reflect upon the whole subject partially embraced by my hasty report of the 11th instant.

The question at issue turns upon the interpretation which may be fairly given to the single passage in Mr. Hawes's letter of the 10th of March.

If your Excellency has given to that passage too wide an application, the error has been shared by the Legislatures and Governments of the three provinces, and by the press and the public at large.

NOVA SCOTIA.

The importance of the interests involved will perhaps justify me in placing before your Excellency some further references to public documents which may have been overlooked.

On the 22d of March, with Mr. Hawes's permission, the whole correspondence was placed in the hands of Messrs. Jackson, Peto, Betts, and Brassy, who were desirous of contracting for the construction of the railroads for which provision had been made. The opening passage of their letter will show the construction they put upon that of Mr. Hawes.

" 9, Great George Street, Westminster,
March 25, 1851.

" Sir,

" Having understood that it is proposed to construct through the provinces of British North America *certain lines of railway*, to connect those provinces with each other, and *with the railway lines of the United States*, and that Her Majesty's Government have consented to aid the Provincial Governments by guaranteeing the loans or advancing the funds required for *these works* on certain conditions, which it is probable will be accepted, we wish to make through you a tender of our services in the formation of those railroads."

So far was I from suspecting that these gentlemen had misread Mr. Hawes's letter, or that any other interpretation would be given to it at the Colonial Office, that, on the 26th of March, I sent a copy of it to Lord Grey.

This letter signed by Messrs. Betts and Brassy, was read at the Toronto dinner in presence of the Governor General, published in nearly all the Canadian papers, some of which were sent to Earl Grey by the next mail.

My last report contained an extract from the speech delivered by me at the Masons' Hall in May. I have since looked carefully over that speech, and find the whole scope and structure of it founded upon the view then taken of the contents of Mr. Hawes's letter. Combatting the arguments urged in New Brunswick against the acceptance of the terms proposed, I said, "New Brunswick, in my opinion, will reap the largest amount of benefit from the expenditure. She will get two most important lines at three and a half per cent., the other provinces but one."

At the risk of appearing tedious, I must trouble your Excellency with another passage. "But it has often been said that we have broken faith with the people of Portland; but in what essential have we broken faith? We offer to our neighbours the means to make the whole line. We have pledged our public resources to make our part of it. Have they offered us a pound, or raised one fifth of what they want themselves? Nay, can either or both show us anybody's obligation to lend them or us one tenth of what we jointly require. They ask us to co-operate with them to obtain a railroad, and we have broken faith by providing for our own requirements, and offering them money to build it to their very doors."

But it may be said such a speech might have been made, and yet never have reached the Colonial Secretary, to challenge criticism or correction. If such had been the case my position at this moment would be very awkward. But on the 28th of May, copies of this speech were sent to Lords Grey, Stanley, and Monteagle, under date of the 12th of June. I was honoured with a note from the Colonial Secretary, by which it is apparent that the speech had been carefully read, and was approved.

In the letter which I had the honour to address to your Excellency on the 11th instant, I referred briefly to the report made on the 20th of July of the results of my mission to New Brunswick and Canada. I have since looked carefully over that report, and find that its whole structure is based upon the conviction that all the money required to carry out the combined enterprise was to be advanced or guaranteed by the British Government.

Permit me to call your Excellency's attention to the passages in which the advantages that Nova Scotia was to derive from accepting the terms suggested at Toronto were summed up.

" Her clear interest demands the prompt acceptance of the proposition,—

" 1st. Because it secures to her, within very few years, a railway communication of 1,400 miles, extending through the noble territory of which she forms the frontage, and with which her commercial, social, and political relations must be very important in all time to come.

" 2d. Because it gives to her, almost at once, connexion with 8,000 miles of railway lines already formed in the United States, makes her chief seaport the terminus for ocean steam navigation, and her territory the great highway of communication between America and Europe.

" 3d. Because on the extinction of the debt she will possess a road with which there can be no competition within the province. A road *towards which two great streams of traffic must perpetually converge*, and the tolls upon which must become a source of revenue, increasing with each succeeding year.

" 4th. Because the completion of these great lines of communication will give to all the North American provinces a degree of internal strength and security, and consideration abroad, which will far transcend any pecuniary hazards which may be incurred.

PROJECTED RAILWAY FROM HALIFAX TO QUÉBEC. 49

NOVA SCOTIA.

" 5th. Because the completion of these lines will draw into the province much of the surplus labour and capital of Europe, &c."

This report was published in the Colonial and in some of the English papers. It was transmitted by his Honour the Administrator of the Government, to the Colonial Office, accompanied by a despatch, of which the following is a copy :

" No. 8.

" My Lord,

" Government House, Halifax, August 4, 1851.

" Referring to your Lordship's despatch of the 14th of March (No. 569, addressed to the Governor General), I have now the honour to enclose a copy of the report made to this Government by Mr. Howe, the delegate selected to attend the conference at Toronto held under your Lordship's instructions.

" The important measure matured at that conference, seeming to depend on the legislative action of the provinces interested, and the spirit, if not the letter of the law rendering an appeal to the constituencies of Nova Scotia indispensable, before the session could be held, I deemed it to consist with my duty to dissolve Parliament by proclamation on the 29th day of July.

" In taking this step, I have been sustained by the unanimous opinion of the Executive Council, and trust that it will meet with your Lordship's approval.

" The elections will be held on the 28th of August, and the writs are returnable on the 20th of September.

" I have, &c.

(Signed) " JOHN BAZALGETTE,
" Administrator "

The official answer addressed to his Honour the Administrator, was in these terms :

" No. 284.

" Sir,

" Downing Street, August 27, 1851.

" I have the honour to acknowledge the receipt of your despatch No. 8. of the 4th of August, enclosing a printed copy of the report made by Mr. Howe to the Government of Nova Scotia of his proceedings with respect to the railway conference, and I have to acquaint you, that I am not aware of any objection to the measure which with the advice of your Council, you have adopted of dissolving the Provincial Parliament.

" I am, &c.

(Signed) GREY."

The Government of New Brunswick was reconstructed, or rather strengthened, on the 1st of August. It will be seen by the following memorandum that the support of the three gentlemen who went into the Executive Council was secured on the express condition that both lines were to be made.

" NEW BRUNSWICK.

" Memorandum in regard to the railway policy of the Provincial Government.

" That the proposals made by the Secretary of State for the Colonies, as expressed in Mr. Hawes's letter under date of 10th of March 1851, upon the subject of railways in this province, shall be accepted in full, so far as the amount necessary is concerned, and upon the propositions specified in Mr. Howe's report to his Government on his return from the deputation to Canada, or on terms not less favourable; and upon such better modification of the terms specified in Mr. Hawes's letter respecting the securities to be offered by the province as can be obtained, *it being distinctly understood that the Government will not accept any proposals for building the great trunk line which shall not embrace in an equally favourable and explicit manner the European and North American Railway, THE LIABILITY FOR THE LATTER LINE BEING SOLELY CONFINED TO THE PROVINCE.*

" It is also understood that the Government will urge upon the Imperial Government the propriety of obtaining Imperial aid, in addition to the guarantee, in consideration of the valuable lands which will be conceded by New Brunswick along both lines for emigration purposes, and of the great national importance of the undertaking.

" Fredericton, August 1, 1851."

This document, or a report of the facts it discloses, was, I presume, transmitted to Downing Street in August. That the gentlemen who went into the Council at that time would then have given in their adhesion to the Government had Mr. Hawes's letter been understood to include provision only for a railway which would not come within 100 miles of the commercial centre of New Brunswick, which two of them represented, those who know that province will not readily believe.

Praying your Excellency's pardon for the length of this communication.

I have, &c.
(Signed) JOSEPH HOWE

50 FURTHER CORRESPONDENCE RELATIVE TO THE

NOVA SCOTIA

No. 50.)

No. 8.

No. 8.

COPY of a DESPATCH from Lieut.-Governor Sir JOHN HARVEY to Earl GREY.

Government House, Halifax, February 5, 1852.

(Received February 16, 1852.)

MY LORD,

* Page 59.

I HAVE had the honour to receive Your Lordship's despatch of the 9th of January.* Mr. Howe has not thought it respectful to your Lordship to offer any observations on that despatch, nor have I thought that further discussion on the points involved would advance the public service. The intentions of your Lordship and the views of Her Majesty's Government having been clearly explained, the provinces must now endeavour to carry forward their internal improvements with the limited amount of assistance which Her Majesty's Government can afford.

The Right Hon. Earl Grey,
&c. &c. &c.

I have, &c.
(Signed) J. HARVEY.

No. 9.

No. 9.

(No. 52.)

COPY of a DESPATCH from Lieut.-Governor Sir JOHN HARVEY to Earl GREY.

Government House, February 5, 1852.

(Received February 16, 1852.)

MY LORD,

ON the 27th January the Honourable Messrs. F. Hincks, J. Young, and E. P. Taché, Members of the Executive Council of Canada, and the Honourable E. B. Chandler, Member of the Executive Council of New Brunswick, arrived at Halifax, and put themselves in communication with my Government with a view to obviate the difficulties which had arisen, and endeavour to combine the three provinces in a common railway policy.

The correspondence which I have the honour to enclose will show the progress of the negotiation.

The second proposition made by the Canadian delegates will probably be accepted by Nova Scotia.

Your Lordship will, I trust, see the importance of having the bills sent over in December carefully reviewed, that if there are any other difficulties they may be pointed out and obviated while the Legislature is in session.

The Right Hon. Earl Grey,
&c. &c. &c.

I have, &c.
(Signed) J. HARVEY,

Encl. in No. 9.

Enclosure in No. 9.

EXTRACT FROM CORRESPONDENCE, &c.

SIR,

Government House, Fredericton, January 23, 1852.

THIS letter will be delivered to your Excellency by the Hon. E. B. Chandler, a member of my Executive Council, who accompanies three gentlemen, members of the Council of his Excellency the Governor General of British North America.

I have reason to believe that an understanding exists between my advisers and the gentlemen representing Lord Elgin's Government, on the subject of the proposed railway from Halifax to Quebec. The liberal view taken by the Legislature of Nova Scotia, under your Excellency's guidance, leads me to anticipate no serious obstacle on the part of your Government to the arrangements now contemplated.

Propositions made to Her Majesty's Government on behalf of these provinces will acquire much strength from the fact that the three Governments individually co-operate in promoting the same scheme. I know that your Excellency and your Council would hail such a result with sincere satisfaction.

Mr. Chandler will explain to your Excellency the basis on which it is hoped by my Council that a definite proposal may at last be made in conjunction with Canada and Nova Scotia.

His Excellency Sir John Harvey,
K.C.B., K.C.H.

I have, &c.
(Signed) EDMUND HEAD.

MEMORANDUM.

NOVA SCOTIA.

The undersigned, members of the Executive Council of Canada and New Brunswick, having come to Halifax with the view of ascertaining definitively whether, in the event of the Government of New Brunswick submitting to the Legislature of that province a measure, based on the third proposition offered for its consideration on the 21st June last by the Government of Canada, and by the Hon. Joseph Howe on behalf of the province of Nova Scotia, for the construction, on joint account of the three provinces, of a line of railway from Halifax to Quebec, with the aid of the Imperial Government: Nova Scotia will be prepared to co-operate in that work, notwithstanding the recent despatches from the Right Honourable Earl Grey, Her Majesty's Principal Secretary of State for the Colonies, to his Excellency Sir John Harvey, Lieutenant-Governor of Nova Scotia; and having conferred with the members of the Executive Council of Nova Scotia on the subject, propose to submit their views more formally for consideration.

The scheme of uniting the three provinces of Canada, New Brunswick, and Nova Scotia, by a railroad, originated in the latter province, which sought the assistance of Canada and New Brunswick, in obtaining a preliminary survey of the line at the common expense of the three provinces, and which has repeatedly pressed upon them various schemes for effecting an object peculiarly advantageous to Nova Scotia, and especially to its important seaport, Halifax. The propositions of Nova Scotia were invariably met in that liberal spirit which, in the opinion of the undersigned, should influence the negotiations of the Governments of great provinces. The importance of the object having been admitted, it became, with the Governments of Canada and New Brunswick, a subject of anxious consideration how the various obstacles which from time to time presented themselves might be removed. The first scheme suggested was, that the work should be undertaken by the Imperial Government, the three provinces contributing an annual sum to make up any deficiency in revenue. The principle then adopted was, that each province should bear an equal share of such contribution. The Imperial Government having declined to undertake the work, the scheme was abandoned as impracticable, and the provinces directed their attention separately to those lines which appeared to them as of the highest importance in a commercial point of view. While Canada and New Brunswick were engaged in following out their plans of improvement, Nova Scotia appointed the Hon. Mr. Howe to proceed to England to obtain the means of constructing the Nova Scotia section of the trunk line, which it was proposed to connect with the European and North American line in New Brunswick. While in England, Mr. Howe urged strongly on Her Majesty's Government to aid Nova Scotia exclusively in her projected railroad. This separate and exclusive aid having been refused, the scheme of uniting the three provinces by a line of railway was revived, and Mr. Howe returned from his mission, having succeeded in obtaining a proposition from the Imperial Government, which he lost no time in pressing most earnestly on the sister provinces. Earl Grey having suggested that the lower provinces should send deputations to the Governor General, the Honbles. Messrs. Howe and Chandler proceeded in June last to Toronto, and held conferences on the subject with the Governor General and the members of his Council, which resulted in a Memorandum, dated the 21st June last, in which the parties express an anxious desire to surmount any obstacles which might present themselves to the success of the enterprise. After a full discussion of the subject, the proposition which seemed most likely to obtain the assent of New Brunswick was as follows:—

“That the line between Halifax and Quebec should be undertaken on the joint account of the three provinces, and that the Crown Lands lying on each side of the line should be conceded by each province for the benefit of the road, and that until payment of the cost of construction and interest, the receipts should be common property; after which each province to own that portion of the road which passes over its own territory.”

This proposition having been favourably entertained by the Government of New Brunswick, the Government of Canada submitted a measure to the Legislature of that province to give it effect, which they succeeded in carrying. It was agreed that the scheme should be submitted to Nova Scotia as soon as practicable, and accordingly an extra session of the Legislature of that province was held, with the view of obtaining its concurrence, and the result was the passage of an Act based on the Toronto proposition. Although no reference was made in that proposition to the European and North American line, yet it was clearly understood that the assent of New Brunswick could only be obtained to the main line by the assurance of Imperial aid in the construction of the European line. That aid, it appears from Earl Grey's despatches, will not be granted, and it therefore follows that the northern line must be considered as entirely abandoned for the present. The only line, therefore, which is now open for consideration, is one which, following Major Robinson's line from Point Levi to River du Loup, or Trois Pistoles, would cross to Lake Temiscouta, and from thence traverse in its main course a country watered by tributaries of the River St. John to the city of St. John, from which city it would take the European line to the bend of the Peticodiac, from whence it would follow any line through Nova Scotia that may be found most eligible by that province. That such a line would meet the approbation of the Imperial Government, if supported by the Governments of the three provinces, the undersigned confidently anticipate; and the more so, as it is now evident that in case of its rejection the whole scheme must be abandoned,—a result which, however much it would be to be deplored, ought, if inevitable, to be

NOVA SCOTIA.

ascertained as soon as possible. The line above suggested is not inconsistent with the Toronto proposition, nor with that of the Imperial Government, in both of which propositions the location of the line was left for future consideration. The undersigned, however, have learned with regret since their arrival in Halifax, from their conversations with the members of the Executive Council of Nova Scotia, that a new difficulty is likely to arise. It is said that the understanding in Nova Scotia was, that the northern or Major Robinson's line was to be adopted, and that in case Canada and New Brunswick are favourable to the southern route, Nova Scotia will not be prepared to carry out the Toronto proposition. The undersigned cannot admit that Nova Scotia had any just grounds for assuming that the northern line would be the one adopted, and as the New Brunswick Legislature has granted liberal aid to the European line, which, under the scheme now proposed, will only extend from the city of St. John to the frontier, it appears to the undersigned that Nova Scotia will obtain her two great objects,—a connexion with the Atlantic cities of the United States, as well as with Canada and the western states by the St. Lawrence route. In a commercial point of view, the question as to the eligibility of the two routes does not admit of an argument. The southern line there is sufficient ground for believing would be a remunerative one. The great lumbering regions in New Brunswick and Maine take large supplies of bread stuffs and provisions which are now subject to enormous charges for transport. It is the interest of Nova Scotia, as well as of the other provinces, that this great line should not cause a heavy charge on her revenue, and thus cripple her means of extending branch lines to connect with the great trunk. The southern route is defensible in a commercial point of view, and money being obtained at a little over three per cent. will probably pay. The other line would for some years at least pay little if anything more than working expenses. The undersigned, having stated the grounds on which they believe that the only scheme now practicable for connecting the British provinces by a line of railway, is the one suggested above, have only to urge upon the Government of Nova Scotia, which has hitherto taken the lead in pressing for the construction of this work, not to refuse to co-operate with the sister provinces, in a proposition to the Imperial Government, which must be a final one.

Halifax, January 28, 1852.

F. HINCKS,
E. P. TACHÉ,
JOHN YOUNG,
ED. B. CHANDLER.

MEMORANDUM.

The undersigned, members of the Executive Council of Nova Scotia, having maturely considered the altered circumstances in which the Colonial Governments are placed, by the construction put on Mr. Hawes' letter of the 10th March, by Earl Grey's despatches of the 27th November and 9th of January,—

And, having considered the written proposition submitted by the Honourable Messrs. Hincks, Taché, Young, and Chandler, delegates from the sister provinces of Canada and New Brunswick, and the verbal explanations of those gentlemen, are not prepared to advise his Excellency the Lieutenant-Governor to recommend to Parliament to grant the money required on the terms proposed, for the following reasons :

The agreement entered into between the three provinces, represented at Toronto, was based upon the construction then given to Mr. Hawes's letter of the 10th of March.

By that agreement, Nova Scotia, in consideration of her making one third of the line to the St. Lawrence, secured not only the advantage of roads to the chief centres of commerce in Canada, New Brunswick, and the United States, but, if the northern or any direct route had been selected, she would have participated in the carrying trade of Western Canada, of the seaports on the gulf, and have established very intimate relations with the population which might have been thrown into central New Brunswick.

The delegates from the sister provinces now propose, that, having no positive assurance of the completion of the European line, abandoning all hope of connections with the gulf seaports or the settlements of central New Brunswick, and adopting a line up the River St. John, Nova Scotia should still make one third of it. This is scarcely reasonable. The equivalents being varied or withdrawn, this province should be relieved from a burthen which she assumed under very different circumstances.

Besides, if the St. Lawrence and European lines are combined, New Brunswick will have 100 miles less of road to make, while the quantity of land to be thrown into common stock will be largely diminished. The undersigned are confident that the proposition now made by the honourable delegates would not meet the approval of the Provincial Parliament, even if submitted with the whole influence of the Executive Government.

28th January 1852

J. B. UNIACKE,
MICHAEL TOBIN,
JAMES McNAB,
JOSEPH HOWE,
HUGH BELL,
SAMUEL CREELMAN.

(Copy.)

NOVA SCOTIA.

SIR,

Waverly House, Halifax, January 29, 1852.

I HAVE the honour to enclose a copy of a Memorandum, signed by myself and two of my colleagues now in Halifax, suggesting a new scheme for the construction of the Halifax and Quebec Railway. I entertain sanguine hopes that Nova Scotia will assent to this proposition, and I earnestly entreat of you to consider it favourably, and to obtain the immediate concurrence of the Government of New Brunswick, and an assurance that that Government will submit it to the favourable consideration of the Legislature, with the weight of its influence.

Hon. E. B. Chandler.

I have, &c.
(Signed) F. HINCKS.

MEMORANDUM.

The undersigned, members of the Executive Council of Canada, have learned with deep regret that the Government of Nova Scotia is of opinion, that in the event of the Halifax and Quebec Railway being located on a line traversing the country watered by the tributaries of the River St. John to the city of St. John's, and thence following the line of the European and North American Railway to the frontier of Nova Scotia, the Legislature of that province would not be likely to take so large an interest in the work as was contemplated by the proposition agreed to at Toronto by the Government of Canada and Mr. Howe, and submitted for the consideration of the Government of New Brunswick. It is needless to discuss further the subject of the location of the line, and the undersigned feel that no further assistance can be expected from Canada than what has been on all occasions frankly offered. It is well known that the line between Quebec and Halifax is not a favourite one with the people of Canada. It is true that the opposition to the scheme has arisen, in a great degree, from want of information, among the inhabitants residing west of the district of Quebec, of that highly valuable tract of country on the south bank of the River St. Lawrence, from Quebec to the eastern frontier of Canada. This part of the province is almost unknown to the people of Upper Canada, and two of the undersigned have, for the first time, had an opportunity of visiting it on their late journey. They are now enabled to confirm all that has been said by Major Robinson, and others, with regard to the importance of opening railway communication through a country, which has been well described as a "continued village." Though their journey was performed at a most unfavourable period of the year, the general appearance of the farmhouses, with the excellent barns, and other outbuildings, was such as to satisfy them that a people evidently in such a prosperous condition must have the advantage of a fertile soil, and be of industrious habits, and that there is reasonable ground for expecting that a line of railway, which, owing to the favourable character of the gradients, might be constructed very cheaply, would prove remunerative. It is not unworthy of remark in this place, that in crossing the portage road from Rivière du Loup to Lake Temiscouta, the undersigned met no less than forty-two sleighs, in one day, returning from New Brunswick, having delivered loads of pork and flour, destined for the supply of the lumbering regions of New Brunswick and Maine. The flour had been manufactured in Upper Canada, and the cost of transportation from Rivière du Loup to the Little Falls in New Brunswick, a distance of about seventy miles, was 6s. 3d. currency per barrel. They ascertained further, that Upper Canada flour was carried as far south as the Grand Falls, a distance of thirty-six miles further, at a cost of 2s. 6d. per barrel additional. The points south of the Grand Falls are supplied from the city of St. John, and principally with Upper Canada flour, which has reached that seaport by New York or Boston, by the route of the American canals and railroads. To divert so important a trade to the St. Lawrence must be of immense importance to all the provinces; and that it can be diverted, and that the railroad between the St. Lawrence and the Atlantic will be most advantageous to all the provinces, the undersigned entertain no doubt. Having pointed out the commercial advantages of those sections of the line which are least appreciated, they deem it unnecessary to dwell on the acknowledged merits of the section within Nova Scotia, or of that between St. John and the Nova Scotia frontier. It is likewise unnecessary for the undersigned to dwell further on the importance to the three provinces of securing a line between Portland and Halifax, which has been a favourite one in Canada, as well as in Nova Scotia and New Brunswick, as it will open a direct communication by railway between Montreal and Halifax by the St. Lawrence and Atlantic route, as well as by the Quebec route. The undersigned are unwilling to believe that the Government and Legislature of Nova Scotia will assume the serious responsibility of finally rejecting the proposal of the Imperial Government to aid in the construction of a work of such importance to British America as the Halifax and Quebec Railway, and they therefore feel it incumbent upon them to make a final appeal to the Governments both of Nova Scotia and New Brunswick. It cannot, in their opinion, be denied, that by the adoption of the southern route New Brunswick will obtain many advantages, and that she is therefore in a position to grant increased aid to the construction of the main trunk. The undersigned would offer as a final proposition, that

NOVA SCOTIA.

the line should be constructed on joint account of the three provinces, as suggested at Toronto, but that Nova Scotia should only be called upon to take an interest of one fourth in the common stock, while New Brunswick should be required to take five twelfths, and Canada as originally proposed one third. It is of course understood by the undersigned, that in accordance with the terms of Mr. Hawes's letter to Mr. Howe Imperial aid will at least be granted to the line to Montreal, the responsibility for the construction of the section between Quebec and Montreal falling exclusively upon Canada. That province, in order to complete its trunk line, will have to construct, either by public or private enterprise, the line from Montreal to the Detroit River, a distance of about 600 miles. As this line is one of importance to all the provinces, as well as to the empire, the undersigned hope that the proposition of the Imperial Government will be construed in the most liberal manner; but at all events, they can entertain no doubt as to the extension of aid to the line between Quebec and Montreal, as the passage in Mr. Hawes's letter referring to "Quebec or Montreal," is cited by Earl Grey in his despatch of the 9th instant. The undersigned, in making to Nova Scotia and New Brunswick a final proposition, have the satisfaction of believing, that in the event of its rejection Canada will be relieved from all responsibility for the failure of the grand scheme of uniting the British Provinces of North America by a railway.

Halifax, 29th January 1852.

F. HINCKS.
E. P. TACHÉ.
JOHN YOUNG.

SIR,

Halifax, January 29, 1852.

I HAVE the honour to acknowledge the receipt of your letter of this day, containing a copy of a Memorandum, signed by the Members of the Executive Council of Canada now in Halifax, suggesting a new scheme for the construction of the Halifax and Quebec Railway, and pressing for the immediate concurrence of the Government of New Brunswick. Before entering into the consideration of any new proposition, I am desirous of calling the attention of yourself and colleagues to a new scheme, the outlines of which I have learned since my arrival in Halifax.

I have been informed that, by the next mail, a proposition is expected from eminent capitalists in England (who have been largely engaged in railway contracts), the basis of which will, in substance, be, that the Quebec and Halifax and European and North American lines will be constructed by a private company, under an Imperial charter, the provinces being required to make an annual grant in favour of the Company of from 90,000*l.* to 100,000*l.* to be divided amongst them, and to be continued for twenty years, and the further contribution of from 3 to 5,000,000 of acres of land. Such is an outline of the proposition which, I have reason to believe, will be made by next mail; and I have to request that you will favour me with the opinion of the delegates from Canada as to its practicability.

Hon. Francis Hincks.

I am, &c.
(Signed) E. B. CHANDLER.

SIR,

Waverly House, Halifax, January 29, 1852.

I LOSE no time in replying to your letter of this day, the object of which is to ascertain the opinions of myself and colleagues as to the practicability of constructing the European and North American Railway as well as the Quebec and Halifax, through the instrumentality of a private company, which would require as a condition an annual grant for twenty years of from 90,000*l.* to 100,000*l.*, besides a large tract of the public domain. Prior to the receipt of your letter I had been made aware of the proposition to which you refer, and had discussed it, not only with the Honourables Messrs. Taché and Young but likewise with Mr. Howe and other gentlemen of Nova Scotia. I am therefore enabled to give you a prompt answer to your inquiry, and to assure you that it would not be entertained for a moment.

The Hon. E. B. Chandler.

I have, &c.
(Signed) F. HINCKS.

SIR,

Waverly House, Halifax, January 31, 1852.

WE have the honour to enclose copies of a Memorandum from the Hon. E. B. Chandler, a member of the Executive Council of New Brunswick, and of accompanying correspondence, from which you will learn that the Government of that province is prepared to submit to the Legislature a measure for the construction of the Quebec and Halifax Railway based on the proposition which we offered for the consideration of Nova Scotia and New Brunswick, on the 29th instant. We sincerely hope that the Government of Nova Scotia will assume the responsibility of submitting a similar measure to the Legislature now in session. Should the present attempt at negotiation prove a failure, not only will the three provinces be deprived of the advantages of the Imperial guarantee, and consequently of inter-colonial communication, but there is serious ground for apprehension that the refusal, on the part of Nova Scotia, to co-operate with the sister

provinces in this great national undertaking, will have a baneful influence on all our relations. The responsibility for the failure of this great enterprise must now rest upon Nova Scotia, which has hitherto taken the lead in advocating the measure. We trust that you will be able to communicate to us the final decision of the Government of Nova Scotia on the proposition recently submitted by us before our departure for Canada; and we think it only candid to inform you that in our opinion the rejection of this proposition by Nova Scotia will materially injure the British American Colonies in the estimation of the Imperial Government and of the people of the United Kingdom.

We have, &c.

F. HINCKS.
E. F. TACHÉ.
JOHN YOUNG.

Hon. Joseph Howe.

MEMORANDUM.

The undersigned, member of the Executive Council of New Brunswick, has given his anxious consideration to the Memorandum, signed by Messrs. Hincks, Taché, and Young, members of the Executive Council of Canada, suggesting a new scheme for the construction of the Halifax and Quebec Railway.

The undersigned participates fully in the regret expressed by the delegates from Canada at the decision of the members of the Nova Scotian Council, by their Memorandum of the 28th instant. It is well known that the line of railway on which public opinion in New Brunswick was concentrated was the European and North American, a line which there was every reason to believe would prove remunerative, and which, instead of embarrassing the finances of the province, would have facilitated the extension of a railroad system, which, at no distant time, would have included the seaports on the gulf as well as the territory designated as central New Brunswick.

The Government and Legislature of New Brunswick have, moreover, been persuaded that, by assuming a large responsibility for a line that would not for many years be a paying one, they would not only seriously embarrass their finances, but would deprive the bulk of the population of the advantage of a line of railway that would subject them to no loss.

When the undersigned was deputed by his Excellency the Lieutenant-Governor of New Brunswick to visit Toronto in June last, at a conference invited by the Governor General, he was fettered by resolutions of both Houses of the Legislature of New Brunswick, rejecting any proposition based on the conditions contained in Mr. Hawes's letter of the 10th of March last. At that conference, Mr. Howe, the delegate from Nova Scotia, earnestly pressed the importance of the great trunk line between Halifax and Quebec, as a means of connecting the British Provinces in close communion and friendly relations. Mr. Howe was aware that the scheme advocated by him was not favourably received in New Brunswick; and but for the inducement of obtaining the aid of the Imperial guarantee for the European and North American line, the co-operation of New Brunswick could not have been secured. Even with this advantage, it was with great hesitation that the Government of New Brunswick undertook the serious responsibility of assuming that portion of the risk which was proposed at Toronto.

It would, at that time, have been held as a wholly inadmissible proposition, that New Brunswick should be called upon to make the section of the line within her own territory. It is evident that such an arrangement was never contemplated by the Imperial Government. Mr. Hawes, in his letter to Mr. Howe, says: "If it should appear that, by leaving it to each province to make that part of the line passing through its own territory, the proportion of the whole cost of the work which would fall upon any one province would exceed its proportion of the advantages to be gained by it, then the question is to remain open for future consideration, whether some contribution should not be made by the other provinces towards that part of the line." There can, in the opinion of the undersigned, be no doubt in the mind of any one, that the paragraph above cited was an intimation to Nova Scotia—the province deriving the greatest advantage from the line, and, at the same time, having the smallest portion within her territory—that she would be expected to contribute more than the cost of her own line.

The proposition to take an interest of one third in the line emanated from Nova Scotia, in conjunction with Canada. It was pressed on New Brunswick, and was, after much consideration by her Government, reluctantly consented to, they being unwilling to assume the responsibility of refusing to co-operate with the sister provinces in a great national undertaking, and of rejecting the liberal offer of the guarantee of the Imperial Government.

The Government of New Brunswick has faithfully adhered to its obligations; and with this view had prepared a measure to be submitted to the Legislature, which was, for this purpose, convened at an early and inconvenient period. Difficulties, arising from misunderstandings, for which New Brunswick is not responsible, have precluded the possibility of New Brunswick adhering rigidly to the Toronto proposition, and accordingly the Government of New Brunswick, when invited by the delegates from Canada

NOVA SCOTIA.

to consider a new proposition, did not feel justified in declining to do so; the change of route being inevitable, the Government of New Brunswick anticipated no difficulty on the part of Nova Scotia in carrying out the spirit of her own proposition, made at Toronto. It however appears from the Memorandum of the Executive Councillors of Nova Scotia, that the construction of a great trunk line of railway to the chief centres of commerce in Canada and New Brunswick, and the union of the great provinces of British America in close commercial and friendly relations, are not sufficient inducements for Nova Scotia to co-operate with her sister colonies, and that she accordingly declines to take an interest of one-third in the projected work.

Without, however, dwelling further on the subject, the undersigned has now to reply to the final proposition made by the Canadian delegates, in their Memorandum of the 29th instant. That proposition calls on New Brunswick to take an interest of five twelfths, or nearly one half of the whole line from Halifax to Quebec, while Nova Scotia is only required to take one quarter. These proportions, the undersigned feels bound to urge, press heavily on New Brunswick; but feeling that the responsibility is cast upon New Brunswick of accepting or refusing what must be considered as a final proposition for the construction of a great national and inter-colonial work, and that the suggestions made by the Canadian delegates may be considered in the light of the award of arbitrators between Nova Scotia and New Brunswick, he is prepared to state, that having communicated with the Government he represents, they will be ready to submit to her Legislature, now in session, a measure in accordance with the proposition of the Canadian delegates.

(Signed) E. B. CHANDLER.

Halifax, 31st January 1852.

No. 10.

No. 10.

(No. 54.)

COPY of a DESPATCH from Lieut.-Governor Sir JOHN HARVEY to
Earl GREY.

Government House, Halifax,

February 19, 1852,

(Received March 1, 1852.)

MY LORD,

* Page 50.

REFERRING to my Despatch No. 52*, of the 5th instant, and the correspondence which it enclosed, I have now the honour to report, for your Lordship's information, that a resolution, a copy of which is enclosed, accepting the proposal of the delegates from Canada and New Brunswick, passed the House of Assembly, after debate, by a majority of 22, the division being 36 to 14.

The Right Hon. Earl Grey,
&c. &c. &c.

I have, &c.
(Signed) J. HARVEY.

Encl. in No. 10.

Enclosure in No. 10.

Resolved,—That in view of the difficulties created by the interpretation given to Mr. Hawes's letter of the 10th of March by Earl Grey's despatches of the 27th of November and 9th of January, and by which interpretation an abandonment of Major Robinson's route is rendered indispensable, the Executive Government be empowered to accept the proposition made by the delegates from Canada, on this condition, that the interest which this province shall have in the general enterprise contemplated shall be a perpetual interest to the extent of the funds contributed, which shall not exceed one fourth part of the whole cost thereof.

No. 11

No. 11.

EXTRACT of a DESPATCH from Lieut.-Governor Sir JOHN HARVEY to
Earl GREY.

Government House, Halifax,

March 3, 1852.

(Received March 17, 1852.)

MY LORD,

* See above.

I BEG to refer to my Despatches of the 5th and 19th ultimo, Nos. 52* and 54,* enclosing certain resolutions on the subject of the contemplated railway from Halifax to Quebec, and also informing your Lordship that members of the Canadian and New Brunswick Governments had met here and concurred in an arrangement on that subject.

I am informed that it is contemplated the provinces should be represented in London by a delegate from each, and that Mr. Hincks will repair to England in the packet to sail from hence on the 4th instant. I have selected the Honourable Mr. Howe to represent Nova Scotia, and he will quit this in company with Mr. Chandler, as soon as the Legislature of New Brunswick has matured its measures on this important subject.

No. 12.

No. 12.

(No. 9.)

COPY of a DESPATCH from the Officer administering the Government to Sir JOHN PAKINGTON, Bart.

Government House, Halifax,

April 14, 1852.

(Received April 28, 1852.)

SIR,

I HAVE the honour to transmit for Her Majesty's Assent, with the observations of the Attorney General thereon, copies of two Acts passed by the Legislature of this province, entitled, 1st,* "An Act for raising by way of Loan a Sum not exceeding 800,000*l.* Sterling, for the Construction of a Trunk Railway from Halifax to Quebec;" 2d*, "An Act to make Provision for the Construction of a Trunk Railway from Halifax to Quebec."

I have, &c.

The Right Hon.
Sir John Pakington, Bart.
&c. &c. &c.

(Signed) JOHN BAZALGETTE,
Administrator.

* These Acts will be found in the Appendix to the present Papers.

Despatches from the Secretary of State.

No. 1.

(No. 264.)

No. 1.

COPY of a DESPATCH from Earl GREY to Lieut.-Governor Sir JOHN HARVEY.

SIR,

Downing Street, April 3, 1851.

I HAVE to acknowledge the receipt of your Despatch No. 11,* of the 13th of March last, enclosing an address to Her Majesty from the magistrates, freeholders, and inhabitants of the county of Cumberland, praying for Imperial aid in the construction of a line of railway from Halifax to the boundary of the province.

I have laid this address before the Queen, who was pleased to receive it very graciously, and I am commanded to instruct you to refer the memorialists in reply to the communications which you have already received from me on the subject of the Halifax and Quebec Railroad.

Lieut.-Governor Sir John Harvey,
&c. &c. &c.

I have, &c.
(Signed) GREY.

No. 2.

(No. 284.)

No. 2.

COPY of a DESPATCH from Earl GREY to the OFFICER administering the Government of Nova Scotia.

SIR,

Downing Street, August 27, 1851.

I HAVE the honour to acknowledge the receipt of your Despatch No. 8,† of the 4th of August, enclosing a printed copy of the report made by Mr. Howe to the Government of Nova Scotia of his proceedings with respect to the railway conference, and I have to acquaint you, that I am not aware of any objection to the measure which, with the advice of your Council, you have adopted of dissolving the provincial Parliament.

The Officer administering
the Government of Nova Scotia.

I have, &c.
(Signed) GREY.

No. 3.

(No. 288.)

No. 3.

COPY of a DESPATCH from Earl GREY to Lieut.-Governor Sir JOHN HARVEY.

SIR,

Downing Street, October 13, 1851.

I HAVE to acknowledge the receipt of Lieut.-Colonel Bazalgette's Despatch No. 16,‡ of the 18th September, enclosing the copy of a letter which he had caused to be addressed to the Provincial Secretary of New Brunswick on the subject of the proposed inter-colonial railways.

Lieut.-Governor Sir John Harvey,
&c. &c. &c.

I have, &c.
(Signed) GREY.

No. 4.

(No. 292.)

No. 4.

COPY of a DESPATCH from Earl GREY to Lieut.-Governor Sir JOHN HARVEY.

SIR,

Downing Street, November 27, 1851.

I HAVE the honour to acknowledge the receipt of your Despatch, No. 33,§ enclosing a copy of the speech with which you opened the extra session of the Legislature of Nova Scotia on the 4th inst., and I consider it necessary

* Page 34, Parliamentary Paper, Halifax and Quebec Railway, April 8, 1851.

to point out to you without loss of time an error into which you have fallen, and which I much regret, in stating that Her Majesty's Government are prepared to recommend to Parliament that provision should be made for raising, with the guarantee of the British Treasury, the funds required for the construction of both the lines of railway adverted to in your speech to the provincial Legislature.

Upon reference to the correspondence transmitted in my Despatch, No. 260*, of the 14th of March last, you will find that it is distinctly stated that the only railway for which Her Majesty's Government would think it right to call upon Parliament for assistance would be one calculated to promote the interests of the whole British empire by establishing a line of communication between the three provinces in North America. It was added, that there would be no objection to the plan which might be decided upon including "a provision for establishing a communication between the projected railway and the railways of the United States;" but it is obvious from the whole tenor of the communication made to Mr. Howe, and of the Despatches which I addressed to yourself and to the Governor-General, that while Her Majesty's Government entertain no objection to the establishment of a railway communication with the United States, it was not contemplated that the assistance of Parliament should be applied for for this or for any other object than the formation of the main line connecting the British provinces.

Looking to the large amount of the expenditure which would have to be incurred for this object, I do not anticipate that it would be in the power of Her Majesty's Government to extend to other lines the assistance which it is proposed to grant to the main one in question, though until some definite proposal is made on the part of the three provincial Legislatures no final decision can be adopted.

Lieut.-Gov. Sir John Harvey,
&c. &c. &c.

I have, &c.
(Signed) GREY.

(No. 297.)

No. 5.

No. 5.

COPY of a DESPATCH from Earl GREY. to Lieut.-Governor Sir JOHN HARVEY.

SIR,

Downing Street, January 9, 1852.

I HAVE to acknowledge the receipt of your Despatch of the 11th † December last, enclosing a report by Mr. Howe on the subject of his having misinterpreted the views of Her Majesty's Government in undertaking to aid the North American provinces in the construction of an inter-colonial railway. I have also received your subsequent Despatch of the 24th † December, enclosing a second report from that gentleman on the same subject.

† Page 45. †

† Page 47.

2. I greatly regret that a misunderstanding should have arisen respecting the extent to which Her Majesty's Government would be prepared to recommend that the loan to be raised by the provinces for this purpose should be guaranteed by the Imperial Parliament. I do not of course doubt Mr. Howe's assertion that I failed to make him understand my views on this question, as I certainly failed to detect the misconception with regard to them into which he had fallen; nor did I for a moment suppose, till I read your speech on opening the late session of the Legislature of the province, that my Despatches and communications on this subject were construed to bear any other sense than that which they were intended, and still in my opinion appear to convey.

3. From a perusal of these reports I observe that Mr. Howe, in explaining the view which he has taken of the proposal of Her Majesty's Government, dwells not so much on the letter of Mr. Hawes of the 10th March 1851, in which the decision of the Government was communicated to him under my direction, as on the language which he has himself held since his return to America in reference to his communication with me, and upon his having assumed throughout these communications that New Brunswick would not be ready to join with Nova Scotia and Canada in the construction of the proposed

* Page 37, Parliamentary Paper, Halifax and Quebec Railway, April 8, 1851.

NOVA SCOTIA.

line of communication from Halifax to Quebec, except upon the condition that the arrangement should embrace in equally favourable terms a provision for a branch line between the projected railway and the railways of the United States.

4. As to the first of these statements, I have to observe that I perceive, now that my attention has been drawn to them, that there are, in some of Mr. Howe's reports, addressed to the Government of Nova Scotia, and in his letters and speeches which were communicated to me, expressions which I ought to have understood to imply that he expected Her Majesty's Government to make an application to Parliament for assistance for both lines. I can only account for my having failed to perceive this, by supposing that, owing the very great length of these papers, I must in reading them have overlooked the particular expressions to which my attention is now directed, or have read them with so full a belief that Mr. Howe was well aware of the limits within which Her Majesty's Government proposed that the assistance of Parliament should be confined, as to have attached to them a different meaning from that which they were intended to bear, by supposing that Mr. Howe meant to say that both lines were to be executed, but only one with the assistance of Parliament.

5. Adverting in the next place to the other statement, I have undoubtedly always understood that it was unlikely that the people and Legislature of New Brunswick would be disposed to enter into the plan of the Quebec and Halifax Railway unless the Portland line could also be constructed. At the same time, I believed that I had made it fully understood in the repeated conversations which I had with Mr. Howe, and in interviews with other persons interested in the New Brunswick railways, that the view which Her Majesty's Government took of the subject was, that looking to the very great number of important public works projected in almost every British colony, and to the extent of the demand for the assistance of this country in completing them, that assistance could not be given without inconvenience and risk, unless it were strictly limited to objects calculated to promote some important interest of the empire at large, and not merely of some individual colony. The projected line from Halifax to Quebec answered this description, because its construction tended to draw closer the bonds uniting the North American provinces with each other and with the mother country, but the various other railways that were projected, though no doubt calculated to be very useful to the several provinces, would not have had any such important bearing upon the interests of the empire at large, and it appeared to me therefore that they ought to be executed by the colonies interested or by private enterprise when practicable, but without any responsibility being incurred by the mother country for the expenditure.

6. The Despatches addressed to the respective Governors of the colonies and the letters of Mr. Hawes will be found to be in strict conformity with this view of the subject; but the principle is laid down so clearly in the following extract from Mr. Hawes's letter that it will be unnecessary to cite any other passages in support of what I have stated.

"In the first place, as Her Majesty's Government are of opinion that they would not be justified in asking Parliament to allow the credit of this country to be pledged for any object not of great importance to the British empire as a whole, (and they do not consider that the projected railway would answer this description unless it should establish a line of communication between the three British provinces,) it must be distinctly understood that the work is not to be commenced, nor is any part of the loan for the interest on which the British Treasury is to be responsible to be raised, until arrangements are made with the provinces of New Brunswick and Canada, by which the construction of a line of railway passing wholly through British territory from Halifax to Quebec and Montreal shall be provided for to the satisfaction of Her Majesty's Government."

7. I must also add that New Brunswick being in the opinion of many of its inhabitants more interested in the southern line, my belief was, that contemplating the execution of this line by such means as could be found without the assistance of Parliament, the people of New Brunswick would find a great advantage in the execution of the Halifax and Quebec line by the assistance of Parliament, because this would provide for the execution of that portion of the line through Nova Scotia which would be common to both without requiring

that the capital should be provided on the spot, and would thus leave a large amount of that capital available for the line which New Brunswick was to execute for itself.

8. Having thus adverted to that part of Mr. Howe's statement of which the object is to show that I had not been left in ignorance of his understanding as to the proposal to be submitted to Parliament, I have next to consider what were the actual engagements into which Her Majesty's Government entered, and what the decision arrived at on Mr. Howe's application, as communicated to him in Mr. Hawes's letter of the 10th of March.

In this letter Mr. Hawes was directed to inform him that the guarantee of a loan which Nova Scotia proposed to obtain for the construction of that portion of the projected line to be established in British territory between the provinces of Nova Scotia, New Brunswick, and Canada which would pass through the province of Nova Scotia, would be granted, upon condition that no part of the loan should be raised until arrangements were made with Canada and New Brunswick, by which the construction of a line of railway passing wholly through British territory from Halifax to Quebec should be provided for to the satisfaction of the Government, and that to facilitate such arrangements Her Majesty's Government would recommend to Parliament that the like assistance should be rendered to those provinces as to Nova Scotia, in obtaining loans for the construction of their respective portions of the work.

9. It is quite clear, therefore, that no assistance was promised to New Brunswick in the construction of any line but that one which should form part of a continuous railway from Halifax to Quebec. The expression "the line" is repeatedly used in describing the object for which the loan was to be guaranteed; and to make it perfectly clear what that line was, it is stated that "any deviation from the line recommended by Major Robinson and Captain Henderson must be subject to the approval of Her Majesty's Government."

10. And when it is added, that Her Majesty's Government would by no means object to its forming part of the plan which may be determined upon, that it should include a provision for establishing a communication between the projected railway and the railways of the United States, it is obvious, as I have already pointed out in my Despatch to you of the 27th of November last, that nothing further was contemplated in that passage than that Her Majesty's Government would sanction such a provision for the purpose as the Legislature of New Brunswick might deem expedient to make upon its own liability.

11. Mr. Hawes's letter was acknowledged by Mr. Howe on the day following that on which it was received, in a letter which I have now before me, and the expressions used by Mr. Howe on this occasion left me under the impression that he was fully aware that it was one railroad only for the construction of which Her Majesty's Government was prepared to propose to Parliament to advance the funds, or to pledge the national credit, because they speak of "the work," "the railroad," "the great national highway," and contain no allusion to more lines than one or to a line of connexion across New Brunswick with the railroads of the United States.

12. I must also refer you to my Despatch to Lord Elgin, dated the 14th March last, copies of which I transmitted to you as well to the Lieutenant-Governor of New Brunswick. Lord Elgin was then distinctly informed, that the guarantee promised by Her Majesty's Government, in acceding to the proposal and application of Mr. Howe, would be confined to loans required by the three provinces for the projected railway from Halifax to Quebec.

13. Mr. Howe, in his second report, lays great stress on a memorandum signed by the members of the Executive Council of New Brunswick in August 1851, and transmitted to me, as showing that I acquiesced at that time in a much wider interpretation of Mr. Hawes's letter than I have now allowed it to admit of, inasmuch as that memorandum states that the Council "will not accept any proposal for building the great trunk line which shall not embrace in an equally favourable and explicit manner the European and North American Railway, the liability for the latter being solely confined to the province."

14. The inference I drew from this memorandum upon receiving it was, that notwithstanding some ambiguity in the expressions made use of, the concluding words of the above extract implied that the members of the Executive Council of New Brunswick by whom the paper was signed correctly understood

NOVA SCOTIA

Mr. Hawes's letter in the sense which I have explained above, but that they entertained a hope that the amount of assistance to be granted to that province might hereafter be increased. But to prevent any misconception on their part as to the intention of the Government, I took occasion in acknowledging the Despatch of Sir Edmund Head, enclosing that memorandum, to observe with respect to it, that it would be premature to enter upon the consideration of a proposal not yet submitted to me, but I think it right to observe that Her Majesty's Government would not be prepared to recommend to Parliament to extend assistance to the projected railways in British North America further than was promised in my Despatch of the 14th of March last.

15. I must again express my regret, that on a point of so much importance, Mr. Howe should have misunderstood the view of Her Majesty's Government and the tenor of my Despatch on this subject. The extent to which the assistance of Parliament should be asked for towards the establishment of railway communication in the North American provinces formed the subject of careful deliberation at the time when Mr. Howe was in this country, and he was made acquainted with the decision eventually arrived at by Her Majesty's Government, in language which even now I am of opinion was so explicit and unambiguous, that I cannot regard myself as responsible for the error into which he has been betrayed, most probably by the natural eagerness with which he pursued an object of such deep importance to the whole of British North America. I have only to add, that I hope the Legislature of Nova Scotia will not too hastily abandon as impracticable the design of executing this great work, with the limited amount of assistance which Her Majesty's Government are ready to recommend to Parliament, and which I confidently believe that Parliament would readily grant.

Lieut.-Governor Sir John Harvey,
&c. &c. &c.

I have, &c.
(Signed) GREY.

No. 6.

No. 6.

COPY of a DESPATCH from Earl GREY to Sir J. HARVEY.

(Separate.)

SIR,

Downing Street, February 20, 1852.

Mr. HINCKS having expressed his wish that my answer to a letter which he addressed to me from Halifax on the 5th instant, on the subject of the projected railroad between that city and Halifax, should be forwarded to him through you, I have now, in complying with his request, to inform you that as my communication relates to the interests of Nova Scotia as well as of Canada, it is desirable that you should avail yourself of this opportunity of perusing it. For that purpose my answer is placed in an envelope with a flying seal. In the event of Mr. Hincks having left Halifax before this reaches you, you will be so good as to take the necessary steps for forwarding it to him safely.

Lieut.-Governor Sir John Harvey,
&c. &c. &c.

I have, &c.
(Signed) GREY.

February 20, 1852.
Page 22.

No. 7.

(No. 11.)

No. 7.

COPY of a DESPATCH from the Right Hon. Sir JOHN PAKINGTON to the OFFICER administering the Government of NOVA SCOTIA.

SIR,

Downing Street, May 26, 1852.

CERTAIN Acts passed by the Legislature of Nova Scotia in the session of 1851, having reference to the proposed construction of a trunk line of railway from Halifax to Quebec being at present under the consideration of Her Majesty's Government, the operation of which Acts is made contingent upon the question of affording to the railway the pecuniary assistance of this country, I have to instruct you to report to me your opinion, whether, since Her Majesty's Government have decided that it is impossible under existing circumstances to apply to the Imperial Parliament for the desired assistance, it would be proper that these Acts should be left to their operation in the

PROPOSED RAILWAY FROM HALIFAX TO QUEBEC. 63

usual manner, by an order of the Queen in Council, or whether Her Majesty should abstain from making any order thereupon. NOVA SCOTIA.

The Officer administering the Government of Nova Scotia. (Signed) I am, &c. JOHN S. PAKINGTON.

(No. 12.) No. 8. No. 8.

COPY of a DESPATCH from the Right Hon. Sir JOHN PAKINGTON to the OFFICER administering the Government of NOVA SCOTIA.

SIR, Downing Street, May 27, 1852.
I HAVE the honour to transmit herewith the copy of a Despatch which I have addressed to the Governor General of British North America, conveying to his Lordship the decision at which, after mature deliberation, Her Majesty's Government have arrived upon the proposals laid before them, on the part of Canada, Nova Scotia, and New Brunswick, on the subject of the projected line of railway from Halifax to Quebec.

No. 25, May 20, 1852, page 18.

The Officer administering the Government of Nova Scotia. (Signed) I have, &c. JOHN S. PAKINGTON.

(No. 16.) No. 9. No. 9.

COPY of a DESPATCH from the Right Hon. Sir J. S. PAKINGTON to the OFFICER administering the Government of NOVA SCOTIA.

SIR, Downing Street, June 10, 1852.
I HAVE to acknowledge the receipt of the late Lieutenant-Governor Sir J. Harvey's despatch of the 11th of last December, No. 38,* transmitting an address to the Queen from the two Houses of the Legislature of Nova Scotia, having for its object the obtaining direct aid from the Imperial Government, in the construction of the Halifax and Quebec line of railway.

* Page 43.

The state of this question having, as I learn, precluded my predecessor from submitting this address to Her Majesty whilst he was in office, it has devolved upon me to do so; and I have now to instruct you to inform the Legislative Council and House of Assembly that I have fulfilled their wishes in the presentation of the address, and that Her Majesty has been pleased to receive the same very graciously. In returning this answer, you will at the same time add the expression of regret which is entertained by Her Majesty's Government, that, for the reasons explained in my despatch of the 26th of May, it has not been in their power to meet the desire of the Legislature for the pecuniary assistance of this country in the construction of the proposed railroad.

The Officer administering the Government of Nova Scotia. (Signed) I have &c. JOHN S. PAKINGTON

NEW BRUNSWICK.

Despatches from Lieut.-Governor Sir E. Head.

NEW
BRUNSWICK
No. 1.

(No. 37.)

No. 1.

COPY of a DESPATCH from Lieut.-Governor Sir EDMUND HEAD to
Earl GREY.

Government House, Fredericton, N. B.,
June 13, 1851.

(Received July 3, 1851.)

MY LORD,

(Answered No. 278, July 8, 1851, Page 81.)

I HAVE the honour to enclose a copy of certain resolutions passed at a public meeting in the county of Kent in this province, respecting the Halifax and Quebec Railroad.

I have, &c.

The Right Hon. Earl Grey,
&c. &c. &c.

(Signed) EDMUND HEAD.

Encl. in No. 1.

Enclosure 1 in No. 1.

At a public meeting convened by the High Sheriff of the county of Kent, pursuant to a requisition presented to him, and held at the Court House in Richibucto on Tuesday the 3d day of June instant, to take into consideration the Halifax and Quebec Railway, the following resolutions were passed unanimously.

Resolved, That this meeting desires to express entire satisfaction with the proposition of Her Majesty's Government, as communicated in the letter of Benjamin Hawes, Esquire, Under Secretary of State for the Colonies, to the Honourable Joseph Howe, by which funds will be advanced to the provinces of Canada, Nova Scotia, and New Brunswick for the construction of railways connecting Nova Scotia, through this province, with Quebec and Montreal, on terms which secure the completion of that work at little more than one half it would cost without the interposition of the Imperial Government.

Resolved, That a railway from Halifax to Quebec would tend more than any other public work to advance the interests of this province, both by facilitating commercial intercourse and promoting the settlement of its wild lands, while it would constitute a bond of union between the British North American colonies, and bind them more closely to the parent state, and, therefore, whether viewed as a provincial or national undertaking, it is a subject of paramount importance.

Resolved, That this meeting deeply regrets the hasty decision of the Legislative Council and House of Assembly on the liberal offer of Her Majesty's Government, before the subject could be brought under the consideration of the Legislatures of Canada and Nova Scotia, and trust that the Legislature will, at an early day, reconsider the whole subject of railways with a view to harmonious and combined action with the adjoining provinces.

Resolved, That a copy of the foregoing resolutions be transmitted to his Excellency the Lieutenant-Governor, and that his Excellency be respectfully requested to transmit the same to Her Majesty's Principal Secretary of State for the Colonies.

(Signed) GEORGE PAGAN,
Chairman.

C. W. Weldon, Secretary,
Richibucto, June 7, 1851.

No. 2.

(No. 44.)

No. 2.

COPY of a DESPATCH from Lieut.-Governor Sir EDMUND HEAD to
Earl GREY.

Government House, Fredericton, N. B.,
July 11, 1851.

(Received July 30, 1851.)

MY LORD,

(Answered No. 281, August 5, 1851, Page 81.)

I HAVE the honour to enclose a memorandum handed to me at a meeting of my Executive Council on the 8th of July last, with reference to your Lordship's Despatch of the 12th of June last, No. 269.*

I have, &c.

The Right Hon. Earl Grey,
&c. &c. &c.

(Signed) EDMUND HEAD

* Page 28, Parliamentary Paper relative to Halifax and Quebec Railway, June 16, 1851.

Enclosure in No. 2.

NEW
BRUNSWICK.
Encl. in No. 2.

THE Executive Council of New Brunswick much regret that Her Majesty's Principal Secretary of State for the Colonies should have determined in not submitting the facility bills of last Session, relating to the two railways, for the confirmation of Her Majesty in Council, because the Act incorporating the North American and European Railway Company does not contain some provisions deemed by Her Majesty's Government essential for the protection of Imperial interests. These provisions the Council cannot entertain the least doubt will be made whenever the Legislature are again convened, an event which will in all probability take place at an earlier period than usual. The facility bills were introduced into the House of Assembly by the local Government, as measures in which they considered the interests of this province were deeply involved, and were carried almost by acclamation in both houses. Under these circumstances, the Council feel, that as a part of the Government, they are seriously weakened in public estimation by the action of the Imperial authority, more particularly as no objection has been raised by them against the facility bills, but on the contrary in all their provisions they are sanctioned by Earl Grey's Despatch.

The Council feel that no possible injury could arise by passing the bills in question; but holding them in abeyance until the amendments be made in the Act of incorporation must inevitably have a tendency to excite great dissatisfaction among a large portion at least of the people of this province interested in the success of the North American and European Railway, inasmuch as no action, so far as receiving subscription for stock, can nor will be had until the acquiescence of the Crown on the facility bill for that railway be first had.

The Council, therefore, humbly hope and trust that Earl Grey will feel himself authorized to waive all objections, and that he will submit the bills for Her Majesty's gracious approval.

W. S. HAREN.
J. S. STRUT.
J. R. PARTELOW.
J. W. B. KINNEAR.
GEORGE S. HALL.

(No. 51.)

No. 3.

No. 3.

COPY of a DESPATCH from Lieut.-Governor Sir EDMUND HEAD to Earl GREY.
Government House Fredericton, N.B.,
August 2, 1851.

(Received August 18, 1851.)

MY LORD,

(Answered, No. 288, August 28, 1851, Page 81.)

I HAVE the honour to submit, for Her Majesty's approval, the following arrangements with reference to the Executive Council of this colony.

Mr. Hill, now a member of that body, resigns his seat, and I propose to allow him to retire with his rank and precedence, as a mark of the sense which I entertain of his services.

This retirement leaves three places to be filled, and I have appointed, provisionally, the following gentlemen to fill these vacancies.

Mr. Robert Duncan Wilmot, M.P.P. for the county and city of St. John.

Mr. John Hamilton Gray, Barrister-at-Law, and M.P.P. for the county and city of St. John.

George Hayward, Esq., M.P.P. for the county of Sunbury.

These appointments, if sanctioned by the Queen, will complete the full number of Executive Councillors for New Brunswick.

I have also the honour to append to this Despatch a copy of a memorandum agreed upon by the members of the Council thus reconstructed as expressing the policy they propose to pursue in the matter of the Halifax and Quebec Railway.

The Right Hon. Earl Grey,
&c. &c. &c.

I have, &c.
(Signed) EDMUND HEAD.

Enclosure in No. 3.

Encl. in No. 3.

MEMORANDUM in regard to the Railway Policy of the Provincial Government, viz.:

THAT the proposals made by the Secretary of State for the Colonies as expressed in Mr. Hawes's letter, under date of _____, upon the subject of railways in this province, shall be accepted in full so far as the amount necessary is concerned, and upon

* So in copy.

NEW
BRUNSWICK.

the propositions specified in Mr. Howe's report to his Government on his return from the delegation to Canada or on terms not less favourable, and upon such better modification of the terms specified in Mr. Hawes's letter respecting the securities to be offered by the province as can be obtained; it being distinctly understood that the Government will not accept any proposals for building the great trunk line which shall not embrace in an equally favourable and explicit manner the European and North American Railway, the liability for the latter line being solely confined to the province.

It is also understood that the Government will urge upon the Imperial Government the propriety of obtaining imperial aid in addition to the guarantee, in consideration of the valuable lands which will be conceded by New Brunswick along both lines for emigration purposes, and of the great national importance of the undertaking.

(Signed) E. B. C.
R. L. R.
A. R.
J. R. P.
J. A. S.
W. B. K.
GEO. HAYWARD.
ROBT. D. WILMOT.
J. H. GRAY.

Committee Room, August 1, 1851.

No. 4.

(No. 66.)

No. 4.

COPY of a DESPATCH from Lieut.-Governor Sir EDMUND HEAD to Earl GREY.

Government House, Fredericton, N.B.,

November 8, 1851.

(Received November 24, 1851.)

MY LORD,

(Answered, No. 302, December 5, 1851, Page 82.)

I HAVE the honour to enclose a letter addressed to your Lordship by Mr. R. Jardine, president of the European and North American Railway Company, together with certain resolutions passed at a meeting of the shareholders of that company.

I am, &c.

The Right Hon. Earl Grey,
&c. &c. &c.

(Signed) EDMUND HEAD.

Encl. 1 in No. 4.

Enclosure 1 in No. 4.

MY LORD,

Saint John, New Brunswick, November 6, 1851.

I HAVE the honour to submit copies of resolutions passed by the stockholders and by the directors of the European and North American Railway Company, by which your Lordship will perceive that the company and directors have formally consented to the amendments in the Act of incorporation deemed by your Lordship indispensable in your Lordship's despatch to his Excellency Sir E. W. Head, dated June 12, 1851.

As your Lordship's objections to the Act of incorporation have been thus removed, and as the want of Her most Gracious Majesty's assent to the bills, severally intituled "An Act to facilitate the construction of the European and North American Railway," and "An Act further to facilitate the construction of the European and North American Railway," cripples the exertions of the company, and seriously retards the important work so anxiously desired by the people of this province, and as farther delay would probably prevent the possibility of operations being commenced at a sufficiently early period in the spring, and so lead to the loss of another season, I have, in the name and behalf of the company, most earnestly to request your Lordship to submit the said bills for Her most Gracious Majesty's approval.

The Right Hon. Earl Grey,
Her Majesty's Secretary of State.

I have, &c.
(Signed) R. JARDINE,
President,
E. & N.A. Railway Company.

Encl. 2 in No. 4.

Enclosure 2 in No. 4.

At a meeting of the directors of the European and North American Railway Company, held in the Commercial Bank Building, in conformity to notice the 27th October 1851,

The following resolutions were unanimously adopted:

That the European and North American Railway Company do hereby consent and agree that section of the Imperial Act, 7 & 8 Vict. chap. 85., respecting the transportation of troops, &c. &c. be incorporated in their charter by way of amendment in lieu of section 61.

Resolved also, That this company hereby consent to such amendments in their charter as will secure the use on fair terms of the traffic between Halifax and Quebec of their part of the line of the railway now proposed to be constructed which will be common to the two lines, fully to meet the views of his Lordship as expressed in his despatch to the Right Hon. the Earl of Elgin and Kincardine, dated the 12th June 1851.

Resolved, That copies of the above resolutions under the seal of the company and signed by the president, be forthwith transmitted through his Excellency the Lieut-Governor to the Colonial Minister, with an earnest request from the president that his Lordship would submit the bills, severally intituled "An Act to facilitate the construction of the European and North American Railway Company," and "An Act further to facilitate the construction of the European and North American Railway Company," for Her most Gracious Majesty's assent.

THOS. B. MILLIDGE,
Secretary.

R. JARDINE,
President.



At a meeting of the stockholders of the European and North American Railway Company, held pursuant to notice in the Commercial Bank Building, on Saturday the 25th October 1851,

The following resolution was unanimously adopted :—

That the Board of Directors to be appointed are hereby requested and authorized to consent to such alterations in the charter of this company as they may think proper (to meet the views of Her Majesty's advisers).

THOS. B. MILLIDGE,
Secretary.

R. JARDINE,
President.

(No. 2.)

No. 5.

No. 5.

COPY of a DESPATCH from Lieut-Governor Sir EDMUND HEAD to Earl GREY.

Government House, Fredericton, N.B.,
January 17, 1852.

(Received February 3, 1852.)

MY LORD,

I HAVE the honour to enclose for your Lordship's information a copy of the speech with which I opened the Legislative Session in this province on the 8th instant, together with copies of the addresses presented in reply thereto.

I have, &c.

The Right Hon. Earl Grey.
&c. &c. &c.

(Signed) EDMUND HEAD.

Enclosure 1 in No. 5.

Encl. 1 in No. 5.

EXTRACT.

Mr. President and Honourable Gentlemen of the Legislative Council,
Mr. Speaker and Gentlemen of the House of Assembly,

I HAVE called you together rather earlier than usual, and I have much pleasure in meeting you again on the present occasion. The legislation which has taken place in Canada and Nova Scotia has made it expedient that an opportunity should be afforded you with as little delay as possible, for considering the very important subject of railway communications in British North America. At the same time I rejoice that circumstances have been such as to spare the expense to the province, and the inconvenience to yourselves, which an extraordinary session would have occasioned, but which the importance of the subject would have warranted.

A considerable mass of papers relating to the proposed construction of a Halifax and Quebec Railway will immediately be placed in your hands, and from these papers you will learn the present condition of this great question. You know that Canada and Nova Scotia have manifested an earnest desire to accept in some form the aid offered by Her Majesty's Government for the promotion of this great object. I sincerely trust that it may appear consistent with the interests of New Brunswick, to co-operate cordially in such a scheme; of this at any rate I feel convinced, your interests are part and parcel of the interests of British North America.

NEW
BRUNSWICK.

In the despatches laid before you, you will find the reasons why Her most Gracious Majesty has not been advised as yet to assent to the Act passed last session in aid of the European and North American Railway. A bill containing the proposed amendment will be submitted for your consideration.

In my opinion, a railroad uniting Canada, New Brunswick, and Nova Scotia, especially in connexion with a line to the United States, would produce an abundant return to this province. I believe that your revenue would increase very largely, without imposing additional burthens on any one; that millions of acres now untrodden would supply food for man, and that millions of tons of timber now standing worthless in your forests would find a profitable market.

It will, however, be obvious to you, that the introduction of capital from other quarters is almost indispensable to the construction in this province of works of such a character on a large scale. If you have made up your minds to have railways, the question is, "How can such capital be got?" The surplus capital of our own province would go but a little way. The distances are great, and our means are limited. You know as well as I do, that to withdraw a large amount of private capital suddenly from its present employments would derange and dislocate all the ordinary industry of the country. The farmer, the fisherman, the lumberer, the merchant, and the agriculturist would have to forego at once the use of sums on which they severally rely for the prosecution of their business. Although it is no doubt true, that such an outlay would ultimately repay itself with ample interest, yet, in the interval, without an advance of capital from some other source, great distress would be suffered.

Having said this much on the subject of railways, I leave the matter in your hands."

Encl. 2 in No. 5.

Enclosure 2 in No. 5.

EXTRACT.

To his Excellency Sir Edmund Walker Head, Baronet, Lieutenant Governor and Commander-in-Chief of the Province of New Brunswick, &c. &c. &c.

The humble Address of Her Majesty's Legislative Council in General Assembly convened.

May it please Your Excellency,

We, Her Majesty's dutiful and loyal subjects the Legislative Council in General Assembly, beg to offer our thanks for your Excellency's speech at the opening of the present session.

The promptitude shown by your Excellency in calling us together at an earlier period than usual, with an especial reference to the important subject of establishing railways in these provinces, evinces your Excellency's watchful care for the public interests.

The promise of your Excellency to lay before us papers relating to the proposed construction of a Halifax and Quebec Railway affords us much satisfaction, being convinced that the people of this province are anxiously expecting information respecting this great work, and we hope it may be found to consist with the true interests of New Brunswick cordially to co-operate with Canada and Nova Scotia in accepting the proffered aid of Her Majesty's Government. The bill alluded to by your Excellency for amending the European and North American Railway Act shall receive our best attention.

We fully appreciate your Excellency's observations on the establishment of a railway uniting Canada and Nova Scotia with this province, connecting us at the same time with the United States; and as there is no subject in the present advanced state of knowledge, and in the circumstances of this country, which can more deeply interest us, so we believe there is none which should receive at our hands a more careful and deliberate consideration."

Encl. 3 in No. 5.

Enclosure 3 in No. 5.

To his Excellency Sir Edmund Walker Head, Baronet, Lieutenant Governor and Commander-in-Chief of the Province of New Brunswick, &c. &c. &c.

The humble Address of the House of Assembly.

May it please your Excellency,

We, the representatives of Her Majesty's faithful and loyal subjects the people of New Brunswick, offer our thanks to your Excellency for your speech at the opening of the present session.

We readily appreciate the motives and objects which have led your Excellency to call us together at this earlier period, and we are fully sensible that the legislation which has taken place in Canada and Nova Scotia upon the subject of railway communication has made it expedient to do so, at the same time we rejoice that circumstances have enabled your Excellency to spare the expense to the province, and the inconvenience to ourselves, of an extraordinary session.

We shall thankfully receive from your Excellency all papers and other information having reference to the construction of the Halifax and Quebec Railway. We are aware that Canada and Nova Scotia have manifested a desire to accept the aid offered by Her Majesty's Government for the promotion of this great object, and we sincerely trust that it may be consistent with the interests of New Brunswick cordially to co-operate in so important an undertaking, readily admitting that the best interests of this province are identified with those of British North America.

The House of Assembly will be anxious to learn from the despatches to be laid before them the grounds for Her most Gracious Majesty not having yet been advised to assent to the Facility Bill, passed the last session, in aid of the European and North American Railway, and trust these grounds will be removed by the Bill to be introduced by the Government for that purpose.

A railway uniting Canada, New Brunswick, and Nova Scotia, especially in connexion with a line to the United States, we believe, with your Excellency, would prove highly beneficial; and we are glad to learn that it is your Excellency's opinion that it would produce an abundant return, increase the revenues of the province without imposing additional burdens on the people, lead to a speedy settlement of large tracts of wilderness land, and be the means of opening a profitable market for the productions of the province.

It is no doubt obvious that the introduction of capital from other countries is, in this young province, indispensable for the construction of great public works, that the surplus capital of our own provincial resources could do little, and therefore to embark in undertakings of this nature without aid from the mother country would have the effect of withdrawing a large amount of private resources from present employment, and thereby derange and dislocate the ordinary operations of the country in the manner your Excellency has pointed out; and although we do not doubt that such an outlay might ultimately prove remunerative, yet in the interval it must lead to much distress and inconvenience.

Your Excellency may rest assured, however, that the subject of railways will receive our best and most attentive consideration, and we sincerely trust that the information contained in the despatches upon this subject may be such as to enable us to promote that great object without embarrassing the affairs of the province."

(No. 8.)

No. 6.

No. 6.

COPY of a DESPATCH from Lieut.-Governor Sir EDMUND HEAD to
the Right Hon. Sir JOHN S. PAKINGTON, Bart.

Government House, Fredericton, N.B.,
March 23, 1852.

SIR,

(Received April 14, 1852.)

I HAVE the honour to enclose a copy of a Minute approved by me in Council on the 17th of March, in pursuance of which the Hon. E. B. Chandler (senior Member of the Executive Council and a Member of the Legislative Council of this colony) has been authorized by me to proceed to England by the mail packet of the 31st instant from Halifax.

This step has been taken with the less hesitation, on account of the wish expressed on the part of Lord Grey in Mr. Peel's letter to Mr. Hincks, dated February 20, 1852.* I desire to add that I have perfect confidence in Mr. Chandler's zeal, discretion, and intelligence, as well as in his thorough knowledge of the interests and resources of New Brunswick. He is the bearer of printed copies of the two enclosed Bills* relating to the proposed railway, which have passed the Legislative Council and Assembly, and only wait my assent to become laws.

* Copy of this Letter sent to Sir E. Head in Earl Grey's Despatch, No. 313, Feb. 20, 1852.

It is my sincere and earnest hope that the exertions of Mr. Chandler and the other delegates may succeed in securing the completion of a work which, in my opinion, will prove most advantageous to the interests of all British North America, and will conduce to a thorough good feeling between the three provinces themselves, as well as between Great Britain and her North American Colonies.

I have, &c.

(Signed) EDMUND HEAD.

The Right Hon.
Sir J. S. Pakington, Bart.

* These Acts will be found in the Appendix to this paper.

NEW
BRUNSWICK.

Encl. in No. 6.

Enclosure in No. 6.

In Council, March 17, 1852.

Ordered, That the Honourable Edward B. Chandler, in whose integrity and ability the Council have perfect confidence, should be requested by his Excellency the Lieutenant Governor to proceed to England by the next packet from Halifax, as a delegate on behalf of the Executive Council of New Brunswick, according to the suggestion referred to and approved of in Mr. Peel's letter of the 20th February 1852.

2. That Mr. Chandler be directed to co-operate with Mr. Hincks on the part of Canada, and with any delegate from Nova Scotia, in conducting such negotiations in relation to the Halifax and Quebec Railway as may appear expedient, and may be warranted by the provisions of the two bills now awaiting his Excellency's assent.

3. That the provisions of such two bills be considered as the instructions on this subject given to Mr. Chandler by his Excellency in Council, by which he is to be guided, and subject to which he is to exercise his discretion in promoting the interests of this province in the matter of such railway.

Extract from the Minutes.

JOHN C. ALLEN,
Clerk of the Executive Council, New Brunswick.

No. 7.

(No. 12.)

No. 7.

COPY of a DESPATCH from Lieut.-Governor Sir EDMUND HEAD to
the Right Hon. Sir JOHN S. PAKINGTON, Bart.

Government House, Fredericton, N.B.,
April, 1852.

SIR,

(Received April 28, 1852.)

I HAVE the honour to enclose a copy of the speech with which I this day closed the Legislative Session in this province.

I have, &c.

The Right Hon.
Sir J. S. Packington, Bart.

(Signed) EDMUND HEAD.

Encl. in No. 7.

Enclosure in No. 7.

EXTRACT.

" Mr. President and Honourable Gentlemen of the Legislative Council,

" Mr. Speaker, and Gentlemen of the House of Assembly,

" I congratulate you on having brought to a close a session of considerable length and considerable importance, a session marked by the enactment of some measures which may in all probability exercise great influence on the future destinies of this province, and of British North America generally.

" I allude more particularly to the Acts for the construction of a Railway from Halifax to Quebec. The moment your deliberations on these Bills had closed, I despatched a Member of my Executive Council to England, in order that, co-operating with delegates from Canada and Nova Scotia, he might obtain the means for carrying out your wishes. I trust heartily that he may succeed in the object of his mission. The legislation of this session has seemed for the moment to bring into conflict the interests of different portions of the province; I venture, however, to hope, that the time will come when all Her Majesty's subjects in New Brunswick, wherever they may reside, will look back with satisfaction on the measures which you have passed, and enjoy the prosperity which we earnestly pray may spring from them."

No. 8.

(No. 16.)

No. 8.

COPY of a DESPATCH from Lieut.-Governor Sir EDMUND HEAD to
the Right Hon. Sir JOHN S. PAKINGTON, Bart.

Government House, Fredericton, N.B.,
April 8, 1852.

SIR,

(Received April 23, 1852.)

THE Legislature of New Brunswick in their Session of 1851 passed two Acts, with suspending clauses, for the purpose of facilitating the construction of the European and North American Railway.

These Acts were transmitted by me, with a Despatch dated April 7, 1851, No. 16,* but Earl Grey in his Despatch of June 12, 1851, No. 269,† and the enclosure thereof, assigned certain reasons why he declined laying them before the Queen at that time.

2. My Executive Council forwarded a memorandum urging the expediency of passing these bills; Lord Grey still adhered to his resolution unless certain amendments should be made in the Act incorporating the European and North American Railway. In reply to a letter from the President of the European and North American Railway Company, his Lordship stated that he thought the Legislature of New Brunswick ought to have an opportunity of reconsidering the whole subject.

Despatch of Nov. 8, 1851, No. 66, Page 68.

Despatch of Dec. 5, 1851, No. 302, Page 82.

3. This opportunity has now been given, and the result has been, the passing of the two Acts, of which, as bills, copies were forwarded with my Despatch by the last mail relating to the mission of the Honourable E. B. Chandler. Besides these Acts the Legislature have passed an Act, of which a certified copy is enclosed, containing such amendments as Lord Grey appeared to consider indispensable to the Act incorporating the European and North American Railway.*

Sir E. Head to Sir J. Pakington, No. 8, March 23, 1852, Page 71.

* See Appendix.

4. In addition to such amendments it has been thought right to add certain provisoes in the last clause. One of these enacts that the two Acts for facilitating the construction of the European and North American line, passed in the session of 1851, shall, if assented to by the Queen, be construed as one Act with this; and the other provides that the privileges and advantages granted to the European and North American line shall not clash with or impede the enjoyment of any advantages given to the Halifax and Quebec line. This was necessary, as the two lines now profess to pursue the same route for a very long distance, and the gift of land, &c. &c. could not belong to both.

The Right Hon. Sir J. S. Pakington, Bt.

I have, &c.

&c. &c. &c.

(Signed) EDMUND HEAD.

(No. 18.)

No. 9.

No. 9.

COPY of a DESPATCH from Lieut.-Governor Sir EDMUND HEAD to the Right Hon. Sir JOHN S. PAKINGTON Bart.

Government House, Fredericton, N.B.,

April 9, 1852.

(Received April 28, 1852.)

SIR,

(Answered, No. 6., May 6, 1852, Page 82.)

IN compliance with the resolutions passed at public meetings held in the counties of Gloucester and Northumberland respectively, I have the honour to enclose addresses to Her most Gracious Majesty on the subject of the proposed railway from Halifax to Quebec.

I request that these addresses may be laid at the foot of the Throne.

I have &c.

The Right Hon. Sir J. S. Pakington, Bt.

(Signed) EDMUND HEAD.

&c. &c. &c.

Enclosure 1 in No. 9.

Encl. 1 in No. 9.

MAY it please your Excellency,

Newcastle, Northumberland,

March 30, 1852.

IN pursuance of a resolution passed at a public meeting of the inhabitants of this county, held at the Court House on the 23d instant, I have the honour to enclose herewith the resolutions passed, and a memorial founded thereon to Her Majesty the Queen, and I have respectfully to beg that your Excellency will be pleased to forward the memorial as early as possible to Her Majesty's Principal Secretary of State for the Colonies, to be laid at the foot of the Throne.

I have, &c.

To his Excellency Sir E. Head, Bart.

(Signed) W. A. BLACK,

&c. &c. &c.

Sheriff of Northumberland

* Page 9, Papers relative to the Halifax and Quebec Railway, June 16, 1851.

† Page 28, Papers relative to the Halifax and Quebec Railway, June 16, 1851.

Sub-Enclosure 1 in Enclosure 1 in No. 9.

At a Meeting of the Inhabitants of the county of Northumberland, held at the Court House at Newcastle, on Tuesday the 23d March instant, for the purpose of petitioning the British Government against the route contemplated for the Halifax and Quebec Railway,

The High Sheriff was called to the chair; and Martin Crannay, Esquire, requested to act as secretary.

Moved by George Kerr, Esquire, and seconded by R. Hutchison, Esquire—

Whereas the line of railway from Halifax to Quebec, through New Brunswick, called the Eastern Route, surveyed by Major Robinson in 1848, and recommended by him as possessing greater advantages than any other route for security from hostile attacks, as a field for the settlement of emigrants, as likely to afford the greatest amount of remuneration, and as tending to develop the fisheries of New Brunswick, and as being accessible by bays and rivers at numerous points, whereby the expense of construction would be greatly lessened, has been abandoned; and the Council and Assembly of New Brunswick have passed a Bill, fixing the route of the railway to pass from the bend of Petitcodiac to the city of Saint John, and thence to the northern boundary of the province, through territory watered by the tributaries of the river Saint John:

And whereas the practicability of carrying a railway along the intended line has never been ascertained by competent engineers; and, if practicable, a large portion of the land fit for settlement has been granted, whereby the advantages anticipated from an influx of emigrants to settle along the line of railway be greatly lessened:

Therefore Resolved, That a petition be prepared, and forwarded to Her Majesty, praying, that before the aid of the Imperial Government be given to raise the funds necessary to construct the said railway, the line shall be surveyed and approved by competent engineers appointed by the Home Government.

Moved by John M. Johnson, Esquire, and seconded by William Salter, Esquire, and

Resolved, That a committee of five be appointed to prepare a petition founded on the foregoing resolution, to be signed by the chairman, and sent to his Excellency the Lieutenant Governor, to be by him forwarded to be laid at the foot of the Throne.

Resolved, That George Kerr, Richard Hutchison, Peter Mitchell, John Wright, and John M. Johnson, Esquires, be said committee.

Moved by Peter Mitchell, Esquire, and seconded by John M. Johnson, Esquire, That the High Sheriff leave the chair, and that R. Hutchison, Esquire, be called thereto.

W. A. BLACK,
Chairman.

Sub-Enclosure 2 in Enclosure 1 in No. 9.

To the Queen's most Excellent Majesty,

The humble Memorial of the Inhabitants of the County of Northumberland, in the Province of New Brunswick, in North America.

May it please Your Majesty,

YOUR Memorialists beg leave to approach Your Majesty with an humble but sincere assurance of their devoted loyalty to Your Majesty's royal person and throne, and a firm confidence in Your Majesty's gracious disposition to promote their happiness and welfare.

Your Memorialists regarded, with anxious interest, the project lately brought under the notice of Your Majesty's Government, of uniting Your Majesty's North American provinces by a great trunk railway, passing from Halifax, through the north-eastern portion of New Brunswick, to the city of Quebec, viewing it as a scheme full of promise for the speedy advancement of this colony in wealth and population; and it was with feelings of deep gratitude they learned that Your Majesty's Government had generously offered the necessary aid for its accomplishment.

Your Memorialists are, however, impressed with the conviction that Your Majesty's Government, in tendering its countenance and assistance to this great work, was influenced by certain weighty considerations, and looked forward to very important advantages which were to flow from it, not alone to Your Majesty's subjects in these colonies, but to the whole British Empire; and apart from which the undertaking would not have been deemed prudent or practicable.

Your Memorialists formed their convictions upon the opinions clearly and repeatedly expressed in the correspondence of Your Majesty's Government on the subject of this railway, but more particularly on those contained in the letter of Mr. Hawes to Mr. Howe, of Nova Scotia, of 10th March 1851, and the despatch of Earl Grey to Lord Elgin, of the 14th of the same month, wherein the considerations which commended this project to the favour of Your Majesty's Government are clearly defined, and which your Memorialists would here beg leave briefly to recapitulate: As a national or public undertaking, and not as a mere mercantile speculation, it claimed attention. The profits and advantages were to be derived by its opening up new districts for settlement; by the demand for labour, which would be created during its progress, swelling the annual consumption and

revenue of the colony ; by the increased value of the public lands in its vicinity, and the rapid and easy communication it would afford between the sister colonies, enabling them to afford to each other mutual support and assistance in times of difficulty ; while the conditions were declared indispensable that it should be constructed on a well ascertained practicable route, and on British territory beyond the danger of foreign interference.

Your Memorialists would most respectfully bring under Your Majesty's notice, that the scheme for promoting this railway recently concurred in by Canada and Nova Scotia, adopted by an Act of the Legislature of this province, and which is now awaiting Your Majesty's royal approbation, completely overlooks and disregards many of the most important considerations above referred to, and substitutes for the route recommended by Major Robinson one which, starting from the southern line of the province, passes centrally to the valley of the upper Saint John, and thence towards the Saint Lawrence ; thence running for some distance parallel to, and in close proximity with, the frontier line of a foreign nation, and through districts where the soil for the most part is already appropriated, if not occupied, and whose sale will rather increase private gain than the public revenues ; a route whose chief recommendation is that of subserving the commercial interests of the cities of Montreal and Saint John.

Your Memorialists would therefore humbly pray Your Majesty to take the premises into consideration, and withhold the Royal Assent from the Acts lately passed to promote the construction of the Halifax and Quebec Railway, until such a thorough survey and examination of the proposed route be made by competent persons under Your Majesty's authority, as will satisfy Your Majesty's Government that it is not only practicable, but that it possesses all those essentials of a broad and national character to justify this yet young and feeble province involving herself in a work of such vast cost and magnitude.

W. A. BLACK, High Sheriff of the county of Northumberland,
in the province of New Brunswick.

Newcastle, Miramichi, March 30, 1852.

Enclosure 2 in No. 9.

SIR,

Bathurst, March 30, 1852.

I am directed by the committee appointed for the purpose, to enclose to you a memorial addressed to Her most Gracious Majesty the Queen, from the inhabitants of Gloucester County, on the subject of the proposed railway from Quebec to Halifax ; and to beg you will have the kindness to convey to his excellency the respectful desire of the Memorialists that he will transmit the same to Her Majesty's Colonial Minister, to be laid at the foot of the throne.

A copy of the memorial is also enclosed for his Excellency's use.

I have, &c.

(Signed) CHRISTOPHER M'MANUS,
Secretary of the Meeting.

To Honble. John R. Partelow,
&c. &c. &c., Fredericton.

Sub-enclosure 1 in Enclosure 2 in No. 9.

County of Gloucester.

At a Public Meeting of the Inhabitants of the County of Gloucester, convened pursuant to requisition by the High Sheriff on Friday the 19th instant, at the Court House in Bathurst,

Henry W. Baldwin, Esq., was unanimously called to the chair, and

Mr. Christopher M'Manus requested to act as secretary ;

When the following resolutions were passed unanimously.

1st. Resolved, That, in the opinion of this meeting, the several Acts lately passed by the Legislature of this province making provision for the erection and maintenance of a line of railway from Halifax to Quebec, through the valley of the Saint John, will in their effects be ruinous to the interests and future prospects of this province.

2nd. Resolved, in the opinion of this meeting, That as the chief considerations which induced Her Majesty's Government to extend to this railway project its countenance and support, so clearly defined and explained in Mr. Hawes' letter to Mr. Howe of the 10th March 1851 and Earl Grey's despatch to Lord Elgin of the 14th of the same month are completely overlooked, disregarded, and sacrificed to subserve the commercial views of the merchants of Montreal and Saint John, in the negotiations concluded between the delegates of Canada, Nova Scotia, and this province, it therefore becomes the duty of the inhabitants of these northern counties to address an humble memorial to the Queen praying Her Majesty to withhold the Royal Assent from the Acts of the General Assembly recently passed to promote this undertaking, until such a perfect survey and examination of the substituted route be made as will enable Her Majesty's Government to judge not only of its practicability, but of its capability of fulfilling all those conditions which Earl Grey deemed essential to justify engaging in a work of such cost and magnitude.

NEW
BRUNSWICK.

3d. Resolved, That a committee be appointed to prepare a memorial to Her most Gracious Majesty, in accordance with the foregoing resolutions; and further resolved, that Henry W. Baldwin, William Napier, and Theophilus Desbrisay, Esquires, be such committee to prepare said memorial.

4th. Resolved, That the memorial now read be adopted and signed by the chairman on behalf of the meeting, and immediately transmitted, together with a copy of the proceedings of this meeting, to his Excellency Sir Edmund Head, with a request that he will be pleased to forward it by the first steamer to the Honourable Her Majesty's Principal Secretary of State for the Colonies, to be laid at the foot of the Throne.

5th. Resolved, That the proceedings of this meeting be published in the *Miramichi Gleaner*.

HENRY W. BALDWIN,
Chairman.

The thanks of the meeting were tendered to the chairman for the efficient and courteous manner in which he conducted the proceedings of the meeting.

CHRISTOPHER M'MANUS,
Secretary.

Sub-enclosure 2 in Enclosure 2 in No. 9.

To the Queen's most Excellent Majesty.

The humble Memorial of the Inhabitants of the County of Gloucester in the province of New Brunswick in North America.

May it please Your Majesty,

YOUR Memorialists beg leave to approach Your Majesty with an humble but sincere assurance of their devoted loyalty to Your Majesty's royal person and throne, and a firm confidence in Your Majesty's gracious disposition to promote their happiness and welfare.

Your Memorialists regarded with anxious interest the project lately brought under the notice of Your Majesty's Government, of uniting Your Majesty's North American provinces by a grand trunk railway, passing from Halifax through the north-eastern portion of New Brunswick to the city of Quebec, viewing it as a scheme full of promise for the speedy advancement of this colony in wealth and population; and it was with feelings of deep gratitude they learned that Your Majesty's Government had generously offered the necessary aid for its accomplishment.

Your Memorialists are, however, impressed with the conviction that Your Majesty's Government, in tendering its countenance and assistance to this great work, was influenced by certain weighty considerations, and looked forward to very important advantages which were to flow from it not alone to Your Majesty's subjects in these colonies, but to the whole British Empire, and apart from which it would not have been deemed prudent to encourage it.

Your Memorialists found their convictions in this respect, upon the opinions so clearly and repeatedly expressed in the correspondence of Your Majesty's Government on the subject of this railway, but more particularly on those contained in the letter of Mr. Hawes to Mr. Howe of Nova Scotia of the 10th March 1851, and the despatch of Earl Gray to Lord Elgin of the 14th of the same month, wherein the considerations which commended this project to the favour of Your Majesty's Government are plainly defined, and which may be thus briefly recapitulated, namely:—

That as a public or national undertaking, and not as a mere mercantile speculation, it claimed attention; that its anticipated profits and advantages were to be derived from "its opening up new districts for settlement," from the demand for labour which would be created during its progress, swelling the annual consumption and revenue of the colony "from the increased value of the public lands in its vicinity," and "the safe and easy communication it would afford between the sister colonies, enabling them to afford to each other mutual support and assistance in times of difficulty," while it was pronounced indispensable that it should be constructed on a well ascertained practicable route, beyond the danger of foreign interference.

Your Memorialists would most respectfully bring under Your Majesty's notice, that the scheme for promoting this railway, recently concurred in by Canada and Nova Scotia, and adopted by an Act of the Legislature of this province, and which now only awaits Your Majesty's Royal Sanction to be carried into execution, completely overlooks and disregards some of the most important considerations above described, and substitutes for the route recommended by Major Robinson one which, avoiding the wide extent of public land as well as the various harbours of the eastern shore, passes from the southern side centrally through the province to the valley of the upper St. John, and thence towards the St. Lawrence, thus unavoidably running for a considerable distance parallel to and in close proximity with the frontier line of a foreign nation, and traversing a district already appropriated if not occupied; where the increased value of the lands will tend more to increase private gain, than to swell the revenues of the colony; a route whose chief recommendation is that of subserving the commercial interests of the cities of Montreal and Saint John.

Your Memorialists would, therefore, humbly pray Your Majesty to take the premises into your gracious consideration, and withhold the Royal Assent to the Acts lately passed to promote the construction of the Halifax and Quebec Railway, until such a perfect survey and examination of the proposed route be made by competent persons under Your Majesty's authority as will satisfy Your Majesty's Government that it is not only practicable, but that it possesses all those essentials of a broad and national character, to justify this yet young and feeble province involving herself in a work of such cost and magnitude.

And Your Majesty's Memorialists will ever pray,

Signed on behalf of the Memorialists by a resolution passed at a public meeting.

HENRY W. BALDWIN,
Sheriff of Gloucester.

(No. 19.)

No. 10.

No. 10.

COPY of a DESPATCH from Lieut.-Governor Sir EDMUND HEAD to the
Right Hon. Sir JOHN S. PAKINGTON.

Government House, Fredericton, N.B.,
April 10, 1852.

(Received April 28, 1852.)

SIR,

(Answered, No. 10, May 27, 1852, Page 83.)

I HAVE the honour to enclose a letter addressed to yourself, covering a copy of certain resolutions having reference to the Halifax and Quebec Railway.

I have, &c.

The Right Hon. Sir J. S. Pakington,
&c. &c. &c.

(Signed) EDMUND HEAD.

Enclosure in No. 10.

Encl. in No. 10.

To the Right Honourable Sir John Somerset Pakington, Baronet, Her Majesty's Principal Secretary of State for the Colonies, &c. &c.

SIR,

IN pursuance of one of the accompanying resolutions, we have the honour to forward to you, through his Excellency the Lieutenant-Governor of this province, the proceedings of a county meeting held at Dalhousie, in the county of Restigouche and province of New Brunswick, on the 25th instant.

And are, &c.

P. TAYLOR.
CHARLES SIMONDS.
A. FERGUSON.
P. STEWART.
W. S. SMITH.

Dalhousie, Restigouche, N.B.,
March 25, 1852.

Sub-Enclosure in Enclosure in No. 10.

At a County Meeting held at the Court House, Dalhousie, in the county of Restigouche and province of New Brunswick, on the 25th March 1852, in pursuance of public notice given by the High Sheriff, who declared the meeting legally assembled,

Alexander Campbell, Esquire, J.P., was called to the chair, and Mr. Donald Stewart appointed Secretary.

When the following resolutions were passed unanimously :—

Moved by Peter Stewart, Esquire, J.P.,
Seconded by John M'Millan, Esquire, J.P.,

Whereas the majority of the House of Assembly of this province have by an Act recently passed adopted the suggestions of the Canadian Government through its delegates as respects the route of the proposed Halifax and Quebec Railroad, and determined the same by the valley of the Saint John river, and in consequence skirting the American frontier for upwards of one hundred miles :

And whereas such a course is at variance with the spirit of Mr. Hawes's letter of March 1851 : therefore—

NEW
BRUNSWICK.

Resolved, That this meeting highly disapprove of the course pursued by the Government and majority of the House of Assembly of this province during the present session as regards the route of the proposed Halifax and Quebec Railroad, and are of opinion that the interests of the mother country and of New Brunswick have been sacrificed to the fartherance of Canadian commerce and the interested motives of our southern members.

Moved by Adam Ferguson, Esquire, J.C.P.,
Seconded by Mr. David Sadler,

Whereas one of the main objects contemplated by the British Government in the offer of the Colonial Secretary is the opening up and settlement of ungranted Crown lands along the proposed line, as a mean of providing for the surplus population of Great Britain and Ireland :

And whereas in the counties of Kent, Northumberland, Gloucester, and Restigouche in this province (through which the line recommended by Major Robinson would pass) the number of acres of ungranted Crown land (say 5,000,000) is greater and of far superior quality to those lying on or near the line adopted by the Legislature of New Brunswick ; therefore—

Resolved, That this great object (immigration) has been entirely lost sight of in the recent proceedings of the Legislature on this subject, and the desire of the parent state to benefit her colonial possessions thus frustrated.

Moved by William S. Smith, Esquire, J.P.,
Seconded by John U. Campbell, Esquire,

That the route surveyed and recommended by Major Robinson in 1848 possesses many natural advantages over any other yet submitted in the numerous harbours along the gulf shore, the comparative evenness of the surface of the country, as well as being far removed from the influence or power of an enemy in case of war, while a branch line to the city of Saint John would afford equal facilities for traffic with Canada, and in addition thereto a participation in the valuable fisheries of the Bais des Chaleur and Gulf of Saint Lawrence, and intercourse with the north-eastern counties of the province.

Moved by Daniel Ferguson, Esquire,
Seconded by Mr. David M'Intosh,

Resolved, As the opinion of this meeting, That the delegates from this province of Canada (with one from New Brunswick), assembled at Halifax on the subject of the contemplated railway from that city to Quebec, by their own admission by memorandum dated 29th January last, do not possess that local knowledge of the country to entitle their opinion to any weight in opposition to the disinterested report of the scientific officers employed exploring the line in 1848. That in respect to New Brunswick the bill passed by a majority in the Legislature defines but two points, namely Saint John and River du Loup, leaving the unsurveyed intermediate distances undefined, showing a total want of knowledge of the country, a great portion of which presents insurmountable engineering difficulties, and is generally sterile and unfit for settlement.

Moved by Charles Simonds, Esquire,
Seconded by Hugh Montgomery, Esquire, and

Resolved, That the interests of Great Britain demand that the route for a railway uniting the three British North American provinces should not be left to the decision of the Colonial Legislature, but that Commissioners appointed by the Home Government should decide a matter of so much importance, and also have to control of the expenditure of money for building the same. And further *Resolved*, That the line adopted by the three Colonial Governments and the Legislature of New Brunswick never having been thoroughly explored, by reason of the very great difficulties that presented themselves in the outset, an additional expense must of necessity be incurred, which would be avoided in the event of the line recommended by Major Robinson having been adhered to.

Moved by Dr. Taylor,

Seconded by Peter Stewart, Esquire,

Resolved, That a copy of the proceedings and resolutions of this meeting, signed by the chairman and countersigned by the secretary, be forwarded to Sir John Somerset Pakington, Her Majesty's Principal Secretary of State for the colonies, and that he be respectfully requested to advise Her Majesty to withhold her assent to the Bill lately passed by the Legislature of New Brunswick defining the route of the proposed Halifax and Quebec Railroad, and, if circumstances permit, to adopt the construction put upon Mr. Hawes's letter by Mr. Howe, and sanction such action as may be founded thereon as the only means of obtaining an inter-colonial line likely to forward the interests of this province generally, and give general satisfaction to its inhabitants ; and that Peter Taylor, Charles Simonds, Adam Ferguson, Peter Stewart, and William S. Smith be a committee to furnish the same.

DON. STEWART,
Secretary.

ALEXR. CAMPBELL,
Chairman.

PROPOSED RAILWAY FROM HALIFAX TO QUEBEC. 78

(No. 20.)

No. 11.

**NEW
BRUNSWICK
No. 11.**

**COPY of a DESPATCH from Lieut.-Governor Sir EDMUND HEAD to the
Right Hon. Sir JOHN S. PAKINGTON.**

Government House, Fredericton, N.B.,

April 10, 1852.

(Received April 28, 1852.)

SIR,

I HAVE the honour to enclose one copy under the province seal and five other copies of each of the two Acts* which have passed in the session just ended, for promoting the construction of the Halifax and Quebec Railway.

I have, &c.

(Signed) **EDMUND HEAD.**

The Right Hon. Sir J. S. Pakington, Bart.,

&c. &c. &c.

* These Acts will be found in the Appendix to the present Paper, Page .

Despatches from the Secretary of State.

NEW
BRUNSWICK

No. 1.

(No. 273.)

No. 1.

COPY of a DESPATCH from Earl GREY to Lieut.-Governor Sir E. HEAD.

SIR,

Downing Street, June 27, 1851.

WITH reference to the last paragraph of my despatch, No. 269,* of the 12th instant, I have to inform you that having now had an opportunity of further considering the provisions of the Act, No. 2063,† “to facilitate the construction of the St. Andrews and Quebec Railway” in connexion with the previous laws of the Provincial Legislature relating to this line, I do not find any ground for advising Her Majesty to withhold the Royal Assent, and I therefore transmit to you an Order of the Queen in Council confirming the Act.

Lieut.-Governor Sir E. Head,
&c. &c. &c.

I have, &c.
(Signed) GREY.

No. 2.

(No. 274.)

No. 2.

COPY of a DESPATCH from Earl GREY to Lieut.-Governor Sir E. HEAD.

SIR,

Downing Street, June 28, 1851.

I HAVE to acknowledge the receipt of your despatch, No. 32,‡ of the 23d May, transmitting the copy of a petition from certain gentlemen in New Brunswick composing a committee appointed to forward to you the resolutions passed at a county meeting held at Dalhousie on the 9th ultimo, deprecating the rejection by the Provincial Legislature of the plan suggested by Her Majesty's Government for raising the necessary funds for the construction of the Halifax and Quebec Railway, and also requesting that the Royal Assent may not be given to the Acts lately passed by the local Legislature for the furtherance of the European and North American and the St. Andrews and Woodstock railways.

My despatch of the 12th instant will have explained to you the views of Her Majesty's Government upon the subject of two of the Acts (2061, 2062) to which the public meeting at Dalhousie has expressed its objection; and as regards the third Act (2063) I have by the last mail had the honour to convey to you the decision of the Queen. I have therefore only to observe, that it has not occasioned me any surprise to learn that a difference of opinion has begun to manifest itself in New Brunswick upon the decision of the Legislature to decline availing itself of the aid of Her Majesty's Government towards the construction of the Halifax and Quebec railway on the terms contained in my despatch of the 14th§ of last March.

Lieut.-Governor Sir E. Head,
&c. &c. &c.

I have, &c.
(Signed) GREY.

* Page 28, Papers relative to Halifax and Quebec Railway, June 16, 1851.

† Page 11, Papers relative to Halifax and Quebec Railway, June 16, 1851.

‡ Page 24, Papers relative to Halifax and Quebec Railway, June 16, 1851.

§ Page 96, Papers relative to Halifax and Quebec Railway, April 8, 1851.

(No. 278.)

No. 3.

NEW
BRUNSWICK
No. 3.

COPY of a DESPATCH from Earl GREY to Lieut.-Governor Sir E. HEAD.

SIR,

Downing Street, July 8, 1851.

I HAVE to acknowledge the receipt of your despatch,* No. 37, of the 13th of June, enclosing a copy of resolutions passed at a public meeting in the county of Kent in New Brunswick, respecting the Halifax and Quebec Railroad.

* Page 66.

Lieut.-Governor Sir E. Head,
&c. &c. &c.

I have, &c.
(Signed) GREY.

(No. 281.)

No. 4.

No. 4.

COPY of a DESPATCH from Earl GREY to Lieut.-Governor Sir E. HEAD.

SIR,

Downing Street, August 5, 1851.

I HAVE to acknowledge the receipt of your despatch, No. 44*, of the 11th July, enclosing a memorandum of the Executive Council of New Brunswick, with reference to the Railway Bills which formed the subject of my despatch, No. 269†, of the 12th of June last.

* Page 66.

My subsequent despatch, No. 273*, of the 27th of June, will have placed you in possession of the Order of Her Majesty in Council confirming the Act to facilitate the construction of the St. Andrews and Quebec line.

* Page 80.

With respect, however, to the Acts for facilitating the construction of the European and North American Railway, much as I regret that any delay should occur in submitting them for Her Majesty's approval, I cannot regard the evils which may arise therefrom in so serious a light as those which would result from omitting, in legislation upon this subject, the provisions necessary to secure the several interests of the Empire; and I must therefore consider it my duty to defer tendering any advice to Her Majesty respecting these Bills, until the amendments in the Act of Incorporation, required by my despatch of the 12th of June, shall have been adopted by the provincial Legislature.

No. 2063.

Lieut.-Governor Sir E. Head,
&c. &c. &c.

I have, &c.
(Signed) GREY.

(No. 288.)

No. 5.

No. 5.

COPY of a DESPATCH from Earl GREY to Lieut.-Governor Sir E. HEAD.

SIR,

Downing Street, August 28, 1851.

I HAVE to acknowledge the receipt of your despatch, No. 51,* of the 2d of August, reporting the resignation by Mr. Hill of his seat in the Executive Council, and the provisional appointment of three gentlemen to fill the vacancies which have occurred in that body.

* Page 67.

I approve of the retiring member retaining his rank and precedence, as a mark of the sense entertained of his services. I have submitted to the Queen the names of the three new members; and the necessary warrants for their appointments will be forwarded to you by an early opportunity.

With respect to the memorandum of your Council appended to your despatch, it would be premature to enter upon the consideration of a proposal not yet submitted to me, but I think it right to observe that Her Majesty's Government would not be prepared to recommend to Parliament to extend assistance to the projected railways in British North America further than was promised in my despatch of 14th of March last.

Lieut.-Governor Sir E. Head,
&c. &c. &c.

I have, &c.
(Signed) GREY.

† Page 28, Papers relative to the Halifax and Quebec Railway, June 16, 1851.

NEW
BRUNSWICK

No. 6.

(No. 300.)

No. 6.

COPY of a DESPATCH from Earl GREY to Lieut.-Governor Sir E. HEAD.

SIR,

Downing Street, November 27, 1851.

I TRANSMIT for your Lordship's information the copy of a despatch which I have had occasion to address to the Lieut.-Governor of Nova Scotia on the subject of the assistance proposed to be rendered by the Imperial Government in the construction of a trunk line of railway through the British provinces in North America.

Lieut.-Governor Sir E. Head,
&c. &c. &c.

I have, &c.
(Signed) GREY.

Nov. 27, 1851,
See page 58*

No. 7.

(No. 302.)

No. 7.

COPY of a DESPATCH from Earl GREY to Lieut.-Governor Sir E. HEAD.

SIR,

Downing Street, December 5, 1851.

I HAVE to acknowledge the receipt of your despatch, No. 66*, of the 8th November, transmitting a letter from the President of the European and North American Railway Company, enclosing copies of certain resolutions passed at a meeting of that Company on the 27th of October, on the subject of the two Bills passed in the last session of the Legislature of New Brunswick, for facilitating the construction of the line.

You will acquaint Mr. Jardine that I have duly received his communication; that I am anxious to avoid causing unnecessary delay in the commencement of a work of so much importance to provincial interests as this railway, but that I still consider that, before these Acts can be submitted to the Queen in Council, the Legislature of New Brunswick ought to have an opportunity of reconsidering the whole subject.

Lieut.-Governor Sir E. Head,
&c. &c. &c.

I have, &c.
(Signed) GREY.

* Page 68.

No. 8.

(No. 308.)

No. 8.

COPY of a DESPATCH from Earl GREY to Lieut.-Governor Sir E. HEAD.

SIR,

Downing Street, January 9, 1852.

I TRANSMIT to you copies of two despatches which I have received from Sir John Harvey, on the subject of the undertaking of Her Majesty's Government respecting the proposed lines of railway through Nova Scotia and New Brunswick, together with their enclosure and a copy also of the answer which I have made to them.

I trust that the Legislature of New Brunswick will not come to any decision on this subject without careful deliberation, and without fully considering both the great importance to the province of establishing a system of railway communication, and the probable difficulty of raising upon reasonable terms the capital required for this purpose without the assistance of Parliament.

Lieut.-Governor Sir E. Head,
&c. &c. &c.

I have, &c.
(Signed) GREY.

40.—Dec. 11, 1851,
Page 45.
44.—Dec. 24, 1851
Page 47.
297.—Jan. 29, 1852,
Page 59.

No. 9.

(No. 6.)

No. 9.

COPY of a DESPATCH from the Right Hon. Sir JOHN S. PAKINGTON to Lieut.-Governor Sir E. HEAD.

SIR,

Downing Street, May 25, 1852.

I HAVE received your despatch, No. 18,* of the 9th ultimo, transmitting addresses to the Queen from the inhabitants of Gloucester and Northumberland on the subject of the proposed railway from Halifax to Quebec.

* Page 73.

I have had the honour to lay these addresses before the Queen, and Her Majesty was pleased to receive the same very graciously. The representations they contain will receive every consideration on the part of Her Majesty's Government.

NEW
BRUNSWICK.

Lieut.-Governor Sir E. Head, I have, &c.
&c. &c. &c. (Signed) JOHN S. PAKINGTON.

(No. 9.)

No. 10.

No. 10.

COPY of a DESPATCH from the Right Hon. Sir JOHN S. PAKINGTON to the Officer administering the Government of New Brunswick.

SIR, Downing Street, May 27, 1852.

I HAVE the honour to transmit herewith the copy of a despatch which I have addressed to the Governor-General of British North America, conveying to his Lordship the decision at which, after mature deliberation, Her Majesty's Government have arrived upon the proposals laid before them on the part of Canada, Nova Scotia, and New Brunswick, on the subject of the projected line of railway from Halifax to Quebec.

No. 25.
May 20, 1852,
Page 18.

To the Officer administering I have, &c.
the Government of New Brunswick. (Signed) JOHN S. PAKINGTON.

(No. 10.)

No. 11.

No. 11.

COPY of a DESPATCH from the Right Hon. Sir JOHN S. PAKINGTON to Lieut.-Governor Sir E. HEAD.

SIR, Downing Street, May 27, 1852.

I HAVE received your despatch No. 19,* of the 10th ult., forwarding a letter addressed to me by certain gentlemen of Dalhousie, with a copy of resolutions passed at a public meeting of the inhabitants of that place, having reference to the Halifax and Quebec Railroad.

* Page 77.

In answer to these resolutions, I can only refer you to my despatch of this date, conveying the decision of Her Majesty's Government on the proposed railway.

Lieut.-Governor Sir E. Head, I am, &c.
&c. &c. &c. (Signed) JOHN S. PAKINGTON.

Other Correspondence.

NEW
BRUNSWICK,
&c.Correspondence with the St. Andrew's and Quebec
Railway Company.

No. 1.

No. 1.

COPY of LETTER from B. SHARPE Esq. to Earl GREY.

MY LORD,

Hanwell Park, February 11, 1852.

I HAVE the honour to bring before your Lordship the following proposal for combining the most important section of the European and North American Line with the railroad under construction between St. Andrew's and Quebec, in order to complete the latter with as little delay as possible, as well as to place the important and populous city of St. John on a great trunk line of communication extending both to Quebec and the Canadas and to the United States system of railways.

As the letter addressed to your Lordship on the 20th of May of last year fully described the principle of the plan, I will not at present occupy your time with further details, but I may have the satisfaction of stating that I am prepared with documents transmitted from New Brunswick, in which the plan is both highly approved and considered as the only one under all the circumstances of the provinces open for adoption.

From the experience already obtained in the construction of the first ten miles of the St. Andrew's and Quebec line, it is ascertained that one and a half millions will amply suffice to open a single truck line of rails, commencing at St. John and joining the above line about twenty miles from St. Andrew's, and which shall continue by it, via Woodstock and Grandfalls, to Quebec, passing entirely through British territory, and traversing its most southern and least inclement portion.

To effect the above object it is proposed the British Government should advance half a million at three and a half per cent., the interest on which to be guaranteed by the Canadas and New Brunswick, rateably per mile according to the distance the line traverses the respective provinces; the repayment of the principal to be guaranteed in a similar manner, as also to be further secured by the creation of a certain number of shares, the proceeds of which, when subscribed for by the public, to be devoted exclusively to the repayment of the loan.

The capital of the Company to consist of one and a half millions, in 70,000 shares of 20*l.* each; one third of these to be set apart for the repayment of the British Government, whose claim is to be liquidated in twenty-five years after the opening of the line, at the rate of 25,000*l.* per annum. This would afford the Home Government an additional security, as well as materially if not entirely lighten the annual burden on the finances of the two provinces.

The provinces to appropriate and make up to the Company an extent of ten miles of wilderness lands on either side of their line, they agreeing to give away one tenth of them for the purpose of founding communities of settlers on the same principles as detailed in the accompanying prospectus of the Albion Settlement; and should any rise in the price of labour render an application necessary, the British Government to permit the temporary employment of prisoners convicted of minor offences.

The above proposal is not intended to interfere with the ultimate extension of the European and North American line round the head of the Bay of Fundy, should it be hereafter deemed desirable to carry it in that direction, or with any line connecting Fredericton and extending to Miramichi.

Should your Lordship entertain the above proposal, the Class "A" Shareholders of the St. Andrew's and Quebec Railroad Company propose applying for the requisite powers with as little delay as possible.

I have, &c.

The Right Hon. Earl Grey,
&c. &c. &c.(Signed) B. SHARPE,
Managing Director.

Enclosure in No. 1.

NEW
BRUNSWICK,
Encl. in No. 1

THE ALBION SETTLEMENT.

Committee.

The Right Honourable the Earl FITZWILLIAM (Chairman).

Sir T. TANCRED, Bart.
BENJAMIN SHARPE, Esq.H. MAUDSLAY, Esq.
J. MONTAGU, Esq.

W. S. FEATHERSTONE, Esq.

Secretary.

J. W. BYRNE, Esq.

Bankers.

Messrs.

THE above Committee has been formed with the view of undertaking the management of a considerable tract of land in the province of New Brunswick, which has been set apart by the directors of the St. Andrew's and Quebec Railroad for the purpose of founding a settlement, in which an endeavour will be made to preserve the distinctive features presented by an English community, by providing such an admixture of the different classes as will secure a due representation of each, in order that employment both for capital and labour [may be readily obtained through the necessary dependance of the one on the other.

The following brief account will further detail the objects in view, and the mode of carrying them out :—

The St. Andrew's and Quebec Railroad Company was formed for the important object of constructing a great trunk line of railway to connect the Canadas with the Atlantic by the shortest road through British territory ; and the province of New Brunswick, desirous of encouraging a work of so much value to its interests, has recently granted to the Company the whole of the unappropriated Crown lands to an extent of five miles on each side of their railroad. It became therefore a subject of considerable importance to the directors to devise a plan by which they might afford a successful example of systematic colonization, and be the means of arresting a portion of that tide of emigration which now annually enriches foreign territories ; and in addition to this object they were desirous of introducing such a system of policy, as—while it duly regarded the commercial character of the undertaking and the interests of the shareholders—would at the same time conduce to the comfort and happiness of the future inhabitants of the district.

The directors of the Company further taking into consideration the fact that although, according to Professor Johnston's report, the province of New Brunswick possesses far greater agricultural capabilities than any other portion of either the United States or the British possessions, and is moreover considerably nearer to Great Britain than either the Canadas or the States, its advantages are generally but little known, and there is great difficulty in spreading a sufficient knowledge of them to induce immigrants to leave the beaten track, and select as their future home this beautiful province. With the view, therefore, of turning public attention towards it, by affording a successful example of colonization by small capitalists, they have determined to make a sacrifice of a large block of 20,000 acres by offering it as a gift, with the condition attached, that those who accepted portions should pay a sum at the rate of 30s. per acre to form a fund to be laid out for the general benefit of the new community, in about the following proportions ; say one third for roads, surveying, &c. ; one third for church and schools ; and one third to cover the various necessary expenses. They have determined to convey this land, and transfer its whole control and disposition to a committee of noblemen and gentlemen, who have agreed to undertake the sole management of the new settlement, and who will see the money is duly laid out.

The enforcing this amount of expenditure will have the effect of confining the acceptance of the gift to men who must at least have some small capital, and who will at once become the employers of labour, as it is on the presence of a due proportion of this class that the success of this, or it may be truly said, of any other scheme of colonization must mainly depend. It is indeed hard to conceive how any community can start into being should they be wanting ; but with these employers of labour (who immediately require the labourer's aid) a demand for labour of the most healthy description at once arises, and a legitimate field for employment is opened, capable of quickly absorbing large bodies of our rural population, who find on their arrival both homes and employment, and will not experience the present fate of the colonist, which is either a miserable existence in the woods, or an expatriation to the neighbouring states in search of employment.

The absence of any capital, as in the case of a pauper community, is the greatest drawback to a young settlement, as it entails, on it a stunted and protracted infancy which never attains a vigorous manhood. Under the term capital is comprised not merely that which an individual may possess and can give in exchange for the labour of another, but public works in course of formation are also included, and these latter cause the very

NEW
BRUNSWICK,
&c.

best expenditure of capital, as when completed they generally open new sources of employment, and quickly formed and prosperous will the settlement be in whose vicinity they are carried on.

It is at the outset, more than at any subsequent period of his career, that the emigrant requires assistance; it is to start him in his new life, to maintain him until the earth shall yield a return that the necessity for supplying him with aid or employment is so urgent and imperative. Strongly impressed with this, and deeply sensible that any attempts to colonize by paupers unmixed by capitalists will be unsuccessful, the directors of the St. Andrew's and Quebec Railroad have on commercial grounds, as well as from higher motives, determined to make that which they advisedly consider to be a great sacrifice; for the lands which they proposed to surrender comprise some of the finest in the colony, well watered by rivers and covered with timber, and, with the great trunk line of railway to the Canadas passing through, must eventually become of the highest value.

Having however felt that in their position as railway directors they could not so successfully prosecute the scheme as would a separate body, they have decided on at once placing the whole management in the hands of others, with certain reservations as to the price of land, which is not to be reduced without special authority from the directors of the railway, and that the church and schools are to be of the present Established Church of England, and that, as far as it is practicable, provision should be made for the endowment as well as erection of the church and schools, in order that the future maintenance of the clergyman and schoolmaster might press as lightly as possible on the straightened means of the young community.

The Committee of the Albion Settlement are ready to receive applications for land on the foregoing terms; and after approval by the Committee, they will be registered according to their dates, in order that each applicant may exercise a right of choice by priority of application.

A deposit of five shillings per acre will be at once payable; the remaining twenty-five shillings per acre will be paid on the conveyance of the land being made.

Any further information may be obtained by application to the Secretary, at the Offices, 26, Parliament Street, Westminster.

Form of Application for Land in the Albion Settlement.

To the Committee of the Albion Settlement,

Gentlemen,

I request you to allot me _____ acres of land in the Albion Settlement, and I hereby agree to accept the same, or any less number which may be allotted to me, to pay the deposit of five shillings per acre thereon, and when the conveyance is made the further sum of twenty-five shillings per acre; and I further agree, that in default of my so doing, you shall be at liberty to declare forfeited all such land, and all deposits which I may have paid thereon.

Dated the _____

day of _____

1851.

Name in full _____

Residence _____

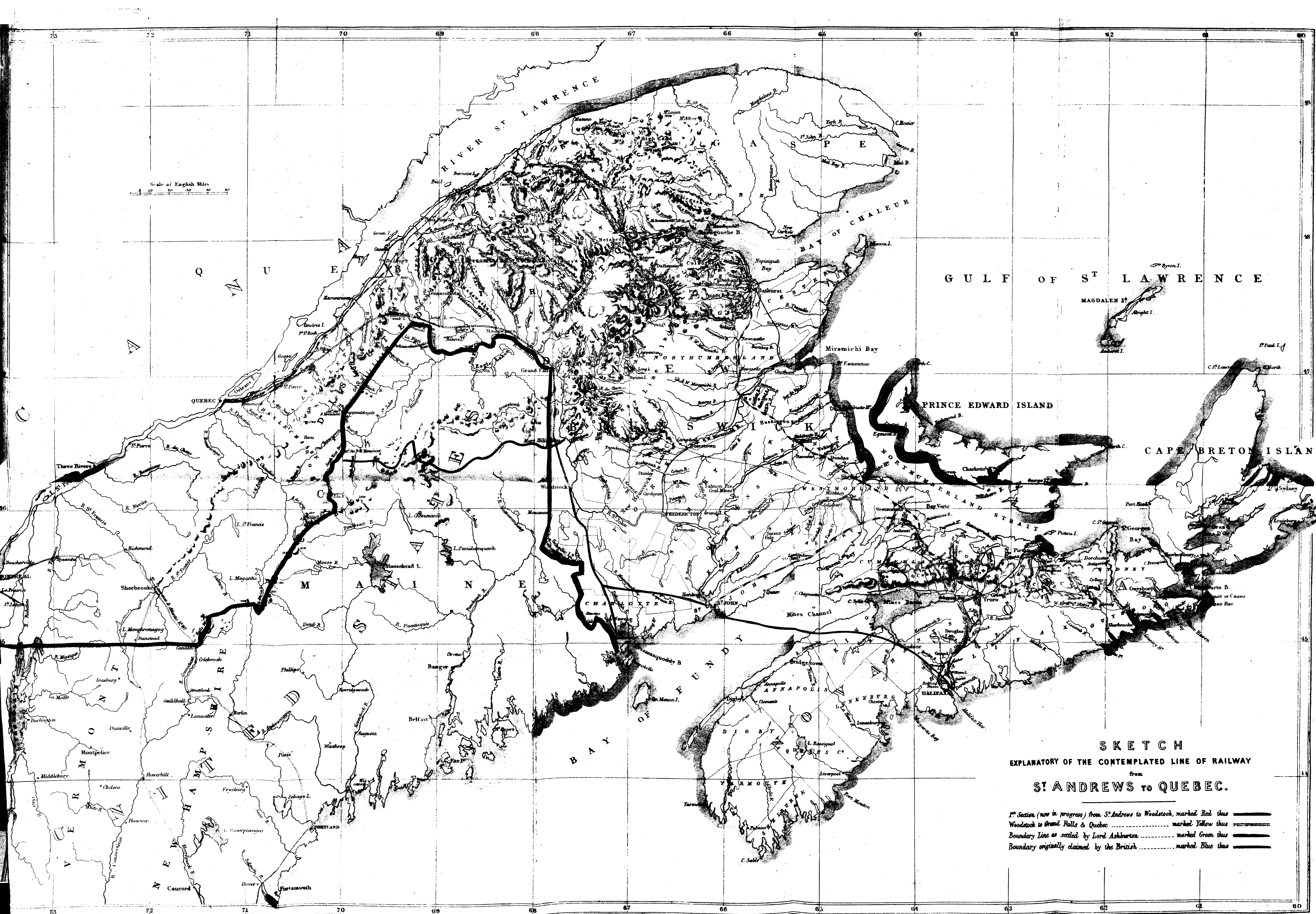
Business or Profession (if any) _____

Reference _____

ON THE CLIMATE OF NEW BRUNSWICK.

OPINION of the Bishop of FREDERICTON, contained in "Annals of the Diocese of Fredericton," by Ernest Hawkins, B.D., and published by the Society for Promoting Christian Knowledge.

As there exists in England much misapprehension on this point, it may be right to state, that I consider it beyond all question a finer climate than that of England. It is, undoubtedly, hotter and colder; inasmuch as in July and August our thermometer ranges from 75° to 100°, and in December, January, and February, from a few degrees above freezing to 30° below zero; but, in the first place, neither the heat nor the cold are proportionably so trying as they would be in England, 30° below zero is only known at night. I have travelled with the thermometer at 4° below zero, without suffering, and once at 16° below; but this, perhaps, occurs only two or three days in a whole winter. I do not hesitate to say, that the chilly, starving, feel of cold and wet together is almost unknown here. Our sunshine in winter is at least three to one compared with England, the bright sun giving a cheerful look to the snowy landscape. My health has been, on the whole, good, and my children's health nearly uninterrupted. As to the notion of wild beasts, &c. it is too ridiculous to talk of seriously. There are wolves, and bears, and wild cats in the thick parts of the forests; but one must go to look for them, generally speaking. The roads of general communication from town



Scale of English Miles
 0 10 20 30 40

GULF OF ST LAWRENCE

QUEBEC





PRINCE EDWARD ISLAND

CAPE BRETON ISLAND

MAINE

NEW BRUNSWICK

SKETCH
 EXPLANATORY OF THE CONTEMPLATED LINE OF RAILWAY
 from
ST ANDREWS TO QUEBEC.

1st Section (now in progress) from St. Andrews to Woodstock, marked Red thus 
 Woodstock to Grand Falls & Quebec marked Yellow thus 
 Boundary Line as settled by Lord Ashburton marked Green thus 
 Boundary originally claimed by the British marked Blue thus 

to town are very good, in the unsettled places they are, what roads in woods and bye-places in England are, very bad.

NEW
BRUNSWICK,
&c.

OPINION of Professor JOHNSTON, F.R.S., S.L. and E., Honorary Member of the Royal Agricultural Society of England, and Author of "Lectures on Agricultural Chemistry and Geology."

In my report, I set out with allowing two things as indisputable. First, that this climate is exceedingly healthy; and secondly, that, as far as I can judge, the climate is not such as materially to interfere with the amount of the produce of the land; and that, in spite of the climate, the average produce is greater than in the adjoining countries of Canada and the United States.

No. 2.

No. 2.

COPY of a LETTER from B. SHARPE Esq. to Earl GREY

MY LORD, Hanwell Park, Middlesex, February 13, 1852.

IN the copy of the letter I had the honour to address your Lordship on the 11th February, two clerical errors have been found to exist. I trust you will permit their correction should they appear in the original.

* Page 86

One and half millions should divide into 75,000 shares of 20*l.* each, instead of 70,000, and the repayment of the half million would be at the rate of 20,000*l.* a year, instead of 25,000*l.*

I beg, at the same time, to enclose a table showing the decreasing sum the provinces would be annually chargeable with for interest, in consequence of the repayment of the loan by the annual sale of a thousand 20*l.* shares.

Years.	Interest.	Years.	Interest.	Years.	Interest.	Years.	Interest.
	£		£		£		£
1	17,500	8	12,600	14	8,400	20	4,200
2	16,800	9	11,900	15	7,700	21	3,500
3	16,100	10	11,200	16	7,000	22	2,800
4	15,400	11	10,500	17	6,300	23	2,100
5	14,700	12	9,800	18	5,600	24	1,400
6	14,000	13	9,100	19	4,900	25	700
7	13,300						

The above charge for interest would be merely nominal, as at a very low calculation the railway would realize at least 3½ per cent. on its capital, and thus pay the interest on the loan.

I have, &c.

(Signed) B. SHARPE,
Managing Director of the Class A Shareholders of
the St. Andrews and Quebec Railway.

No. 3.

No. 3.

COPY of a LETTER from F. PEEL Esq., M.P., to B. SHARPE Esq.

SIR, Downing Street, February 16, 1852.

I AM directed by Earl Grey to acknowledge the receipt of your Letters of the 11th and 13th instant, submitting a plan for the construction of a branch railroad between St. John's, New Brunswick, and the St. Andrew's and Quebec line, and to inform you, that after a careful perusal of the same his Lordship does not consider it to be one that Her Majesty's Government could entertain.

I have, &c.

B. Sharpe, Esq.

(Signed) F. PEEL.

No. 4.

No. 4.

COPY of a LETTER from B. SHARPE Esq. to the Right Honourable
Sir JOHN S. PAKINGTON Bart.

St. Andrew's and Quebec Railroad Office,
26, Parliament Street, Westminster,
March 2, 1852.

SIR,

IN consequence of the change which has taken place in Her Majesty's Ministers, I have delayed replying to Mr. Peel's letter of the 16th instant. In that letter the proposal submitted to Her Majesty's Government in my letters of the 11th and 13th was evidently misunderstood, as it was termed by Mr. Peel, "A plan for the construction of a branch railroad between St. John's, New

“ Brunswick, and the St. Andrew’s and Quebec line,” whereas it was a proposal for the construction of the entire line between St. John and Quebec.

But since the 16th instant copies of Lord Grey’s Despatches relative to the contemplated American railways, as well as the final proposals of the Canada and New Brunswick delegates, printed for the Nova Scotia House of Assembly, and dated 31st January 1852, have been received.

These documents are of considerable importance to the St. Andrew’s and Quebec Railroad Company, as they contain the decision giving up the northern and central lines, as well as an offer made by certain capitalists in England, and they give the terms on which the British Government are prepared to afford assistance.

But the final proposition of the provinces of Canada and New Brunswick, alluded to above, at once confirms and strengthens the position of the company, as the Halifax and Quebec Railroad is now proposed to be carried for a considerable part of its distance over the same route as the St. Andrew’s and Quebec Railroad now under construction.

The company building this latter line, sensible of their claims for consideration, have therefore felt it incumbent on them at once to step forward with such a plan as will combine the present conflicting interests, and carry out this great national work without entailing any ultimate cost either on the provinces or mother country.

I may premise by observing that in the objects they severally seek to attain the different provinces are naturally somewhat opposed. Lower Canada desires the shortest route to a winter port on the Atlantic, and is indifferent to the European and North American line; but with Upper Canada the reverse is the case, the European and North American line having always been a favourite scheme. This latter line Nova Scotia is also most anxious to obtain, as it would connect her with the whole of the United States system of railways, but she is disappointed at the failure of the northern route to Quebec. New Brunswick, on the other hand, is much opposed to the northern line, as it would pass at a considerable distance from her chief centres of commerce; but, for the same reasons as Nova Scotia, is as much in favour of the European and North American line.

It therefore appears that, with the exception of Nova Scotia’s predilection for the northern route, the principal views of all will be met by connecting the European and North American with the St. Andrew’s and Quebec line, this latter having a distance of ten miles already built, and at the same time constituting by far the shortest route between Quebec and the Atlantic. And it is in furtherance of this last proposal that I have now, on behalf of the St. Andrew’s and Quebec Railroad Company, the honour to submit, for the consideration of Her Majesty’s Government, the following plan for the construction of an entire line of railway between Halifax and Quebec.

To avoid any local names, it is proposed to call it “ The British North American Railway.” Commencing at Halifax, it will follow the course intended for the European and North American railroad to the point of its junction with the St. Andrew’s and Quebec line, about twenty miles from St. Andrew’s, continuing by it to Quebec.

THE HALIFAX AND QUEBEC,

OR

THE BRITISH NORTH AMERICAN RAILWAY.

Capital 3,000,000*l.*, in 150,000 shares of 20*l.* each.

The money in the first instance to be raised at 3½ per cent. under the guarantee of the British Treasury.

The interest to be guaranteed by the three provinces, but paid out of the profits of the line.

The principal to be repaid in twenty-five years by annual calls on the shares sold, those shares to be guaranteed an interest of 6 per cent. by the provinces.

On the completion of the line, after paying the working expenses, the profits are to be devoted to the payment of the interest to the British Government, and guaranteed shareholders; any surplus beyond this is to be divided amongst the shareholders.

The wilderness lands for an extent of ten miles on either side to become the property of the shareholders, and any deficiency in that amount to be made up from elsewhere, but in the vicinity of the line. The shareholders are to devote one tenth of these lands to church, school, or hospital purposes.

PROJECTED RAILWAY FROM HALIFAX TO QUEBEC. 99

MANAGEMENT.

There are to be fifteen local directors, five for each province, who will elect one of their number to represent them at a central board, in which will be vested the chief control.

This board to consist of seven members ; as follows :—

	No.
A representative of the interests of each province	3
Ditto of each local board of directors	3
Ditto of the English shareholders, with a casting vote in addition	1
	<u>7</u>

No allusion has been made to a continuation of the line beyond Quebec, as it is assumed that Canada will prefer making her own arrangements with the British Government, distinct from the other provinces.

The following table has been added, in order to prove that a profit of 8 per cent. and less will amply cover the annual charges for interest ; 8 per cent. has been taken as the amount yielded by a large proportion of the United States railways.

Trusting this proposal may meet with the favourable consideration of Her Majesty's Government,

I have, &c.

(Signed) B. SHARPE,

Managing Director, Class A. Shareholders, &c.

Sir J. S. Pakington, Bart.,
&c. &c. &c.

A TABLE showing the Sums which will be annually due for Interest during the Three Years of Construction, as well as for the subsequent Twenty-five.

Years.	Interest at 3½ per Cent.	Interest at 6 per Cent.
	£ s. d.	
1	21,824 10 0	Under construction.
2	56,824 10 0	Ditto.
3	91,824 10 0	Ditto.

AFTER COMPLETION.

Years.	Interest at 3½ per Cent.	Interest at 6 per Cent.
	£	£
1	105,000	—
2	100,800	7,200
3	96,600	14,400
4	92,400	21,600
5	88,200	28,800
6	84,000	36,000
7	79,800	43,200
8	75,600	50,400
9	71,400	57,600
10	67,200	64,800
11	63,000	72,000
12	58,800	79,200
13	54,600	86,400
14	50,400	93,600
15	46,200	100,800
16	42,000	108,000
17	37,800	115,200
18	33,600	122,400
19	29,400	129,600
20	25,200	136,800
21	21,000	144,000
22	16,800	151,200
23	12,600	158,400
24	8,400	165,600
25	4,200	172,800

COPY of a LETTER from Earl of DESART to B. SHARPE Esq.

SIR,

Downing Street, March 13, 1852.

I AM directed by Secretary Sir John Pakington to acknowledge the receipt of your letter of the 2d instant, and to acquaint you in reply, that whenever the proper time shall arrive, the proposal which you have submitted for the construction of a trunk line of railway through the British North American Provinces will not fail to receive the careful consideration of Her Majesty's Government.

B. Sharpe, Esq.

I have, &c.
(Signed) DESART.COPY of a LETTER from B. SHARPE Esq. to the Right Hon. Sir JOHN
PAKINGTON Bart.

SIR,

St. Andrew's and Quebec Railroad Office,
26, Parliament Street, Westminster,
May 4, 1852.

OWING to the strong opinion which has been expressed in favour of the plan submitted to Her Majesty's Government on behalf of the St. Andrew's and Quebec Railroad Company, for the formation of the line of railway between Halifax and Quebec, the London Board of Directors are very desirous that a further exposition of their views should be laid before Her Majesty's Government.

They moreover feel it but due to the people of this country, who are about to become responsible for the large sum proposed to be raised, that, before the Legislature should be called on to consent to the guarantee of the British Treasury being given, attention should be first drawn to the features of the plan proposed by the delegates, and a comparison instituted into the relative merits of the two proposals.

They consider this more particularly necessary, as the Hon. Mr. Howe (one of the delegates) has frequently stated in his speeches, that the money was to be obtained, although the means for its repayment might be uncertain. The following is an extract from one of his speeches :

"Suppose New Brunswick does take the money, and is not able to pay, John Bull is not a hard creditor, and will not coerce or compel payment. Who ever heard of his acting like a sheriff, and distraining any of these rascally repudiating states—(laughter); and would he be more severe on his own children? He has lent money to Mexico and Peru, to Greece and Spain, and who ever heard of his compelling payment? When he is cheated he bears it calm and unprovoked."

The two propositions may be briefly viewed as follows: both in the first instance propose to raise the money at 3½ per cent. on the guarantee of the British Treasury. The plan of the delegates places the expenditure of this money, amounting to several millions, in the hands of the Governments of the three provinces, affording them a most powerful and unconstitutional means of influence, without any other than the slight control afforded by the Provincial Assemblies, and with all the evils inherent to the prosecution of works by the state; their plan has this additional disadvantage, that the whole course of policy pursued in the construction of the line is at any moment liable to be changed with a change of ministry.

The means provided by the New Brunswick Act for the repayment of the British Government seem totally inadequate for the purpose; and it naturally warrants the assumption that the provision for the liquidation of the debt has not formed the most prominent part of the measure. It is stated, that "if required by the Imperial Parliament, the profits of the railway accruing to this province shall, after deducting interest, repairs, working, and incidental expenses, to be allowed as such by Her Majesty's Government, be set apart to form a sinking fund; and when at any time after the expiration of ten years from the time of completing such railway such profits should not realize two per cent. annually on the loan contracted, then there shall be

“ annually thereafter set apart from and chargeable on the general revenues of this province, such a sum as will make up two per cent. to constitute such “ sinking fund.”

The annual charge for interest on a loan of only three millions would amount to 105,000*l.*, and it is proposed to raise a much larger sum, but this, together with the other expenses, would principally absorb the profits of the first ten years, and extend the final extinction of the debt to a period of sixty years.

The plan of the St. Andrew's and Quebec Railroad Company, on the other hand, having raised the money on the guarantee of the British Treasury, (and which amounts but to three millions, that sum being considered amply sufficient to construct a line between Halifax and Quebec,) proposes the formation of a company, with a capital of three millions, in 150,000 shares of 20*l.* each, and by annual calls on those shares to repay the money which has in the first instance been advanced; this will secure both the British Government and the provinces from any ultimate liability; an annual call of 16*s.* per share will in twenty-five years produce the three millions, and extinguish the debt, the interest being in the meantime paid from the proceeds of the line.

It will thus be seen that the proposal is peculiarly adapted to the provinces, for, although appealing to the capitalist, it is essentially fitted for the investment of the poor man's savings, for, however humble his lot, there is not a man in them who could not take up a 20*l.* share on being allowed 25 years to pay it in; 16*s.* a year could be paid by even children from their earnings; it is not only a savings bank on a large scale, but it has the advantage of uniting all classes by an identity of interest in the prosecution of a great national work, and keeps constantly before the inhabitants the advantages they possess by their connexion with the parent state.

On the shares being subscribed for the security of the Home Government is at once doubled, and the provinces relieved from the payment of so large a sum as three millions.

The construction of the line will be managed by local boards of five directors in each province, but the chief control will be vested in a central board of seven members, three of whom will represent these local boards, three the interests of the provinces, and one those of the English shareholders; and to these might not inappropriately be added a commissioner from the British Government. The peculiar feature of this arrangement is the combination of private interest with Government control.

In the success of this proposal the St. Andrew's and Quebec Railway Company have the deepest interest; having already built ten miles, and having recently contracted with an English firm for the completion of the remaining seventy of the distance to Woodstock, they are naturally most anxious to see the further portion of their line completed to Quebec with the least possible delay.

Their claims for consideration are of the highest kind, for they fearlessly assert that had it not been for the tenacity with which, throughout every discouragement and difficulty, they have adhered to their original project, public opinion would never have been aroused to the necessity for railways in the manner it has; to them the credit is alone due, to them exclusively belongs the honour of having commenced the first railway in New Brunswick, on which, without incurring debt, they have already expended some 30,000*l.* of British capital.

They trust their views are of an enlightened kind, having recently given 20,000 acres to found the Albion Settlement, the plan of which has given so much general satisfaction; and the same policy which has hitherto guided them has again led them in the present proposition to set apart one tenth of the lands for church, school, or hospital purposes.

In addition to these claims they already occupy the ground between St. Andrew's and Quebec, and which has been recognized in a series of acts. A parallel line or any infraction of their territory would therefore equally constitute a breach of faith; but apart from these considerations a parallel line would not be tolerated by the northern interests of New Brunswick, who have a prior and powerful claim for the establishment of a line from Miramichi to Fredericton and the United States frontier.

With respect to the amount of wilderness lands to be given up on either side of the line, the directors are willing to adopt the five miles as voted by the

NEW
BRUNSWICK,
No. 7.

Assembly instead of the ten miles as proposed by them; and they confidently hope that this clear exposition of their views will prevent any misapprehension of their plan, but at the same time they will be happy to furnish any further explanation Her Majesty's Government may require.

I have, &c.

(Signed) B. SHARPE,

Managing Director of the Class A.
Shareholders, &c.

Sir J. S. Pakington, Bart.
&c. &c. &c.

No. 7.

COPY of a LETTER from the Earl of DESART to B. SHARPE Esq.

SIR,

Downing Street, May 19, 1852.

I AM directed by Secretary Sir John Pakington to acknowledge the receipt of your letter of the 4th instant, representing the views of the directors of the St. Andrew's and Quebec Railroad Company, in reference to the line which it is proposed to construct from Halifax to Quebec.

I have, &c.

(Signed) DESART.

* Page 92.

CANADA.

No. 8.

No. 8.

MEMORANDUM left by the Deputation from the ST. ANDREW'S AND QUEBEC RAILROAD COMPANY with Sir JOHN PAKINGTON, on the 28th May 1852.

SIR,

THE proposal for constructing a continuous line of railway between Halifax and Quebec having been fully detailed in the two letters the St. Andrew's and Quebec Railroad Company recently addressed you, it may, on the present occasion be merely necessary to advert to a few of its principal features. In order to raise a sum of three millions at three and a half per cent. on provincial debentures, Great Britain is asked to become responsible for the repayment should the provinces at the end of twenty-five years fail in providing funds to meet them.

Against this contingency the provinces are to prepare by setting apart certain annual sources of revenue to provide for the accruing interest, and furnish a sinking fund for the repayment of the principal.

Thus far the proposal (except that a larger sum was required, with sixty years for its repayment,) is the same as that advocated by the provincial delegates, but their plan affords no further means of repayment; whereas the most important feature of the plan of the St. Andrew's and Quebec Railroad Company is the additional security given by the gradual transfer of the onus of repayment from the shoulders of the Home and Provincial Governments to those of a private company, which is managed thus: a company is formed, with a capital of three millions, in 150,000 shares of 20*l.* each, and a call of 16*s.* per share is annually made, which will produce 120,000*l.* a year, and in twenty-five years complete the repayment of the three millions, the amount of the calls being annually paid over to the Home Government, to form a sinking fund.

When a period of twenty-five years is given to pay up a 20*l.* share, the annual burden of which is only 16*s.*, it is assumed that it will easily be within the compass of the very poorest in the provinces, who will eagerly seek such an investment for their savings, the beneficial effect of which may be readily imagined.

The principle of the measure is to make the line, not with money received from the Government, but, as in the United States, by funds raised on its faith, and these are to be gradually repaid by a company acting under the joint control of the Home and Provincial Governments and the shareholders; as, for instance, the Home Government supplies one director, each of the Provincial Governments the same; the English shareholders also supply one, and the shareholders in each of the provinces one; the power is therefore equally divided between the Governments and shareholders, and is free from the objections which might be urged against its confinement to either one or the other.

An objection on military grounds has been urged by Her Majesty's Government against the proximity of the line to the United States frontier, but as that frontier for upwards of sixty miles runs parallel to the river St. Lawrence at only a distance of about twenty-four miles, it is clear that any line that can be devised must be liable to the same objection, as all have to traverse that narrow strip of ground; but a railroad may be 100 miles inland, and more open to attack than one situated near the frontier; all depends on the features of the country through which they pass, for in the event of war the arbitrary lines which separate the British dominions from the territories of the United States would never be adhered to; a chain of elevated or easily defensible parts must be at once established, irrespective of the legal lines of demarcation between the two countries.

But if the Government, for military reasons, declines to lend its guarantee for a trunk line passing near the United States frontier, it absolutely disposes of the question, for no other would be sanctioned by either Canada or New Brunswick; and the result must be that until the St. Andrew's and Quebec line is completed, the Montreal and Portland, passing through the United States, would be the trunk line of communication between England and the Canadas. If therefore Her Majesty's Government consider that it is not desirable that the great trunk line should pass near the United States frontier, they must surely admit that a line which passes directly through the United States territory must be infinitely worse. A great excitement with respect to railways has been raised in the provinces during the last two years by the communications from the Colonial Office, and great expectations have been justly entertained that assistance would be given; we would therefore implore Her Majesty's Government to pause before they disappoint these legitimate hopes, and cause a comparison to be instituted with the neighbouring states who freely lend their aid to these great undertakings.

But should these three millions be obtained, the proposed continuous line would not only be opened, but by dint of great economy (if permission were granted) it is not improbable that a sufficient surplus might be saved to complete several important branches in the different provinces, particularly one to connect St. John's via Fredericton with Miramichi. The greatest content and satisfaction would then be immediately diffused, and would a thousand-fold repay the people of this country for any remote risk they might run in being called on for the repayment of the money.

If Her Majesty's Government be unwilling to incur the risk of guaranteeing three millions, they may very possibly not object to sanction one half of that sum being raised, as a million and a half would suffice to open that portion of the trunk line which lies between St. John's and Quebec. Should this again be considered as too venturesome, half a million will be sufficient to connect the St. Andrew's and Quebec Railway with the St. Lawrence, and thus open the communication between that river and the Atlantic.

The New Brunswick Legislature have passed a bill, by which they will become subscribers to the extent of 50,000*l.* in the St. Andrew's and Quebec Railroad Company, and have made grants of public land in aid of the undertaking, and which received the sanction of the late Government, who in a public letter wished this company every success. This has enabled them to contract with an English firm for the completion of the first section of 80 miles to Woodstock. Half a million is therefore all that is now required to open a direct communication with the St. Lawrence.

If the Government are in favour of the northern route, they will have to construct it themselves, as Fredericton, St. John's, and St. Andrews, the three great centres of population, are directly opposed to it. The northern line may open up certain wilderness lands, and supply Mr. Cunard's steamers with coal, but lying several degrees to the north of St. Andrew's, it will be exposed to all the fury of the terrific snow storms of the gulf of St. Lawrence. In a commercial point of view it will be utterly useless, and as a trunk line it will never be used, for it is clear that goods and passengers will always proceed by the shortest and cheapest route. The St. Andrew's and Quebec Railway will therefore always supersede it, as it will convey them from the Atlantic to Quebec by a line some 300 miles shorter than the northern route of 635 miles, and with the same benefit to themselves at a charge of one half.

CANADA.

It is also to be borne in mind that even the railway passing through the United States would afford a cheaper and shorter transit of goods to the Atlantic than a line passing through the eastern and northern districts of New Brunswick.

No. 9.

No. 9.

COPY of a LETTER from Earl DESART to Earl FITZWILLIAM.

MY LORD,

Downing Street, June 9, 1852.

I AM directed by Secretary Sir John Pakington to acknowledge the receipt of a "Memorandum left by the deputation from the St. Andrew's and "Quebec Railroad Company with Sir J. Pakington on the 28th May 1852," and to acquaint your Lordship, that after a full consideration of the representations made to him by the deputation, he is of opinion that it will not be possible for Her Majesty's Government at present to recommend to Parliament to guarantee the funds required for the construction of the projected line.

I have, &c.

(Signed) DESART.

Correspondence with Mr. Jackson.

No. 1.

NORTH AMERICA.

No. 1.

COPY of a LETTER from W. JACKSON, Esq., M.P., to Earl GREY.

MY LORD,

Birkenhead, January 12, 1852.

IN the month of May last I had the honour to bring under your Lordship's notice certain considerations and proposals in reference to the contemplated railways in British North America, which were principally intended to obviate the difficulties which had arisen by reason of the rejection on the part of the province of New Brunswick of the plan then recently proposed for carrying out those important works. Although those proposals were favourably received, it was suggested that under the existing state of things, they would come more appropriately before Her Majesty's Government if first brought under the consideration of the provincial authorities, and they were accordingly submitted to his Excellency the Governor-General in a communication addressed to his Lordship by Mr. Archibald, bearing date at Toronto the 21st* June last.

* Page 1 of this paper.

I have in the meantime given great consideration to the subject, and a better acquaintance with the condition and requirements of the North American provinces, added to great experience derived from extensive connexion with railway enterprise in this country and upon the continent of Europe, enables me to offer some further suggestions and proposals which I trust may not be considered undeserving of your Lordship's attention.

The object which Her Majesty's Government have more immediately in view as a work of paramount national importance is the construction of a continuous line of railway through British territory from Halifax to Quebec, and in connexion with this a line (greatly desired by the provinces) to communicate with the great railway system of the United States. For both these lines Her Majesty's Government have agreed to ask the Imperial Parliament to sanction the advance or guarantee of the necessary funds, upon certain terms and conditions which the Legislature of New Brunswick has frankly declared the inability of that province to comply with.

On reference to the legislative proceedings which have taken place in Canada and Nova Scotia upon this subject I am strongly of opinion that they do not meet the views and intentions of Her Majesty's Government; and regarding the whole matter open to re-consideration, I propose to submit a plan which I have reason to believe will be acceptable to the provinces, as well as to Her Majesty's Government.

The first question is, by what means can the needful assistance be afforded to the provinces to enable them to carry out these important public works without undue pressure upon their resources? My answer is, by the introduction of British capital, skill, and enterprise, and by making the railways the base and support of a well regulated system of colonization.

The Legislature of New Brunswick, in rejecting the plan lately proposed, formally renewed the offers previously made towards the construction of the Halifax and Quebec Railway, viz., to grant 20,000*l.* a year for twenty years, to provide the breadth of way and stations, and to concede a tract of the ungranted lands along the line, estimated to contain upwards of two million acres, and there is good reason to believe that the province would liberally increase these grants of money and lands to ensure the completion of both the main lines. It is assumed for the present that the provinces of Canada and Nova Scotia would also proportionately increase the offers of money and land which they formerly made towards the Halifax and Quebec line; and the next thing, therefore, to ascertain is, whether Her Majesty's Government, for the purpose of accomplishing these great national objects, will superadd such encouragement as would make it worth while for British capitalists and contractors to employ their resources in North America.

NORTH AMERICA.

This combination of Imperial and Provincial encouragement in aid of private enterprise appears to present the most feasible plan, and to offer the best guarantee for the speedy and effectual realization of objects of such vast magnitude, requiring not only immense pecuniary resources, but also great practical skill and experience.

At the present moment almost every country in Europe is bidding high for British capital and skill, and none with more eagerness than those states which commenced upon the mistaken system of attempting to construct and manage their railways as Government works. It needs no argument to prove that such undertakings can be better and more advantageously managed by private enterprise, and particularly in countries where they are about to be introduced for the first time. It is quite clear that the skill and experience necessary for the construction and administration of the provincial railways must be imported from this country or the United States, and it is very evident that all the advantages anticipated to the colonies and the mother country can only be realized by the employment of British resources, labour, and skill. By such a combination a much better and more permanent description of work will be ensured, and the important national object of colonization will be carried out upon a system that cannot fail to succeed. The elements of successful colonization are capital, industry, skill, and employment, and nothing can so effectually combine all these essentials as well-directed railway enterprise. If the proposals which I am to have the honour to submit should meet the approbation of Her Majesty's Government, well-known British capitalists, with associated contractors of great eminence, stand ready to undertake these railways on their own account and risk. These parties have at their command large numbers of skilled workmen, and a numerous staff trained and disciplined upon the most important public works in this country. Amongst them are many possessed of considerable means, and these, with their families, would become permanently domiciled in the country, whilst the requirements of the railways would necessarily lead to the introduction of the mechanic arts and many branches of industry at present entirely unknown.

It is not necessary that I should occupy your Lordship's time by referring to the purposes which these British American railways are intended to serve, but regarding them as works of great national importance, and looking forward to their probable extension across the entire continent, I may be permitted to say that they ought to be constructed upon a uniform plan and in a substantial and permanent manner. All experience tends to prove that it is the worst possible economy to make cheap railroads; they are never efficient, consequently require repair, and at the end of a few years must be almost entirely re-constructed.

One great object in these railways is, to give to the British maritime provinces the benefit of their geographical position as regards transmission of mails and passengers between Europe and America, and this can only be secured by high rates of speed beyond the capabilities of the ordinary American railroads. It is quite clear these great undertakings can never be carried out without very liberal aid from the Imperial Government, and it can hardly be intended that the funds so provided should pass into the hands of foreign contractors, as must inevitably be the case if the cheap American railways be adopted as models.

In order, therefore, to ensure a uniform plan, and substantial and permanent work, I would beg leave to suggest that Her Majesty's Government should appoint some engineer of eminence to superintend the construction of all those railroads in British North America which are, in whole or in part, to be carried out by funds to be advanced or guaranteed by the Imperial Government. This step appears the more expedient since in the present financial condition of the provinces the railways themselves, if properly constructed and managed, will prove an available security to the British Government against their liabilities.

Having premised so much, I beg leave to state that the first object of the association which I represent is, to provide for the construction of the two main lines of railway which are to traverse New Brunswick, namely, the European and North American and the Quebec line. The course of the former is pretty well defined by the physical geography of the country; the direction of the Quebec line through New Brunswick, however, is not yet ascertained, but

there is little doubt that a favourable central line can be found that shall open up the interior of the country, materially shorten the distance, and reconcile all conflicting interests.

The first step to be taken is to have the country carefully explored and surveyed in the direction which may be approved by the Legislature, and for this purpose the association will be prepared to send out competent staff under the direction of Joseph Locke, Esq., M.P., civil engineer, so soon as the season will admit. By these means accurate surveys, plans, sections, working drawings, and estimates of both the lines will be provided, and the Association offer to bear one half the cost and expenses, upon the understanding that should their proposals not be eventually accepted, the provinces shall reimburse the amount, and receive all the plans, estimates, and other fruits of the surveys.

The Association will then be ready to provide all the capital, and to undertake the construction of both lines on their own account and risk upon the following terms and conditions.

The British Government to guarantee the debentures of the Association as the works progress to the extent of one half the cost of construction and equipment, agreeable to estimates to be duly made, taking by way of indemnity, or counter security a first mortgage or hypothecation of the lines and their tolls, provision being made for a sinking fund as may be arranged hereafter.

The province of New Brunswick to contribute the sum of 80,000 sterling per annum for twenty-five years, to provide the breadth of way and stations, and to concede to the Association for purposes of colonisation, four million acres of ungranted lands along the lines, or as near thereto as circumstances will admit.

So far as New Brunswick is concerned the foregoing presents the full amount she will be required to contribute; and one great advantage of the plan is, that it will admit of an early commencement of operations. The European and North American line will naturally be the first to be constructed, and whilst it is in progress there will be ample time to determine the course and direction of the Quebec line.

Should it become necessary or expedient, the Association will undertake to carry out the whole line from Halifax to Quebec upon the like guarantee of the British Government, and upon obtaining from the provinces of Canada and Nova Scotia such aid in money and lands as may be hereafter agreed upon.

I have, &c.

The Right Hon. Earl Grey,
&c. &c. &c.

(Signed) W. JACKSON.

No. 2.

No. 2.

COPY of a LETTER from F. PEEL, Esq., M.P., to W. JACKSON, Esq., M.P.

SIR,

Downing Street, January 27, 1851.

I AM directed by Earl Grey to acknowledge the receipt of your letter of the 12th instant, submitting for his Lordship's consideration certain proposals for the construction of railways in British North America.

In order to place you fully in possession of Lord Grey's views on this subject, and to explain the present position of the question, I am to transmit to you copies of a recent correspondence between his Lordship and the Lieutenant-Governor of Nova Scotia, which has been occasioned by a misunderstanding on the part of the local authorities of the intentions of Her Majesty's Government in regard to the assistance that was proposed to be afforded to the Halifax and Quebec line; and I am to observe, that although Her Majesty's Government are very anxious to encourage, as far as may be possible, the construction of railways in British North America, they cannot, for the reasons herein explained, undertake to recommend to Parliament that direct assistance should be given to any other than one work having for its object the common benefit of the empire. On this ground it was never intended to extend the proposed assistance beyond the line projected from Halifax to Quebec.

I am to add that if any definite proposal for constructing the railway in conformity with these views by the gentlemen with whom you are associated can

Lord Grey, 292,
Nov. 27, 1851.
Sir J. Harvey, 40,
Dec. 11, 1851.
Sir J. Harvey, 44,
Dec. 26, 1851.
Lord Grey, 297,
Jan. 9, 1852.

NORTH AMERICA. be suggested to Lord Grey, his Lordship will be happy to consider it, and, if it should appear practicable, to recommend it to the Provincial Legislatures.

I have, &c.

W. Jackson, Esq.

(Signed) F. PEEL.

No. 3.

No. 3.

COPY of a LETTER from W. JACKSON, Esq., M.P., to F. PEEL, Esq., M.P.

SIR,

February 5, 1852.

I HAVE the honour to acknowledge the receipt of your letter of the 27th ultimo, with the several enclosures explanatory of the misunderstanding which has arisen in Nova Scotia in regard to the assistance proposed to be afforded by Her Majesty's Government to the contemplated railways in British North America. I now understand that Her Majesty's Government, with every desire to encourage the construction of those railways, cannot undertake to recommend to Parliament to extend the proposed assistance beyond the projected grand trunk line from Halifax to Quebec, which from its vast importance to the empire at large is regarded as an exceptional case.

Begging, for the purpose of saving time and recapitulation, to refer to my letter to Earl Grey under date of the 12th* ultimo, I will now proceed, in accordance with your invitation, to submit certain definite proposals for the construction of that line of railway in conformity with what I believe to be the views of Her Majesty's Government.

* Page 97.

The important purposes which this great inter-colonial highway is intended to serve imperatively demand that the work should not only be of the most substantial character, but that the route and direction of the line should be the most favourable that the nature of the country will admit. It may be safely assumed that that line which experienced parties (who have to construct and maintain the railway at their own cost and risk, and who have the best engineering skill at their command,) shall select will also prove the best for all national and public purposes; and the first proposal I have to make is, that the country be thoroughly explored and surveyed with a view of fixing the shortest and best practicable route, and for this purpose the parties with whom I am associated will be prepared to send out a competent staff as early as the season will admit. By these means accurate and reliable surveys, plans, sections, working drawings, and estimates of the whole line from Halifax to Quebec will be made, and the Association offer, in the first instance, to bear one half the cost and expenses, upon the understanding that should their proposals for carrying out the undertaking not be eventually accepted the provinces shall reimburse the amount, and possess all the plans, estimates, and other fruits of the surveys.

In my former communication it is assumed that for the reasons therein stated Her Majesty's Government will appoint some engineer of eminence to superintend the construction of this important work, to whom, as a matter of course, all the plans and estimates will be submitted, and when by these or other means the route shall be determined, and the cost of construction and equipment satisfactorily ascertained, the Association will undertake to provide all the funds, and to construct and work the whole line on their own account and risk, upon the following terms and conditions; namely,

First. That the Association shall be incorporated by Royal charter, recognised and confirmed by the several Provincial Legislatures, and that all needful enactments and facilities shall be conceded. "Clauses to be inserted regulating
"tolls, &c. &c."

Secondly. That Her Majesty's Government guarantee the bonds or debentures of the Association as the works progress to the extent of one half the estimates, taking by way of indemnity or counter security a first mortgage or hypothecation of the line; provision being made for a sinking fund as may be hereafter agreed upon.

Thirdly. That an annual sum to be hereafter agreed upon be allowed to the Association by Her Majesty's Government for the transmission of the mails to and from Great Britain over the whole of the line, such amount to be held by Her Majesty's Government as a guarantee towards the payment of the interest on the guaranteed bonds.

Fourthly. That the provinces of Canada, Nova Scotia, and New Brunswick shall grant to the Association the sum of ninety thousand pounds sterling per annum for thirty years.

Fifthly. That the three provinces shall concede to the Association six million acres of the ungranted lands along the line, or as near thereto as circumstances will admit, and shall in their respective territories provide the breadth of way and stations.

I have thus endeavoured to present in the simplest form the terms and conditions upon which the parties I represent are ready and willing to undertake the construction and management of this great national work, which is universally admitted to be of immense importance to the empire at large, and absolutely essential to the wellbeing of the British North American possessions.

F. Peel, Esq.
&c. &c.

I have, &c.
(Signed) W. JACKSON.

No. 4.

No. 4.

COPY of a LETTER from W. JACKSON, Esq., M.P., to F. PEEL, Esq., M.P.

SIR,

February 5, 1852.

REFERRING to my letter of this day's date, conveying proposals for the construction of the great trunk line of railway from Halifax to Quebec, I beg now to state that in the event of those proposals being accepted, the same parties will undertake to construct a line of railway from the Halifax and Quebec line, by way of the city of St. John's, to the United States frontier, without requiring the province of New Brunswick to contribute more than is provided for by the facility bills in aid of the European and North American Railway; the Company being at the same time free to negotiate with the province for any modification of existing enactments or arrangements that circumstances may render necessary or expedient.

The company will also undertake in the same manner and on the same terms and conditions to survey the country for the purpose of determining the best route.

F. Peel, Esq.
&c. &c.

(Signed) I have, &c.
W. JACKSON.

Other Correspondence.

CANADA.

No. 1.

COPY of a LETTER from H. B. WILLSON, Esq., to the Right Hon.
Sir JOHN S. PAKINGTON.

SIR, 36, Bloomsbury Square, April 28, 1852.
I beg most respectfully to submit for the consideration of Her Majesty's Government the accompanying memorandum on the subject of the proposed inter-colonial railway from Halifax to Quebec, and thence to the western frontier of Canada, to construct which Imperial aid is being sought at the present time by agents from the provinces.

I believe that my views are perfectly in accordance with those of the great majority of the people of western, and of a large number in eastern Canada.

In consequence of the necessity of placing these views in the hands of Her Majesty's ministers, before they should decide upon the expediency of complying with the request of the colonial agents, I have not had time to communicate with my friends in Canada to obtain their co-operation.

In order to supply this deficiency, and to corroborate my statements, I have added in the shape of Appendices several extracts from Canadian newspapers, and the resolutions of the Honourable Mr. Merritt, late President of the Canadian Government, and also remarks on Major Robinson's report, to which I beg respectfully to invite your earnest attention.

I have, &c.
(Signed) H. B. WILLSON,
of Hamilton, Canada West.

To the Right Hon. Sir J. Pakington, &c. &c. &c.
&c. &c. &c.

If it will not be trespassing too greatly upon your valuable time, I shall be happy to afford any personal explanation that you may desire.

H. B. W.

MEMORANDUM respecting the proposal of the Honourable Mr. Hincks, Inspector General of Canada, to the Imperial Government, to obtain aid in the construction of the proposed system of Railways in the provinces of Canada, New Brunswick, and Nova Scotia; and reasons against its adoption by the British Government.

Mr. Hincks's scheme, as set forth in the published correspondence between the Commissioners of the three provinces, at their recent meetings at Halifax, and as explained more at length in his resolutions and speech in the Parliament of Canada during its last session, embraces the following leading features:—

First. A main trunk line from Halifax to Quebec, by way of the Valley of the St. John's, to be constructed and owned jointly by the three provinces, on condition that the British Government guarantee the debentures of the said provinces, which are to bear interest at the rate of 3½ per cent., and on certain conditions set forth in a despatch from Earl Grey to the Governor of Nova Scotia on that subject, specifying that the entire line shall be within the British territory:

Second. A line from Quebec to the western frontier of Canada, passing through Montreal, Toronto, and Hamilton, and all the intermediate towns on or near the margin of the St. Lawrence and the shore of Lake Ontario, to be undertaken and constructed by the province of Canada as a provincial work, with the like guarantee by the Imperial Government if it can be obtained, and without it, if withheld.

It is not yet made public whether these two propositions have been submitted for the consideration of the Imperial Government by Mr. Hincks, separately or conjoined as an entire plan, to be adopted or rejected by the Home authorities. The inference to be drawn from the proceedings of the joint commission at Halifax, and the resolutions of the Canadian legislature, strongly indicate that they are to be urged upon this Government as separate measures.

Assuming this to be the fact, and that the promise of Earl Grey, late Secretary of State for the Colonies, to recommend to Parliament a measure to afford the Imperial guarantee in the manner set forth in his despatch, was made upon ex-parte representations, the following considerations are respectfully submitted as worthy the attention of the Imperial Government. It may here be noted that the despatch above referred to was

subsequently explained by another, dated 9th January 1852, limiting the promised guarantee to such line only as might be considered national in its character.

1. The principle of undertaking the construction and management of railways, as well as of many other public works, by popular governments, has been found in Canada, and in nearly all the adjoining states, to be open to the most serious objections. Owing to the party character which all such Governments generally assume, the outlay of large sums of money upon state or provincial works is made the subject of bitter political strife and contention. In many of the States the tendency to abuse the discretionary power which the Executive must be allowed in the construction and management of public works has been such, that very many of them have amended their constitutions, or framed new ones, expressly to limit the power of their Legislatures to raise money on loan for such purposes. Even in the great state of New York, where the system of canals has been a source of large profit in consequence of that State's being the great highway between the Atlantic seaboard and the Western States and Canada, rather than owing to economy in their construction and management, such a clause was inserted in the new constitution framed in 1848. The gross mismanagement of State works in Mississippi, Arkansas, Michigan, and Indiana, on account of the state of parties, has even been alleged to have been one of the fruitful causes of repudiation, and in Pennsylvania and Maryland for nonpayment of the interest on their debts.

2. In 1848 and 1849 Canada was only saved from being placed in the same disgraceful position as the latter States by the issue of nearly a million dollars of ten and twenty dollar promissory notes, bearing six per cent. interest, and payable one year after date. This arose from the profligate expenditure of sums beyond the resources of the province at the time upon unproductive public works. It is not a subject for discussion here, whether these works have not been of substantial benefit to the province, particularly the large extent of plank and macadamized roads for which a part of the debt was incurred; the question is, whether they could not have been constructed at a greatly reduced cost by incorporated companies, either with or without Government aid.

3. The latter is now the only mode by which such roads are made in Canada, except in a few instances where the county councils have lent their aid. But even here abuses are found to exist; and it may now be fairly assumed, that no macadamized or plank roads are undertaken in that province except by joint stock companies. These companies are becoming very numerous in consequence of the passage of an Act expressly to give them corporate powers, and intended to relieve the Legislature from future applications to make such roads.

4. The public roads constructed by the Government of Canada cost nearly cent. per cent. more than similar roads made by companies, and the profits arising from tolls were proportionably less. So great a burden had these roads become to the province, and so many and so pressing the demands upon the Treasury to keep them in repair, that the Inspector General, Mr. Hincks, obtained from Parliament, in 1850, an Act to authorize their sale. Under this Act, roads, bridges, and harbours, which cost the province nearly two millions of dollars, were sold at auction at less than one third their cost, and are now owned and managed by joint stock companies. Most, if not all, of these works, after a large additional outlay by their new proprietors, to restore them from the dilapidated condition in which the Government agents had left them, are now yielding a handsome profit.

5. Another striking example to illustrate the superior management of companies over State or Provincial Governments may be found in the case of the Central Michigan Railway. This work was originally built by the State, and although the line of road was a most favoured one, and of great importance in shortening the distance between the States of Illinois, Wisconsin, and Indiana, and the seaboard, by 500 miles, as compared with the only other thoroughfare for travel by Lakes Michigan and Huron, it was found, under Government management, not to pay expenses, and the road itself began to fall into disrepair. The Legislature at length resolved to sell it, and passed a Bill for that purpose. As in the case of the roads in Canada sold by Mr. Hincks under his Bill, the Michigan Railroad was purchased by a company, and the same results followed the change of ownership in the one instance as in the other. The new company entirely relaid the line with heavier and better iron; and, under economical and judicious management, the road has for several years paid large dividends.

Vide Mr. Merritt's Resolutions, Appendix No. 1.

6. If the public works of Canada, and the several States referred to, have been the subject of so much extravagance, and have proved so unprofitable in the hands of the respective Governments, when money was hard to be got, even at a high rate of interest,—when their credit was pushed to the utmost, and whilst there was every incentive to economy,—is it to be expected that a different system will prevail, if the British Government pour into the provincial exchequers eight millions sterling at the low rate of interest now ruling?

7. The expenditure of such a sum by the Provincial Governments, it is to be feared, would become the subject of political strife. The gates of peculation and corruption would be thrown wide open, and the results would, in all probability, prove most disastrous to the morals and interests of the community. There is, perhaps, no country in America where the elements of abuse of such a system of works exist in greater abundance than in the British provinces. They are comparatively poor, and are full of needy adventurers, who,

CANADA.

when no better occupation offers, are sure to turn political agitators, and are by no means scrupulous how they rise to power and consideration in the State. The experience of the past leaves no room to hope that the Governments which would have the management of these great lines of railway would not be composed, more or less, of such men.

8. The next point to be considered is, whether these lines of road, if constructed upon the most economical principles, would, as Government works, be any more productive than the other public works of Canada. There is already in a forward state of completion a railway from the Niagara Falls to the western frontier opposite Detroit, which touches the head of Lake Ontario at Hamilton. This road is called the Great Western, and is building by a company which recently negotiated in England on favourable terms 200,000*l.* of their bonds. This railway it is proposed by Mr. Hincks to buy up, in order that the Government may have a monopoly of the entire railways of the provinces. The Great Western forms a part of the great main trunk line from Hamilton westward, 200 miles; being also, by having an extension eastward to the Niagara Falls, a link in the great system of American railroads, with which it is to be connected at each end; and, running through the best settled part of Canada for its whole length, will undoubtedly prove a most productive enterprise.

9. That portion of the main trunk line between Hamilton and Quebec would skirt the borders of Lake Ontario and the St. Lawrence all the way, and be subject to the steam-boat competition during seven months of the year. But as it passes through all the large towns, such as Toronto, Port Hope, Cobourg, Kingston, Montreal, and numerous others of considerable commercial importance, and cuts through the most rich and flourishing parts of Canada, there is every reason to think favourably of it, under the judicious management of one or more companies. If the Government of Canada would lend its aid to such companies, with or without the Imperial guarantee, there are responsible parties ready to undertake the contracts for its completion.

10. To this mode of affording aid to the projected line of railways there can be no objection, provided the Government advance only one half or two thirds of the cost of construction, and take a mortgage on the road and equipment. If the British Government desire to aid the province of Canada in its railway enterprises they will be perfectly safe in guaranteeing provincial debentures, to be thus loaned to joint stock companies, taking care to have a margin of from 33 to 50 per cent. as a warranty that the money will be prudently expended, and the works well managed.

11. If, on the contrary, the proposal now submitted by Mr. Hincks should be acceded to, and the roads be made as Government works, it would be better for the British Government in the first instance to build them through its own agents, and retain the management in its own hands. This would save any unpleasant collision between this country and the colonies in consequence of a failure to meet either interest or principal on so large an addition to the already heavy debts of the provinces, and especially of Canada.

Vide App. No. 4.
Remark on Major
Robinson's Report.

12. There are many forcible if not conclusive reasons for believing that the portion of the trunk line from Quebec to Halifax, by way of the St. John's or any other route, can never pay running expenses and repairs. It would extend this paper to too great a length to adduce these arguments in detail. A few general facts will, however, elucidate the true position of this part of the project.

13. The advocates of the line from Quebec to Halifax, in making up their data for a business for their favourite scheme, are compelled to rely largely upon the local or way traffic to be created by the future settlement of the country traversed. The settlements are at present very limited, and the people very poor. At least two thirds of the entire distance is through a perfect wilderness, hitherto seldom trod by the foot of civilized man. This vast wilderness, of more than 400 miles, is only in part susceptible of cultivation. Much of it is of the same mountainous character as that described by the North-eastern Boundary Commissioners, and the proposed railway would run through the country a little north of, but adjacent to, the boundary line between Maine and New Brunswick, which is formed for about 100 miles by the river St. John. When the advocates of a line of railway predicate the business of their road upon the future settlement of the country, some ten or twenty years hence, it is difficult to combat their figures. With disinterested financiers such calculations must go for little or nothing.

14. Hitherto the projectors of railways, instead of selecting lines with a view to settling new countries, which require at least a quarter of a century before they can afford any considerable traffic beyond the scanty supplies required for the sustentation of the settlers, have invariably chosen routes through the wealthiest and most populous districts. Although this rule has been so generally observed, railway investments have not been found to be so extremely productive as to warrant the adoption of a directly opposite principle, as in the present instance. Besides, there are millions of acres of more fertile lands in Upper Canada and the Western States, where the climate is more genial, to attract the attention of the better class of emigrants for half a century to come.

15. The estimates based upon the enhanced value of the lands, and the proceeds to arise and flow into the provincial exchequers therefrom, are no more reliable than the predicated sources of revenue for the railway itself. It is an indisputable fact, that the Crown Lands departments in the provinces have not realized enough, from the entire

CANADA.

gross sales of land, to defray the expenses of management. This fact is sufficient to overthrow the assumption of profit from that source.

See App. No. 1. and also No. 5.

16. It is evident that a railway from Quebec to Halifax cannot compete for the traffic of Western Canada, with the numerous lines running from New York, Boston and Portland, to the Canada frontier. There are, at least, eight better routes, each of which is shorter by two thirds or one half, by which the freight and passenger traffic can reach one or the other of these seaports. These different railways tap the Canadian frontier at the following points; namely, at Dunkirk on Lake Erie, Buffalo, Niagara Falls, Rochester, Oswego, Kingston, on Lake Ontario, Ogdensburg on the Saint Lawrence, and the Province line near Montreal. All these lines, except the New York and Erie, which leads direct to New York, afford a choice between the markets of that city and Boston, the two greatest centres of civilization and commerce in America, where all the mail steamers plying to Europe depart and arrive. In addition to these lines there is the St. Lawrence and Atlantic railway, connecting Montreal with Portland. This route is about 250 miles in length, whilst from Montreal to Halifax via Quebec is more than 800 miles.

See App. No. 4.

17. It would therefore be absurd to suppose that the business of Montreal, or any of the productions of Western Canada, would find their way to Halifax, for shipment to foreign markets by the route in question. But, more than this, it is questionable if the business of Quebec itself will not be drawn over the line of road now building from that city to intersect the St. Lawrence and Atlantic Railway at Melbourne, and so to Portland. Quebec by this route will be about 300 miles from that city, whilst it is 600 distant from Halifax by the one proposed.

18. The proposed line, in order to get round the State of Maine, which makes a deep indentation into the territory of the provinces, has to be carried more than 100 miles out of a direct course, which must greatly increase the cost and running expenses, and give to the numerous competing lines running through Maine, Vermont, and the State of New York immensely superior advantages.

19. It will be an act of great injustice to the people of Upper Canada to be compelled by a majority of members in Lower Canada to pay a heavy tax for the construction of a work in which they have no interest whatever. Indeed, the chief burden would fall upon them, in consequence of their being by far the largest consumers of goods paying duty upon importation into the provinces.

20. The following vote, taken last summer in the Assembly at Toronto, upon Mr. Hincks's resolutions on this question, will show how the members from the two sections of the province viewed the subject:—

	For.	Against.
Upper Canada members	11	20
Lower " " "	27	3
	<hr/> 38	<hr/> 23

Of the eleven Upper Canada members who voted for the resolutions, three or four, including Mr. Hincks, were members of the administration, and as many more of them were rejected by their constituents at the recent elections, and persons opposed to the scheme elected in their places.

See App. No. 3. Extracts from Toronto Globe and other Papers.

21. Should the Imperial Government, therefore, extend its aid to the construction of this part of the great main trunk line, and refuse assistance to the part from Quebec to Hamilton, it will become a subject of the most serious dissatisfaction to the people of Western Canada, who require but a small motive to go *en masse* in favour of a dissolution of the union with the lower or eastern section of the province. What ulterior results might follow such a movement it is impossible to predict.

22. The only advantage which the British Government would derive from the construction of a railway from Quebec to Halifax would be the facility it would afford for the transportation of troops and munitions of war. Should Earl Grey's proposal to withdraw the troops from Canada, and to throw the burden of self-defence on the province, be carried into effect, even this small advantage would be lost. But it is doubtful whether a railway on the proposed line would be available for this purpose in case of war with the United States; and it would only be in case of such a contingency that a military highway between the provinces would be required. This doubt arises from its proximity to the State of Maine, whence it would be easy to send detached forces to break up the road, or otherwise intercept communication.

23. In conclusion, it must be borne in mind by all parties concerned, that it is matter almost of equal importance to this country, as to the provinces themselves, that so large a liability as eight millions sterling should not be incurred for the construction of railways under circumstances and in localities so little encouraging. Canada is already heavily indebted, and has been compelled to levy a duty of 12½ per cent. on all British as well as foreign manufactures, in order to keep faith with her creditors. If she should expend three or four millions more upon unproductive works this duty will have to be increased to 20 or 25 per cent. to meet interest and principal.

H. B. WILLSON,
Member of Hamilton, Canada West.

April 28, 1852.

Appendix No. 1.

In striking contrast with the extravagant systems by which the Provincial Governments have managed their lands and conducted their sale, may be cited the economy and prudence of the Canada Company. The Crown lands in the provinces were the gift of the Imperial Government, whilst the association just mentioned acquired their domain by purchase. Nevertheless the latter have made their lands a source of large annual profit to the shareholders. On the other hand, the provincial lands departments have been so prostituted to political patronage as to require, in addition to the gross receipts of sales, annual grants to make up the deficits. Is not this another powerful argument in favour of leaving the railways of the provinces to be constructed by private enterprise, as in England and the United States? To such legitimate enterprises the Provincial and Imperial Governments may properly lend their credit in the manner pointed out. The following resolutions, taken from a series moved by the Honourable William Hamilton Merritt, in amendment to those introduced by Mr. Hincks in the Legislative Assembly of Canada last summer, are valuable as bearing on this question. Mr. Merritt is the father of the canal system of that province, and has had more experience in these matters than any other man in it. He was, moreover, for some time president of Mr. Hincks's ministry, and had then but recently resigned the presidency of the Board of Works and his place in the administration. His opinions are therefore entitled to great consideration.

" 2. That all former experience, both in the United States and in Canada, tending to prove that the construction and management of railways by Government is unwise and inexpedient, and has invariably resulted either in great public loss, or in a total failure to produce the anticipated benefits; as, for example, in the state of Michigan, where it is alleged that the central railroad, constructed by the State created offices for maintaining political paupers at public expense; giving employment to a class of persons incompetent for the duty to be performed; and ultimately causing so much dissatisfaction that the road was sold, at a great loss, to a private company, who, by their prudent and economical management have since made it a profitable concern. That, in like manner, the removal of local works in Canada from the management of local commissioners to that of the provincial Government has been attended with similar results, by occasioning a yearly increase of the public expenditure, until, by experience, the Government became convinced that all public works, except such as relate to the leading water communications, ought to be under local management; consequently a transfer of the same into the hands of municipalities or private companies has been effected.

" 3. That, in the opinion of this House, it would be inexpedient, with the imperfect information it now possesses, to undertake the construction of 1,216 miles of railway; involving an expenditure (at 6,500*l.* per mile) of about 8,000,000*l.*; which, in the event of the roads not being economically managed and yielding a profit, would, at three and a half per cent. interest, subject the province to an increased tax of 280,000*l.* per annum, unless some additional security be provided to guard against future loss."

Appendix No. 2.

The last published despatch from the Imperial Government, on the subject of the Quebec and Halifax railway, is from Mr. F. Peel to Mr. Hincks, and was written under the direction of Earl Grey, and dated 20th February last. It concludes as follows:—

" Lord Grey directs me to add, that no proposal for obtaining assistance of Parliament towards the construction of the proposed railway could be entertained by Her Majesty's Government, unless it can be shown that it would establish a complete line wholly on British territory."

The question then resolves itself into this:—Of what value will such road be, either to England or the colonies, if it is incapable of competing with the numerous shorter lines of the United States, which everywhere intersect the great line of communication by the lakes and the St. Lawrence, by which larger and better markets are reached? All the provinces are earnestly seeking to obtain reciprocal free trade with the United States; numerous agents have been from time to time sent by the Provincial Governments to Washington, and Mr. Hincks amongst the number, to promote this object. This proves that what the provinces most want is to extend their commercial intercourse with that country, and not with each other. It is the great markets of the Union with which they wish to have intercourse. These markets also afford the best entrepôts through which to carry on a foreign and transatlantic trade. The trade between the provinces themselves forms a very insignificant part of their entire commerce, as will appear by the following

PROPOSED RAILWAY FROM HALIFAX TO QUEBEC. 107

official statement of the imports and exports of Canada for the year 1850, given in Halifax currency, equal to 16s. 8d. sterling to the pound.

CANADA.

Total of Imports	£4,245,517
From Great Britain	£2,407,980
From United States	1,648,715
From all British North America	96,464
From all other countries	92,358
<hr/>	
Total of Exports (1850)	£2,669,998
To Great Britain	£1,200,849
To United States	1,237,789
To all British North America	202,194
To all other countries	29,166

By the above table it will be seen that the United States were better customers to Canada for her productions by 37,000% in 1850 than Great Britain, and by 1,035,000% than all the rest of British North America put together, and this in the face of considerable custom-house restrictions. Any attempt to force a trade between the colonies by legislative enactments, and high tariffs against other countries, would be contrary to the present policy of the empire, and would, most certainly, prove disastrous to the commerce and prosperity of the colonies. The result of such a policy it would be difficult to calculate. A measure calculated to destroy half their commerce would probably not only prove the destruction of the Provincial Administration that attempted it, but might lead to a speedy severance of these colonies from British connexion. It is not reasonable to suppose that the great mass of people in Canada, and especially those of Upper Canada, who have all the energy and enterprise of the Anglo-Saxon race, which only requires scope for development to make them a great people, will quietly submit to be taxed in order to favour any particular branch of industry or commerce, or one line of railway or water communication, at the expense of any other which may present itself, whether it be British or foreign.

Appendix No. 3.

EXTRACTS from Canadian and New Brunswick Papers.

From the TORONTO GLOBE (Reform, formerly the organ of Mr. Hincks's Government), 28th August 1851.

"The Trunk Railway.—We beg our readers to peruse the debate in another column on the trunk railway from Halifax to Quebec; and if they are not then satisfied that Upper Canada interests are completely sacrificed to the demands of the French Canadians, nothing will convince them. Mr. Hincks has absolutely induced the House of Assembly to authorize a debt of sixteen millions of dollars, for which, at this moment, not the slightest necessity has been shown, nor one calculation exhibited of anticipated traffic, revenue, or expenditure. Were a road built from Quebec to Detroit, the prospect of profitable traffic eastward from Quebec would even then be exceedingly doubtful for years to come; but, without a road west from Quebec, it is difficult to imagine what business can be done upon it. Yet, with this prospect, Mr. Hincks pushes on the scheme and sinks the millions! And, besides its unprofitable aspect, it is very clear that ere the road could be built we will have railway communication to Halifax by the Portland route without paying a sixpence. So there is no justification for the thing, except that the French Canadians want it.

"The debate brings out very clearly several important facts. First, that Nova Scotia and New Brunswick are not only to have the trunk line through their country, entirely built with the 3½ per cent loan, but are to have the surplus of the loan to build their road to Portland in the United States, in direct opposition to the Canadian line, in direct frustration of the very object it was intended to accomplish, namely, to turn the highway of the European passenger trade through the British provinces. How Mr. Hincks could have agreed to this, we cannot imagine. Second, it is clear that the prospect held out of a surplus being received from the Imperial loan to build the Quebec and Hamilton route, is a complete delusion. There will be no such surplus, and if there were the Halifax and Portland line would get it all; and if it did not get all, it would be four or five years before it could be known if there was to be anything over,—a period of time we could scarcely wait for,—and if we could wait, and there were any over, Mr. Hincks admits there is no security for our getting it then. Thirdly, Mr. Hincks builds the Lower Canada railroad at the expense of the whole province; the Upper Canada road he purposes to build half from our local funds, and half from provincial funds.

"The whole scheme is perfectly outrageous, and ought to have been kicked out without hesitation. A trunk road from Halifax to Detroit and Sarina, with the British guarantee for the whole, we could comprehend; but to sink sixteen millions on a road through a wilderness, which must be closed for a great part of the year, and leave to chance the

CANADA.

road really needed, is a scheme which none but the Honourable Francis Hincks dared to enunciate. The explanation of it is only too obvious:—"Concessions must be made to preserve the union," as well in railways as in rectories. We ask Upper Canada reformers to notice the manner in which Mr. Hincks has carried this scandalous bill.

	For.	Against.
Upper Canadians	11	20
Lower Canadians	27	3
	<u>38</u>	<u>23</u>

"The only Upper Canadians not in the Government, who voted for the bill, were Messrs. Bell, Fergusson, Morrison, Prince, Richards, Smith of Durham, and Wilson, 7."

From the TORONTO COLONIST (Conservative), July 11, 1851.

"Our assent to the proposition for the construction of the Quebec and Halifax Railway would be qualified most decidedly by the condition that the Imperial guarantee shall be extended to the whole line of road from Halifax to Hamilton (head of Lake Ontario). Without this it would, in our estimation, be folly on the part of the Province to Canada to involve herself for the construction of the Quebec and Halifax Line. Let it be a Halifax, Quebec, and Hamilton line, and we will go for it most cordially."

From the ST. JOHN'S COURIER (New Brunswick), February 1852.

"That a railroad from Quebec to Halifax, especially as constructed and managed by Government, will not for the first twenty years pay half its working expenses, there not being at present capable of travelling by it over fifty thousand people on the whole seven hundred miles. Before the money can be got, there are various questions to be settled;—such as the approval of the route,—a provision for the troops stationed in the province, say some trifle of 30,000*l.* a year,—salaries of 2,000*l.* or 3,000*l.* a year to the Imperial Commissioners, who are to take charge of our revenues,—and various other such minor details."

From the KINGSTON NEWS (Conservative), July 1851.

"It is really too much, however, to ask the Canadian people to tax themselves for \$16,000,000 additional debt, on the demand of Mr. Hincks, to accomplish an object which not only can be productive of no adequate benefit to them, but which, if attained, may and doubtless will effectually prevent the undertaking for years and years to come of that line of railway communication throughout the province, which has long been to them an object of ambition. Our Government may, with the aid of the Imperial guarantee, raise the four millions required for the Halifax and Quebec line; but they cannot, we feel persuaded, follow up that loan, and obtain the additional three or four millions necessary for the Quebec and Hamilton Railway. If the sum necessary to construct the whole line can be procured under the Imperial guarantee, it would be well enough to enter upon the gigantic undertaking; but it seems to us nothing short of madness to proceed in the reckless manner suggested by Mr. Hincks, and sanctioned by a majority of the late Assembly."

From the COBOURG STAR (Conservative), July 1851.

"Upper Canada plundered to benefit Lower Canada.—The independent portion of the press of Upper Canada, of all shades of politics, is out against the grant for the Halifax and Quebec Railroad. By the terms of Mr. Hincks's Act, Canada is pledged to pay the interest on sixteen millions of dollars; and as Upper Canada pays four fifths of the taxation, we shall be victimised to the extent of one dollar per head for every man, woman, and child for the next hundred years, for interest, to say nothing of the tax for the principal. Should the road not pay expenses—and it will not—we shall have an additional tax for that. True, Mr. Hincks has provided in his Act that if there be any surplus we should have it, as far as it will go, to build a road from Quebec to Hamilton. But no sane man expects that there will be any surplus. Indeed, if Mr. Killally has the management of the Canada portion of the road, we fear that the seven millions will not build the road even to Quebec. The Quebec Chronicle has the cool impudence to tell us that "a line of railroad is not surely so much wanted between Hamilton and Quebec, there being now a direct and speedy communication by water." The writer is evidently under the impression that our steamers run to Montreal the year through, and, we suppose, will be much astonished to find that for six months we are as much ice-bound as himself. But Mr. Hincks's Act not only compels Upper Canada to pay for a road which is of no more service to her than if built in the moon, but it actually prevents our municipalities from going on with their own road. For not only will the people not consent to pay a double tax, one for a road down there, and another for a road here, but even supposing they were willing to do so, the money could not be obtained, for the sixteen million pledge will have exhausted our credit at home. A country, like an individual, has only a certain amount of credit, and a certain amount of name, and the moment the one or the other reaches its extent it is of no further use."

From the COBOURG STAR, March 1852.

"Halifax and Québec Railway.—We may now cease to look for Government assistance to the front or rear line of railway from Montreal West. In the above memorandum we find it clearly stated, 'that Canada, in order to complete its trunk line, will have to construct, either by private or public enterprise, the line from Montreal to the Detroit river, a distance of 600 miles.' All our credit being absorbed in providing funds for the Halifax and Québec road, our line must be built by private enterprise, or not at all. To sink all our resources for a scheme that no man expects to be profitable, to the prejudice of railroads that would pay, and whose construction is of urgent necessity, must be highly injurious."

Appendix No. 4.

REMARKS ON MAJOR ROBINSON'S REPORT.

In drawing up the accompanying reasons against the proposal to construct the great inter-colonial railway from Halifax to Québec, and thence to Hamilton, by the Provincial Governments, instead of leaving the project in its several parts to the enterprise of joint stock companies aided by Government, it was not considered necessary to enter into the voluminous details set forth by Major Robinson and his associates in their Report, of the survey of the line between Québec and Halifax. The facts stated in the memorandum are sufficient to show that Major Robinson has evidently allowed his enthusiasm in making out a case for his favourite scheme to get the better of his judgment. A few facts connected with the estimates of the Report, both as to the cost of construction and the probable business of the road, will serve to show that Major Robinson's data are to be received with great caution.

First, as to cost. The estimates of probable cost are based wholly upon similar undertakings in the United States, and particularly of the roads in Massachusetts, and of the New York and Erie and Hudson River Railways in the State of New York. How far such data can be relied on must be determined by the similarity or dissimilarity of the particular routes chosen. In Massachusetts the average cost per mile of single track is put down at 7,950*l.* sterling; but, owing to the cheaper rate at which iron can be supplied to the British Provinces, the cost of the Québec and Halifax line is set down at 7,000*l.*, to which ten per cent. is added for contingencies, making in all 7,700*l.* per mile. The entire line of 635 miles is therefore estimated to cost 5,000,000*l.* sterling.

But the Commissioners have failed to take into account the important fact, that in Massachusetts the railways almost invariably follow the more level courses of the numerous rivers and streams, and rarely cross the mountain ridges. This almost uniform principle observed in selecting the lines of road in New England possessed, in addition to the advantages of avoiding engineering difficulties, the great desideratum of traversing the most densely settled parts of the country. It is an indisputable fact that the valleys of the streams, being the most fertile, were the first settled, and at the commencement of the grand system of railways in New England were thickly peopled with an enterprising industrious population engaged in agriculture and manufactures. Every stream had already been turned to some account, and New England had become famous for its numerous and beautiful towns and villages.

On the other hand, by Major Robinson's own showing (page 8 of his Report), the greater portion of the Québec and Halifax Railway will not only pass through a perfect wilderness, but will run at right angles to the general courses of the streams and rivers, and consequently to the mountain ridges. But it will be more conclusive to give the words of the Report itself:—

"It will be evident, therefore, that any line from the coast of Nova Scotia to the St. Lawrence has a general direction to follow, which is the most unfavourable that could have occurred for it, having to cross all these mountain ranges, streams, and valleys at right angles nearly to their courses."

This comparison must prove conclusively that the roads of Massachusetts cannot be assumed as correct data for the basis of an estimate for the Québec and Halifax line.

The rugged broken country traversed by the New York and Erie railway, 450 miles in length, is undoubtedly more characteristic of the line recommended by Major Robinson, or "any line from the coast of Nova Scotia to the St. Lawrence." At page 19, the report gives the estimates for this New York road, then making (August 1848) at "6,250*l.* per mile, exclusive of equipment." This is an excellent example of the value to be attached to the generality of reports got up to make out a favourable case.

The writer of this paper was one of the invited guests of the New York and Erie Railroad Company, at the grand fête given in May 1851, to celebrate its completion, and heard the detailed history of the work over and over again from the mouths of the president and other officers. The entire cost of the road at that time, with only 30 miles of double track, was stated by all the speakers at twenty-five millions of dollars, or more than 5,000,000*l.* sterling. To this must be added another million of dollars (2,000,000*l.* sterling) for subsequent equipment. This will give in round numbers about 11,500*l.* sterling per mile, or 5,250*l.* more than the estimate put down by Major Robinson.

CANADA.

The Hudson River railroad is set down in the Report at 7,440*l.* per mile. Upon its completion in October last, it was found to have cost more than 12,000*l.* per mile.

The latter road follows the river its whole length; and the New York and Erie the valleys of the Delaware, Susquehanna, Chemung, Genesee, and Alleghany rivers, and their tributaries, for at least three fourths of the way. The inference therefore is, that they have cost less per mile than a road running across "mountain ranges, streams, and valleys at right angles." It will not be assuming too much to place this disadvantage as a set off against the additional cost of iron in the States. But the New York and Erie railway, by following the courses of the rivers, also followed the lines of settlements where men, horses, and provisions for both; could be had for a moderate price on the spot; whilst all these would have to be transported, at enormous cost, through hundreds of miles of wilderness, if the work is to be completed within any reasonable time, for the Halifax line.

But supposing, with all these drawbacks, that the Halifax road can be constructed as cheaply as the New York and Erie, which is assuming more than circumstances warrant, it will cost 11,500*l.* sterling per mile, or for the whole length (633 miles) 7,302,500*l.* which is 2,302,500*l.* more than Major Robinson's estimate. Even this sum is regarded by experienced American engineers as far too low for completing and equipping a road running 600 miles through a wild mountainous country, covered for six months every year with snow (stated by Major Robinson himself to be not less on an average than from three to four feet);—a country entirely deficient in men, horses, and food,—in fact in every pre-requisite for cheap construction, excepting only timber and stone, which in America are everywhere cheap.

Another thing must not be lost sight of in taking the American roads mentioned by Major Robinson as data for estimating the probable cost of the Halifax railway; that is, the fact that the former are owned by companies, which all experience goes to prove to be more economical by far than Governments, whom most of the world seem to regard as legitimate objects for plunder; whilst it is proposed to construct the latter as a provincial work, through the medium of Government agents. It must also be borne in mind that a work of such magnitude will require some double track, in order to its being worked with safety. This Major Robinson has not estimated for.

Its entire cost and equipment cannot, therefore, under all the circumstances, be honestly estimated at less than from eight to ten millions sterling.

It is not intended to apply any of these arguments against the proposed line from Quebec to Hamilton, or to the Great Western, now in a forward state of construction. The country here is of an entirely opposite character. It is almost a level plain all the way having nearly as regular a grade as the Great River and Lake themselves, whose beautiful, fertile, and well settled banks it will follow for its whole length, and from which there is a fair promise of a paying business.

Secondly, as to the estimated business resources.

If Major Robinson has been wide of his mark in his estimate of the cost of his pet road, he has most certainly taken a higher flight into the regions of fancy in search of data to supply it with traffic. A few facts, to which the four years that have elapsed since his Report was got up have given birth, will serve to bring the subject within the comprehension of ordinary and less excitable minds.

At page 21, the Report assumes the population "within the area which will be benefited by and become contributors to the line" at 400,000. This includes the two termini. It is then taken for granted that each inhabitant will contribute eleven shillings sterling per annum, in the shape of business, towards supporting the line, this being the amount per head in Massachusetts. Now it is *not* to be taken for granted, that a population chiefly engaged in lumbering, and so poor that a St. John's paper published a statement in 1849, to show that about 10,000 persons left New Brunswick every year for the States, would afford the same support for a railway as the wealthier and far more energetic inhabitants of one of the most important States of the Union. Besides, it must first be proved that the people of Quebec, numbering 50,000, and about an equal number in its vicinity, taken into Major Robinson's calculations, will not prefer the shorter way to the sea at Portland or Boston. Taking these circumstances into account this item of the estimate may fairly be shorn of three fourths of its proportions; or, in other words, the gross sum of 206,000*l.* must be cut down to 75,000*l.* as the probable result.

Before going further, it may be as well to have some criterion by which to estimate the probable cost of operating and keeping the line in repair. The editor of the American Railroad journal last summer, having access to the most reliable information, sets down the cost for operating and road repairs and renewals for the New York and Erie Line, 450 miles, at \$2,500,000, say 560,000*l.* sterling, per annum. Taking into account the additional length of the Halifax road of 185 miles, that line could not at the same rate be operated and maintained at less than 700,000*l.* per annum.

It may be argued that the business of the Halifax line could not be expected to be equal to that of the New York and Erie, and that consequently these expenses would be less. The answer to this is obvious. If the business does not exceed that of the Erie,

then the road will be a hard bargain for the provinces. The larger the traffic of a railway, so that it be within its capacity, the less will be the cost of operating, compared with its business. If this be true, and it is laid down as so established, a road must have a certain amount of traffic before it will pay for operating and maintenance of way, after which a certain portion of the receipts, to be ascertained by experience, will be profit, and the other portion go to defray the increase of expenditure. Now the receipts of the New York and Erie, taking the Company's own statements, are put down for last year at \$3,000,000 or 600,000*l.* sterling, leaving for profit on an investment of 5,000,000*l.* sterling the sum of 100,000*l.* or 2 per cent.

If, therefore, the Halifax line should only cost at the same rate per mile as the Erie (11,500*l.*) or 7,300,000*l.* for the whole, and its business should be equal to the latter, a supposition too improbable to be entertained, there would be an annual loss of 100,000*l.*, in addition to the interest to be paid on its cost. Taking the interest under the Imperial guarantee to be 3½ per cent., it would amount to 255,500*l.*, or, including loss on running and maintenance, 355,500*l.* to be provided for out of the provincial revenues. But from the facts adduced in the accompanying Memorandum, supported by Mr. Merritt's resolutions, establishing the improvident and extravagant management of public works by the Provincial Government of Canada, even this estimate of loss on operating and maintenance of way will be found too low; and it will probably not be too much to put down in round numbers \$2,000,000 or 400,000*l.* sterling as the sum that will have to be provided for every year by the provinces. This estimate, it must, however, be recollected, is based upon the supposition that the traffic will equal that of the Erie line. Should it fail in doing so, and no man who knows anything of the subject will be found hardy enough to assert that any other result will follow, then the loss to the provinces will increase in nearly the same ratio that the business decreases. Or, to make it more clear, if the receipts amounted to only one half, or 300,000*l.*, then the expense of operating and maintaining would probably amount to only 500,000*l.*,—the same amount as in the case of the Erie,—which would cause a loss of 200,000*l.* instead of 100,000*l.* to be added to the interest. The sum to be provided by the provinces every year would then amount to two and a half millions of dollars.

Bad as this case may appear for the Halifax line, it is by no means the worst view of the enterprise. It now remains to be shown that nearly all the other estimates of traffic are wholly fallacious and improbable, except that which would grow out of the comparatively small business of transporting supplies of provisions for the local residents, until the products of the country would equal the deficit already existing, or which would be created by a sudden influx of population. This latter source of business cannot be insisted upon as likely to be of any considerable importance.

At pages 22 and 23 of the Report it is attempted to be shown that not only the surplus productions of Western Canada which are sent to England and other transatlantic countries for a market, but also a large quantity of these of the Western States, would find their way to the port of Halifax for shipment.

At the time the Report was delivered to the Secretary of State for the Colonies (August 1848), the system adopted by the American Government, of admitting the transit of Canadian produce and merchandise through its territories for exportation free in bond, was only in its infancy. There was but one line of railway through the State of New York that touched the navigable waters of Lake Ontario, and that line was not permitted to compete with the Erie Canal during the season of navigation, and could not carry freight, even in winter, when the canal was closed, except by payment of "canal dues," as they were called.

Since that time there have been opened several new lines of railway between the ports of New York and Boston, and various points along the Canadian frontier, and there will shortly be several more. These various roads tap the province line, or terminate at harbours on the lakes at the following points; namely, at Dunkirk and Buffalo on Lake Erie, and the Niagara River at the Falls, which is to be crossed by a substantial railway bridge to carry over heavy trains; at Rochester, Oswego, Sackett's Harbour, and Kingston, on Lake Ontario, and Ogdensburg, on the St. Lawrence, a road already doing an immense Canadian traffic; and at Montreal, where there are two lines now open, leading, the one to New York and the other to Boston; and a third, the St. Lawrence and Atlantic, nearly completed, leading to Portland. Recently a law has been passed in New York to allow all the roads in that State to carry freight, and compete with the canal free of dues. There has also been a reduction of forty per cent. upon the tolls of the Erie Canal.

The effect of the competition of the railways has not yet been felt in reducing the cost of transport, except in the case of the Ogdensburg line; but the general tendency of these measures has already been to divert more than one half of the traffic from the St. Lawrence. The following statements of the trade of Canada will show how the case stood at the close of 1850.

112 FURTHER CORRESPONDENCE RELATIVE TO THE

CANADA.

No. 1.

Exhibiting the comparative value of all articles the produce and manufacture of Canada (excepting the products of the forest) exported into the United States and Great Britain respectively in the years following :

	1849.	1850.
Into the United States - - -	£651,803	£1,022,511
„ Great Britain - - -	338,755	229,474
In favour of the United States	<u>£313,048</u>	<u>£793,037</u>

No. 2.

For total of Exports and Imports, including timber, &c., see Tables in Appendix No. 2.

Showing the comparative quantity of flour and wheat, the latter being reduced to barrels, exported into the United States and Great Britain and all other countries by the St. Lawrence, for the years following :

	1848.	1849.	1850.
Into the United States - - -	£352,294	£400,928	£673,030
„ Great Britain and other countries, viâ St. Lawrence - - -	422,105	339,871	301,165

No. 3.

Showing comparative export of wheat in bushels of 60lbs.

	1847.	1848.	1849.	1850.
To the United States	No return.	£297,011	£923,980	£1,213,078
„ Great Britain, &c.	628,091	238,051	72,289	81,951
In favour of the United States.		<u>£58,960</u>	<u>£856,691</u>	<u>£1,131,127</u>

The official returns for 1851 have not yet been filed at the Colonial Office. They will doubtless exhibit a still more striking result in favour of the American routes to the seaboard.

The causes of this rapid diversion of trade from the St. Lawrence to the American channels of traffic are wholly owing to the lower rates of freight and insurance by the latter. It is evident that inland freights have not yet reached their minimum under the competition of the several lines of railway, and the removal of the 2½ per cent. ad valorem duty until lately charged by the American Government upon all goods passing through in bond. Within two years the enlargement of the Erie Canal will be completed between Albany and Oswego. Vessels of 250 to 300 tons burden can then go from Lake Ontario, and all the upper lakes, with cargoes all the way to New York, without breaking bulk. It is estimated that flour can then be carried from Lake Ontario to New York for 25 cents. or 1s. sterling per barrel.

Major Robinson gives the following as the rates for transporting flour in 1848 ; namely,

From Upper Canada to Quebec - - -	2s.
„ Quebec to Liverpool, by the river - - -	5s.
Total - - - - -	<u>7s.</u>

He says, at page 23, that “it has been calculated that the cost of transport for a barrel of flour from the lakes to New York was 5s. 1d. sterling, to Boston, 6s., exclusive of charges for transshipment.” The freight from New York and Boston to Europe is not stated, but could not be put at less than is estimated from Halifax, namely 3s. This would make the cost for sending a barrel from the Lakes to Liverpool, viâ New York, 8s. 1d. sterling, and viâ Boston 9s. The estimate for transport by his Halifax line is as follows :

	s.	d.
Upper Canada to Quebec - - - - -	2	0
Quebec, by rail, to Halifax - - - - -	2	2
Halifax to Liverpool - - - - -	3	0
Total - - - - -	<u>7</u>	<u>2</u>

According to these data the cost by the Halifax route would be 2d. per barrel more than by the river. But this it is argued would be far more than counterbalanced by saving in time, avoiding the risks of a dangerous navigation, and ability to reach a seaport after the St. Lawrence is closed in winter. There would be, as compared with New York, a saving of 11d., and with Boston of 1s. 10d. These facts are stated in order to contrast them with the present rates of charges.

During the month of October last, the freight on flour from New York to Liverpool ruled at about 7½d. and was at one time as low as 6d. per barrel. At the present time it is quoted at 1s. 7½d. to 1s. 9d. sterling. The average rate would probably be under

1s. 6d. From Lake Ontario the average may be correctly stated at the same sum, making 3s. from Canadian ports on the lake to England as the average cost by the United States.

The effect of this competition has been to bring down the freights by the St. Lawrence. In a little work containing information respecting the trade with Canada, recently published by Messrs. Henry Chapman and Co. of Montreal, commission merchants, the freight on flour is set down for the present year at 2s. 6d. to 3s. 6d. If 3s. be taken as the average, the cost of transporting a barrel of flour from Montreal or Quebec by the river to Liverpool will be the same as it is from Toronto or Hamilton via New York. The cost per barrel from Toronto to Montreal cannot be assumed to be less than 1s. 2d., including transshipment and port charges. Thus much have the American routes this permanent advantage over the St. Lawrence.

Giving to the Halifax route the benefit of the reduced charges on freight, and still adhering to Major Robinson's estimates, the case will stand thus at the present time :

	s.	d.
Cost per barrel, Upper Canada to Montreal	1	2
" thence to Québec, say	0	4
" Québec to Halifax, by rail	2	2
" Halifax to England	1	6
In all	5	2

Excess over the river route 1s. 2d., over the States route 2s. 2d. But it can be shown, that Major Robinson has set down the actual cost of transport over his line at only 25 per cent. of what has been found to be the minimum on the American railways. He has evidently been led into this error by the statements published by the New York and Erie Railway company in 1847. It has already been shown, that the estimates of this company as to the probable cost of their road were fully 85 per cent. too low.

The following table is taken from a very able report, published in the American Railroad Journal of 27th March 1852, made by Walter Gwynn, Esq., chief engineer of the James river and Kanhawa canal. It has evidently been compiled with great care, and may be relied upon as exhibiting the nearest approximation to the actual cost of transport on American railroads ever published.

" Actual cost (approximately) per ton per mile of transporting freight on the following " railroads in 1850 :

" Massachusetts.

	Cents.
" Western	1,561
" Boston and Worcester	1,720
" Boston and Maine	2,958
" Boston and Providence	2,206
" Boston and Lowell	2,531
" Old Colony	2,967

" New York.

" (Note that the estimates on the New York roads are exclusive of cost of iron, repairs " of road, depreciation of engines and machinery and freight and passenger cars.)

	Cents.
" Albany and Schenectady	4
" Hudson and Berkshire	2'3
" Hudson River Railroad	4
" Northern Railroad	4'3
" Oswego and Syracuse	2'4
" Rochester and Syracuse	1'6
" Utica and Schenectady	1'8
" New York and New Haven	3'1"

These tables show a maximum of 4 cents and 3 tenths a ton per mile, and a minimum of 1 cent 561 thousandths, which may be called 1½ cents.

In order to extract from the above table anything like reliable data, to form an estimate of the actual cost of transporting freight on the proposed Quebec and Halifax railway, it would be necessary to select some line of road bearing the nearest resemblance to it in its gradients. But giving to the Halifax line the benefit of the lowest estimate, namely, upon the western road from Boston to Albany, and also the advantage of the fraction of 1/100 of a cent, thrown off to make the estimate an even cent and a half per ton per mile, the result will be as follows :

Cost per ton over the Halifax road at 1½ cents per mile (635 miles), 9 dollars 52½ cents, equal to about 40s. sterling, instead of 11s. assumed by Major Robinson upon his erroneous data. At this rate, allowing 10 barrels to the ton (in America the ton in all estimates is taken at 2,000lbs.), the cost for transporting flour from Quebec to Halifax would be 4s. sterling per barrel. Add to this the very moderate sum set down in

CANADA.

the report "to pay interest on capital" of 1s. 1d., the charge for transporting a barrel will be 5s. 1d.

But unless there was a very large freight traffic, the expense to the road would be greater, as previously pointed out. Enough however has been shown, upon Major Robinson's own figures, to prove that a railway from Halifax to Quebec, if it should be now constructed, cannot compete either with the St. Lawrence or any of the American routes for the Canadian Transatlantic business.

If any more conclusive evidence in support of this deduction is required, it will be found in the fact that the American routes, by being so much shorter would command the business, if the Governments of the provinces should be so liberal as to carry freight over the Halifax line for nothing and pay all expenses, a piece of liberality which even Major Robinson has not thought it commendable for them to undertake.

If the minimum cost of transport on the American roads be admitted as the basis for estimating for the Halifax line, it does more than overthrow the assumption that this road would command any share of the Canada Transatlantic trade. It establishes, by equally conclusive evidence, that the supplies of Western Canada produce required for home consumption in New Brunswick and Nova Scotia can be transported cheaper both by the St. Lawrence and the American ports. If flour can be carried (as it is regularly done at present) from Lake Ontario to Liverpool at from 3s. to 3s. 6d. per barrel, (the latter may be taken as the maximum,) it is clear that it can be delivered at St. John's and Halifax at the same rate or lower, whilst it is shown that 5s. 1d. is the lowest charge that could be made for carriage over the proposed railway, to which must be added at least 1s. 6d. for transport from Upper Canada to Quebec.

The following table of distances will serve to elucidate the subject still further, and ought to convince every unprejudiced person that the chances of the Halifax line are utterly hopeless.

	Miles.
Quebec to Halifax via proposed Railway	635
" " " Valley of the St. John's	600
" Portland " St. Lawrence and Atlantic line	270
" Boston " Montreal	500
" New York "	570
Montreal to Halifax via Quebec and Halifax Line	815
" Portland	250
" Boston	320
" New York	370
Toronto to Halifax by Quebec route	1,185
" New York via Oswego	470

There is only one thing more that need be noted, as a great additional inducement for Canada to trade through and with Boston and New York in preference to Halifax, and that is the advantage always conceded as pertaining to large markets over small ones.

The proceeds expected to arise from the sales of lands opened up by the railway have already been disposed of in the accompanying memorandum. Instead of a profit resulting from them, it will be seen, by reference to the North American Review, published at Boston for January 1852, article, "Commerce of the British Provinces," that in New Brunswick the gross amount of sales is insufficient to defray the expenses of the department which has their management. This part of Major Robinson's estimate of profits must therefore go for nothing, or rather a sum must be added to the interest account of the enterprise to be paid out of the Provincial Treasuries.

By reference to a memorandum signed by Mr. Hincks, Inspector General of Canada, on the subject of the Halifax and Quebec Railway, dated 18th December 1848, and published at page 60 of the Report, it will be seen that that gentleman's views respecting the desirability of the province of Canada affording aid to this enterprise have undergone a great change since that time. Mr. Hincks distinctly condemns the enterprise as a "mere mercantile speculation," and says, "its total unproductiveness ought to be provided for."

He concludes his "Memorandum" as follows:—"Should the Imperial Government be induced to undertake this great national work, the Canadian Legislature would be ready, there can be no doubt, to transfer to the Imperial Government or its Commissioners the lands on each side of the road, to the extent of two miles in depth, where it should pass through the public domain, and would also be at the expense of purchasing all the private property required for the railroad line, and for the stations at the terminus."

Mr. Hincks's liberality has doubtless been acted upon by the large increase of the provincial revenue, for he is now willing that the province of Canada shall not only give two miles on each side of the roadway, but any given quantity of lands, in addition to purchasing the private property required for the use of the road; and he recommends that the provinces shall supply the money to construct and maintain five twelfths of the entire line.

But Mr. Hincks's views about Canadian railways have never been settled for any length of time. He several times changed his opinions on the merits of the Great Western of Canada line; at one time advocating it, and at another time espousing the

cause of a rival company. This fickleness of temper may be seen, both in the columns of the paper (Montreal Pilot) which he formerly edited, and in his speeches in Parliament, as reported.

Appendix No. 5.

Although the facts and circumstances adduced clearly indicate that a railroad from Quebec to Halifax by the route recommended by Major Robinson, or by any other route, must at present, and for many years to come, prove a ruinous enterprise, it does not follow that it may not at some future period become a good mercantile undertaking.

The history of similar enterprises, and the progress of settlement and civilisation in the United States, would suggest the following principles as the true policy of the British provinces in reference to this work, and to the settlement of their waste lands.

Some general plan should be agreed upon by the three provinces of Canada, New Brunswick, and Nova Scotia, and a line selected for a future railway. Companies should be chartered, and aided by the respective governments to commence and construct such portions in each of the provinces as would pay expenses, and afford a profit to the shareholders. The local interests of New Brunswick and Nova Scotia could thus be harmonized by the simultaneous commencement of roads at St. John's and Halifax to unite at some convenient point; thence to be gradually extended as the country becomes settled and affords business to support a common line of railway. At the same time a line might be commenced at Quebec, as an extension of the proposed Montreal and Quebec Railway, and carried forty or fifty miles eastward, through the well-settled part of the country described by Major Robinson.

In order to prevent the present population from emigrating in considerable numbers every year to the United States, and to induce an immigration from Great Britain and other European countries, the public lands should be surveyed into sections, and sold at a low and uniform price, on the principle that has proved so efficacious and attractive in the United States. Not more than one square mile should be sold to one individual. This precaution would be indispensable, in order to prevent that bane to the progress of new countries—private speculation in lands. The principle recommended constitutes a leading feature in the American system, as contrasted with the management of the wild lands of the British colonies. In the latter, companies have been chartered for the express purpose of speculating in lands which ought to have been given, or sold at low rates, to actual settlers. Both the Imperial and Local Governments have hitherto done everything in their power to foster speculation, by selling to such companies, and to large capitalists, at low or nearly nominal rates, whilst they have done very little for the poor man who buys for actual settlement, unless it be to charge him four or five times as much as the rich speculator.

Thus the best lands of the provinces are bought up by private speculators, who make large fortunes and retard the progress of the country. Whilst systems so vicious continue it is in vain to point out to intending emigrants in the mother country the advantages of settling in the British provinces, which in other respects present so inviting a field of enterprise and prosperity. Many millions of the finest lands in Canada are in the hands of such speculators, who, in order to make larger profits, retain them until the Government has opened roads and been at the expense of settling those in the neighbourhood.

Under such management, and with a host of highly paid employes, it is not to be wondered at that the land departments do not pay expenses. The knowledge of the existence of such evils is of itself sufficient to prevent the class of emigrants most useful in a new country, namely, such as have amassed a few hundred pounds by their own industry, from going to the colonies to lay out the fruits of their labour.

From 300,000 to 400,000 emigrants settle every year in the northern and western states, and the accounts they send home to their friends, accompanied by remittances to aid them to follow, keep up the incessant stream and add to it each year increasing numbers. It has been estimated by a nobleman who was several years ago at the head of the colonial department, that the remittances sent from the United States to Ireland alone by settlers to enable their friends to join them amounted in three years to no less than 2,000,000 sterling, as follows: in 1848, 460,000; in 1849, 540,000; and in 1850, to 900,000. On the other hand it is computed that nearly one half of the comparatively small numbers of those who go to the British Provinces cross over to the neighbouring states.

If the North American Provinces would set seriously to work to reform the abuses that have hitherto existed in their land departments, and place men of business, instead of adventurous politicians, in their other administrative departments, there would be no necessity for their perpetually besieging the Colonial Office with importunities for aid. Under wise and economical systems of Government, such as exist in most of the states, where governors and public officers of high business qualifications are found to serve for less by half than is paid in the poorer colonies, there might be a reasonable hope of having a good paying line of railroad constructed within twenty years without Imperial assistance, and the basis of a future empire established, second in America only to the United States themselves.

CANADA.

For the Imperial Government to lend its name and credit to the proposal now made to obtain money to construct more than a thousand miles of railway would be to foster and encourage the evils complained of, and to create new and unheard of abuses. They will only do injury instead of good to these important provinces. If aid is given, let it be distinctly understood that the contemplated works shall be left to private enterprise to supply one half the capital. This will afford a guarantee that they will not be undertaken until there is a pretty fair certainty of their turning out good investments.

No. 2.

No. 2.

COPY of a LETTER from Earl DESART to H. B. WILLSON, Esq.

SIR,

Downing Street, May 10, 1852.

I AM directed by Secretary Sir John Pakington to acknowledge the receipt of your letter of the 28th ultimo, with its accompanying memorandum relative to the proposed Halifax and Quebec railways, and I am to express his thanks for the views on this subject with which you have favoured him.

I have, &c.

H. B. Willson, Esq.

(Signed) DESART.

No. 3.

No. 3.

COPY of a LETTER from R. GILLESPIE, Esq. to the Right Hon.
Sir JOHN S. PAKINGTON.

33, York Place, Portman Square,
March 20, 1852.

SIR,

ALTHOUGH I may be unknown to you, I have had the honour of frequently communicating with Lord Derby on matters connected with Canada, political and commercial, and I am disposed to think that his Lordship gave due credence to my statements in regard to that important appendage of this country.

But before travelling farther on the line of this my first letter to you, and the only letter I have of late addressed to the Colonial Department, allow me to congratulate you, and particularly the inhabitants of Canada, on the appointment to that office of a gentleman who has visited the province, and no doubt made himself acquainted with its resources, its wants, and the wishes of its inhabitants.

Sir, much has lately been said and much has been written in regard to the construction of contemplated public works in that, and in the neighbouring British provinces. I refer especially to the railroad between Halifax, Quebec, and Montreal, and to the misunderstanding, or rather misconception, of the conditions on which the late Colonial Secretary, on the part of the Government, offered to guarantee the payment of the interest annually on a sum of money to be raised in this country to defray in part the expense of constructing the said railroad.

Sir, I shall not stop to inquire the cause of such misconception, or who was at fault, but I believe the line of road contemplated by Canada and Nova Scotia did not suit the views of New Brunswick, neither did the application of part of the funds altogether meet the wants of the latter province, and hence the whole work is in abeyance. I do not regret the delay, for more time was required to consider the most advantageous line that could be adopted for political and mercantile purposes, as well as to weigh the probable result of so great an undertaking when completed. That railroad in my opinion would be of comparatively little use unless emigration set that way, and unless vessels carrying passengers to Halifax found return cargoes at that port. Such would depend on the rate of charge for transport along the line, and again on the rate of freight from Halifax to a port in this country or elsewhere. Even supposing the land conveyance and ocean freight were much less than the usual rate of freight from Montreal direct to Liverpool, I apprehend the expense of bringing produce to this country would still be much higher than from New York.

The question of establishing a line of steamers between Canada and England has, therefore, lately been taken up with much energy by the Colonial Govern-

ment; the measure has been supported by many influential men in Montreal, and it is said that a deputation from the provinces is on the way to this country to urge not only the establishment of steamboats between Montreal and Liverpool, but a railroad between Quebec, and the provinces, thus giving double facilities of shipping produce to market without touching a foreign soil.

I apprehend, however, that the construction of a railroad from Quebec to Halifax, and at same time to establish a line of steamers direct from Montreal to a port in this kingdom, would entail more expense than the mother country or the colony could prudently submit to. Allow me to say of the two schemes I would prefer the steamboat communication under proper regulations, provided always that the rates of transport from the province to Great Britain should be assimilated to the rates between New York and this country. No company, however, would undertake to carry goods to and from the province at so low a rate as sailing vessels do to and from the United States without an annual allowance, and as these steamers might carry the mail for all the North American British provinces it would not be unreasonable to expect that the home Government should extend the rule in their favour as it did to other Royal mail steamboats.

The Legislature of Canada might be enabled to hold out sufficient inducement to a company, without the aid of this country, to provide a line of steamers for said route calculated to convey passengers and goods to and from Canada at such rates as would make the St. Lawrence, while open, the most convenient, shortest, and less expensive route, not only to Western Canada, but to the far west of the United States.

It is reported that the St. Lawrence in all its length is to open to foreign vessels, and consequently American bottoms will navigate the great inland lakes, and descend the St. Lawrence with their cargoes, and in like manner ascend the same waters with goods and emigrants to the regions of the west.

Much produce, indeed I may say that two thirds of the wheat and flour of Canada West, is at present either purchased by or consigned to agents for sale in New York, and thence taken by canal and railroad for consumption or shipment, in consequence of low freights between that port and Liverpool or London, to the injury of the direct trade of Canada. Very many goods are now shipped via Boston destined for Canada, likely to be increased by a treaty of reciprocity in trade between that province and the United States at this moment, I believe, before Congress, with a prospect of being agreed to, and if passed will draw the province and the republic closer together, unless some effort be made to prevent it. That effort is within the means of the Government of this country and the provinces.

Let either the railroad to Halifax or line of steamboats from Quebec to this country (much less expensive), or both, be established,—let a line of railroad be constructed from Quebec to Montreal and Toronto on the north, and continued westward so as to open up a rich inland country in the rear of the latter city, already partially settled, and a fine climate, capable of producing vast quantities of grain for shipment, now a waste and difficult of access,—let the expense of transport from the interior of the province to and from Montreal be reduced, and sufficient conveyances supplied,—then I can scarcely estimate the extent of trade that would pass up and down the St. Lawrence during the active season of business; in fact a new trade would be opened, and instead of Canada becoming American as must in time be the case in the present position of the province, the very reverse would be the consequence.

Canada now not only sends her produce to New York in consequence of getting higher prices there than the Montreal merchant can safely give for it, exposed as he is to higher ocean freights, but New York supplies the Canadas with large quantities of American and British goods, and I may with truth assure you that the trade between Canada and the United States equals in value the trade between Canada and this country.

When the river St. Lawrence is shut, the railroads made and now making from Eastern and Western Canada to the United States would give ample facilities in winter to transport to an Atlantic port all that might remain after the direct channel was closed, in the event of the Quebec and Halifax railroad not being made.

Let, I repeat, lines of burdensome steamboats be established between the St. Lawrence, the Mersey, and the Thames, let inland railways be made

CANADA

within the province to carry freight and passengers both ways at low rates, and we shall not only have the produce of Canada conveyed to Quebec and this country, but the produce of the Western States of the Union bordering on the lakes sent down our rivers, and supplies would be imported direct to Quebec and taken up the St. Lawrence to both sides of the lakes in the far west.

This letter is already too long, and I shall only hint that if anything was wanting to establish an enormous trade through Canada to this country it would be to admit here free all grain and flour shipped from a British colonial port, and impose a small fixed duty on the same coming from a foreign country.

Should any of the foregoing remarks require explanation I shall most readily wait on you at any time most convenient to yourself.

I have, &c.

The Right Hon. Sir J. S. Pakington, (Signed) ROBT. GILLESPIE.
&c. &c. &c.

No. 5.

No. 4.

COPY of a LETTER from Earl DESART to R. GILLESPIE Esquire.

SIR,

Downing Street, March 31, 1852.

I AM directed by Secretary Sir John Pakington to acknowledge the receipt of your letter of the 20th instant on the subject of the contemplated line of railroad through the British North American Provinces, and I am to express to you Sir John Pakington's thanks for that communication.

I have, &c.

R. Gillespie, Esq.

(Signed) DESART.

No. 4.

No. 5.

COPY of a LETTER from T. WILSON, Esq., to the Right Hon. Sir JOHN S. PAKINGTON.

SIR,

12, Craven Street, Strand, May 8, 1852.

THOUGH I have no reason to suppose that Her Majesty's present Government will favourably consider either of the projected lines for a railroad from Halifax to Quebec, yet upon my last letters from Canada, and seeing the serious consequences that may result from an error in this important question, I have the honour to follow up my interview by addressing you thereon.

The purposes for which all works of this nature are constructed may be classed under two heads, military and commercial, for neither of which can this road be recommended.

Without going closely into the question of relying upon any railroad for important military services, which I think is open to very grave objections, the proposed line from Halifax to Quebec will not meet satisfactorily first considerations.

It will pass for some hundreds of miles through a wilderness, beyond the possibility of any protection, and could be effectually rendered useless as a means of communication or for the transport of troops by half a dozen Indians in a few hours. Next, it would be laid through a country so deeply covered with snow for five months in the year and exposed to that severity of cold that it could not be looked to in winter with any confidence from these natural impediments. And, lastly, from the place where it would enter the province of Canada till it reached Quebec it would be laid through a country inhabited by French Canadians, who ever have been and are impatient under British authority, opposed to British interests, and who, I believe, would be the first to break up this road if it became important in the service of the Crown of England.

Then as a commercial work it can be of no service whatever, its uses on this head are already supplied by roads constructed and about being finished answering all the purposes of carriage to the export and import trade of Canada, and that by better routes not more than one third the distance.

This projected road from Quebec to Halifax has not in fact one single substantial recommendation; it is determinedly opposed by the responsible and intelligent population of Canada, and if there was a probability of its being

carried out as now proposed, I believe there would be a public protest from that colony which might render it necessary for the Imperial Government to arrest the measure or assume the liability of the cost.

There is, however, a consideration in this movement which I hope will not be lost sight of, which may be encouraged without risk, and which, if granted, would be productive of the best consequences in binding the colonies and parent country together in interests of inseparable attachment, and that is, that Great Britain should lend her credit to the colonies to borrow the means at a low rate of interest to construct such railroad communications, exclusively provincial, as will enable them to hold an honourable commercial position with the adjoining states of the neighbouring republic; and if the colonists should ask this assistance, which I think not improbable, I believe I shall be able to show Her Majesty's Government and the Parliament of Great Britain that they have tenable and just grounds for making the request, and that it may be granted without risk.

I have, &c.
(Signed) THO. WILSON.

The Right Hon. Sir John Pakington, &c. &c. &c.
&c. &c. &c.

No. 6.

No. 6.

COPY of a LETTER from Earl DESART to T. WILSON, Esq.

SIR, Downing Street, May 22, 1852.
I AM directed by Secretary Sir John Pakington to acknowledge the receipt of your letter of the 8th instant on the subject of the projected line of railway from Halifax to Quebec.

I have, &c.
(Signed) DESART.

T. Wilson, Esq.

APPENDIX.

CANADA.

CANADA.

No. 1.

Cap. 51.

An Act to consolidate and regulate the General Clauses relating to Railways.

[30th August 1851.]

Preamble.

WHEREAS it is expedient to establish a general and uniform system for the construction and management of all railways hereafter to be undertaken in Canada: Be it therefore enacted by the Queen's most Excellent Majesty, by and with the advice and consent of the Legislative Council and of the Legislative Assembly of the Province of Canada, constituted and assembled by virtue of and under the authority of an Act passed in the Parliament of the United Kingdom of Great Britain and Ireland, and intituled "An Act to re-unite the Provinces of Upper and Lower Canada, and for the "Government of Canada," and it is hereby enacted by the authority of the same, That this Act shall apply to every railway which shall by any Act which shall hereafter be passed be authorized to be constructed, and this Act shall be incorporated with such Act; and all the clauses and provisions of this Act, save in so far as they shall be expressly varied or excepted by any such Act, shall apply to the undertaking authorized thereby, so far as the same shall be applicable to such undertaking, and shall, as well as the clauses and provisions of every other Act which shall be incorporated with such Act, form part of such Act, and be construed together therewith as forming one Act.

This Act to apply to any railway to be hereafter constructed.

Name by which it shall be cited.

2. And be it enacted, That in citing this Act in any special railway Act and in other Acts of Parliament, and in legal instruments, it shall be sufficient to use the expression, "The Railway Clauses Consolidation Act."

What shall be sufficient in making an incorporation of this Act with special Acts.

3. And be it enacted, That for the Purpose of making any incorporation of this Act with special Acts hereafter to be passed, it shall be sufficient in any such Acts to enact, that the clauses of this Act, with respect to the matter so proposed to be incorporated, describing such matter as it is described in this Act, in the word or words at the head of and introductory to the enactment with respect to such matter, shall be incorporated with such Acts, and thereupon all the clauses and provisions of this Act, with respect to the matter so incorporated, shall, save in so far as they shall be expressly varied or excepted by such Acts, form part thereof, and such Acts shall be construed as if the substance of such clauses and provisions were set forth therein with reference to the matter to which such Acts shall relate.

Power to construct railway, &c. to be exercised subject to provisions of this Act.

4. And be it enacted, That the power given by the special Act to construct the Railway, and to take lands for that purpose, shall be exercised subject to the provisions and restrictions contained in this Act, and compensation shall be made to the owners and occupiers of and all other parties interested in any such lands so taken or injuriously affected by the construction of the Railway, for the value and for all damages sustained by reason of such exercise, as regards such lands, of the powers by this or the special Act, or any Act incorporated therewith, vested in the company; and, except where otherwise provided by this Act or the special Act, the amount of such compensation shall be ascertained and determined in the manner provided by this Act.

Deposit of stock book in Provincial Secretary's office by companies desirous of obtaining special Acts.

5. And be it enacted, That any Company desirous to obtain a special Act for the construction of a railway shall deposit with the secretary of the province, previous to the application to the Legislature, a copy of their stock-book, showing the number of their subscribers and the actual bonâ fide amount of the subscriptions, and that at least one quarter of the intended capital has been actually subscribed, the truth whereof shall be supported by the affidavit or solemn affirmation, as the case may be, of two of the directors or shareholders of the Company; and the Company shall also at the same time deposit with the said secretary a certificate of the cashier of some chartered bank in this province, of the deposit therein of a sum equal to ten per cent. upon the amount of subscriptions, with authority to the said secretary to control the withdrawal of the said deposit for such time as the secretary may think proper, not longer than six months after the railway shall have been actually commenced and proceeded with.

No Bill to be received by Legislature unless a certificate of deposit of stock book, &c. be produced to the respective clerks.

6. And be it enacted, That no Bill for a special Act for the allowance or establishment of a railway shall be received by the Legislature unless and until there shall be deposited with the clerks of both branches a certificate from the secretary of the province, that the Company applying has complied in all respects with the requirements of the next preceding clause.

INTERPRETATION.

Interpretation of words:

7. And with respect to the construction of this Act, and of any special Act, and of other Acts to be incorporated therewith, be it enacted as follows:—

"The Special Act:"

Firstly. The expression "the Special Act," used in this Act, shall be construed to mean any Act which shall be hereafter passed authorizing the construction of a railway, and

with which this Act shall be so incorporated as aforesaid; and the word "prescribed," used in this Act in reference to any matter herein stated, shall be construed to refer to such matter as the same shall be prescribed or provided for in the special Act; and the sentence in which such word shall occur shall be construed as if, instead of the word "prescribed," the expression "prescribed for that purpose in the Special Act" had been used; and the expression "the lands" shall mean the lands which shall by the special Act be authorized to be taken or used for the purpose thereof; and the expression "the undertaking" shall mean the railway and works, of whatever description, by the special Act authorized to be executed.

"Prescribed:"

"The lands:"

"The undertaking:"

Secondly. The following words and expressions, both in this and the special Act, shall have the meanings hereby assigned to them, unless there be something in the subject or context repugnant to such construction; that is to say,

The word "Lands" shall include all real estate, messuages, lands, tenements, and hereditaments of any tenure:

"Lands:"

The word "Lease" shall include any agreement for a lease:

"Lease:"

The word "Toll" shall include any rate or charge or other payment payable under this Act or the special Act for any passenger, animal, carriage, goods, merchandise, articles, matters, or things conveyed on the railway:

"Toll:"

The word "Goods" shall include things of every kind conveyed upon the railway, or upon steam or other vessels connected therewith:

"Goods:"

The expression "Superior Courts" shall mean the Courts of Chancery, Queen's Bench, and Common Pleas in Upper Canada, and the Superior Court in Lower Canada, as the case may be:

"Superior Courts:"

The word "County" shall include any union of counties, county, riding, or like division of a county in the province, or any division thereof, into separate municipalities in Lower Canada:

"County:"

The word "Highways" shall mean all public roads, streets, lanes, and other public ways and communications:

"Highways:"

The word "Sheriff" shall include under-sheriff, or other legal competent deputy; and where any matter in relation to any lands is required to be done by any sheriff or clerk of the peace, the expression "the Sheriff," or the expression "Clerk of the Peace," shall in such case be construed to mean the sheriff or clerk of the peace of the district, county, riding, division, or place where such lands shall be situate; and if the lands in question, being the property of one and the same party, be situate not wholly in one district, county, riding, division, or place, the same expression shall be construed to mean the sheriff or clerk of the peace of any such district, county, riding, division, or place where any part of such lands shall be situate:

"Sheriff:"

"Clerk of the Peace:"

The word "Justice" shall mean justice of the peace acting for the district, county, riding, division, city, or place where the matter requiring the cognizance of any such justice shall arise, and who shall not be interested in the matter; and where such matter shall arise in respect of lands being the property of one and the same party, situate not wholly in any one district, county, riding, division, city, or place, shall mean a justice acting for the district, county, riding, division, city, or place where any part of such lands shall be situate, and who shall not be interested in such matter; and where any matter shall be authorized or required to be done by two justices, the expression "two justices" shall be understood to mean two justices assembled and acting together:

"Justice:"

"Two Justices:"

Where, under the provisions of this Act or the Special Act, any notice shall be required to be given to the owner of any lands, or where any act shall be authorized or required to be done with the consent of any such owner, the word "Owner" shall be understood to mean any corporation or person who, under the provisions of this Act or the Special Act, or any Act incorporated therewith, would be enabled to sell and convey lands to the company:

"Owner:"

The expression "the Company" shall mean the company or party which shall be authorized by the Special Act to construct the railway:

"The Company:"

The expression "the Railway" shall mean the railway and works by the Special Act authorized to be constructed:

"The Railway:"

The word "Clause" shall mean any separate section of this Act, or any other Act therein referred to, distinguished by a separate number:

"Clause:"

The word "Shareholder" shall mean every subscriber to or holder of stock in the undertaking, and shall extend to and include the personal representatives of the shareholder.

"Shareholder."

Thirdly. The Interpretation Act of this Province shall, in so far as the provisions thereof shall apply hereto, be deemed to form part hereof in the particulars not provided herein.

Interpretation Act to apply.

INCORPORATION.

8. And be it enacted, That every company established under any Special Act shall be and is hereby declared to be a body corporate, under such name as shall be declared in the Special Act, and shall be and is hereby invested with all the powers, privileges, and immunities which are or may be necessary to carry into effect the intentions and objects of this Act and of the Special Act therefor, and which are

Companies established under Special Acts declared to be bodies corporate, &c.

CANADA.

incident to such corporation, as are expressed or included in the Interpretation Act of this Province.

POWERS.

- Powers :**
- to receive grants of land, &c. ;** 9. And be it enacted, That the company shall have power and authority :
Firstly. To receive, hold, and take all voluntary grants and donations of land or other property which shall be made to it, to aid in the construction, maintenance, and accommodation of the railway, but which shall be held and used for the purpose of such grants or donations only.
- purchase land ;** Secondly. To purchase, hold, and take of any corporation or person any land or other property necessary for the construction, maintenance, accommodation, and use of the Railway, and also to alienate, sell, or dispose of the same.
- occupy beaches ;** Thirdly. To take, use, occupy, and hold, but not to alienate except by way of lease, so much of the public beach or of the land covered with the waters of any river or lake in this province as may be required for the railway, doing no damage to nor causing any obstruction in the navigation of the said rivers or lakes, provided that the lease shall be conditioned not to extend beyond the time during which such beach or land is required for the Railway.
- carry railway across lands of corporation, &c. ;** Fourthly. To make, carry, or place the railway across or upon the lands of any corporation or person whomsoever on the line of the railway, or within the distance from such line as may be stated in the Special Act, although the name of such party be not entered in the book of reference herein-after mentioned, through error or any other cause, or although some other party be erroneously mentioned as the owner of or entitled to convey or be interested in such lands.
- and across or along streams, &c. ;** Fifthly. To construct, maintain, and work the railway across, along, or upon any stream of water, watercourse, canal, highway, or railway which it shall intersect or touch ; but the stream, watercourse, highway, canal, or railway so intersected or touched, shall be restored by the company to its former state, or to such state as not to have impaired its usefulness.
- complete railway with one or more tracks, &c. ;** Sixthly. To make, complete, alter, and keep in repair the railway with one or more sets of rails or tracks to be worked by the force and power of stream, or of the atmosphere, or of animals, or by mechanical power, or by any combination of them.
- erect necessary buildings, wharves, &c. ;** Seventhly. To erect and maintain all necessary and convenient buildings, stations, depôts, wharves, and fixtures, from time to time to alter, repair, or enlarge the same, and to purchase and acquire stationary or locomotive engines and carriages, waggons, floats, and other machinery and contrivances necessary for the accommodation and use of the passengers, freights, and business of the railway.
- branch railways ;** Eighthly. To make branch railways, if required and provided by the Special Act, and to manage the same, and for that purpose to exercise and possess all the powers, privileges, and authorities necessary therefor, in as full and ample a manner as for the railway.
- all other matters and things necessary for railway ;** Ninthly. To construct, erect, and make all other matters and things which shall be necessary and convenient for the making, extending, and using of the railway, in pursuance of and according to the meaning and intent of this Act and of the Special Act.
- convey persons and goods on railway ;** Tenthly. To take, transport, carry, and convey persons and goods on the railway, to regulate the time and manner in which the same shall be transported, and the tolls and and compensation to be paid therefor, and to receive such tolls and compensation.
- borrow money, &c. ;** Eleventhly. To borrow from time to time, either in this province or elsewhere, such sums of money as may be expedient for completing, maintaining, and working the railway, and at a rate of interest not exceeding eight per cent. per annum, and to make the bonds, debentures, or other securities granted for the sums so borrowed payable either in currency or in sterling, and at such place or places within this province or without as may be deemed advisable, and to sell the same at such prices or discount as may be deemed expedient or as shall be necessary, and to hypothecate, mortgage, or pledge the lands, tolls, revenues, and other property of the company for the due payment of the said sums and the interest thereon, but no such debenture shall be for a less sum than twenty-five pounds.
- enter upon Her Majesty's lands, &c. ;** Twelfthly. To enter into and upon any lands of Her Majesty without previous license therefor, or of any corporation or person whatsoever lying in the intended route or line of the railway.
- make surveys of lands ;** Thirteenthly. To make surveys, examinations, or other necessary arrangements on such lands necessary for fixing the site of the railway, and to set out and ascertain such parts of the lands as shall be necessary and proper for the railway.
- remove trees ;** Fourteenthly. To fell or remove any trees standing in any woods, lands, or forests where the railway shall pass, to the distance of six rods from either side thereof.
- unite with other railways.** Fifteenthly. To cross, intersect, join, and unite the railway with any other railway at any point on its route, and upon the lands of such other railway, with the necessary conveniences for the purposes of such connexion ; and the owners of both railways may unite in forming such intersection, and grant the facilities therefor, and in case of

disagreement upon the amount of compensation to be made therefor, or upon the point or manner of such crossing and connexion, the same shall be determined by arbitrators to be appointed by a judge of the superior courts in Lower Canada or Upper Canada, as the case may be.

PLANS AND SURVEYS.

10. And be it enacted, That plans and surveys shall be made and corrected as follows :

Firstly. Surveys and levels shall be taken and made of the lands through which the railway is to pass, together with a map or plan thereof, and of its course and direction, and of the lands intended to be passed over and taken therefor, so far as then ascertained, and also a book of reference for the railway, in which shall be set forth a general description of the said lands, the names of the owners and occupiers thereof, so far as they can be ascertained, and everything necessary for the right understanding of such map or plan ; and the map or plan and book of reference shall be examined and certified by the person performing the duties formerly assigned to the surveyor general or his deputies, who shall deposit copies thereof in the office of the clerks of the peace in the districts or counties through which the railway shall pass, and also in the office of the secretary of the Province, and shall also deliver one copy thereof to the said company ; and all persons shall have liberty to resort to such copies, and to make extracts or copies thereof, as occasion shall require, paying to the said secretary of the Province, or to the said clerks of the peace, at the rate of sixpence for every hundred words ; and the said triplicates of the said map or plan and book of reference so certified, or a true copy thereof certified by the secretary of the Province or by the clerks of the peace, shall be and is and are hereby declared to be good evidence in any court of law and elsewhere.

Provision respecting surveys and levels.

Secondly. Any omission, mis-statement, or erroneous description of such lands, or of such owners or occupiers thereof, in any map or plan or book of reference may be corrected by two justices on application made to them, after giving ten days notice to the owners of such lands, for the correction thereof, and the justices shall certify the same accordingly if it shall appear to them that such omission, mis-statement, or erroneous description arose from mistake ; and the certificate shall state the particulars of any such omission, and the manner thereof, and shall be deposited with the said clerks of the peace of the districts or counties respectively in which such lands shall be situate, and be kept by them respectively along with the other documents to which they relate ; and thereupon such map or plan or book of reference shall be deemed to be corrected according to such certificate ; and it shall be lawful for the company to make the railway in accordance with such certificate.

Omissions, how remedied.

Thirdly. If any alterations from the original plan or survey be intended to be made in the line or course of the railway, a plan and section in triplicate of such alterations as shall have been approved of by Parliament, on the same scale and containing the same particulars as the original plan and survey, shall be deposited in the same manner as the original plan, and copies or extracts of such plan and section as shall relate to the several districts or counties in or through which such alterations shall have been authorized to be made, shall be deposited with the clerks of such several districts and counties.

Alterations from original survey.

Fourthly. Until such original map or plan and book of reference, or the plans and sections of the alterations, shall have been deposited as aforesaid, the execution of the railway, or the part thereof affected by the alterations, as the case may be, shall not be proceeded with.

Railway not to be proceeded with until map, &c. deposited.

Fifthly. The clerks of the peace shall receive and retain the copies of the original plans and surveys, and copies of the plans and sections of alterations, and copies and extracts thereof respectively, and shall permit all persons interested to inspect any of the documents aforesaid, and to make copies and extracts of and from the same, under a penalty for default of one pound currency.

Clerks of the Peace to receive copies of original plan, &c.

Sixthly. The copies of the maps, plans, and books of reference, or of any alteration or correction thereof or extracts therefrom, certified by any such clerk of the peace, which certificate such clerk of the peace shall give to all parties interested when required, shall be received in all courts of justice or elsewhere as good evidence of the contents thereof.

Copies certified to clerk to be good evidence in courts.

Seventhly. No deviation of more than one mile from the line of the railway, or from the places assigned thereto in the said map or plan and book of reference or plans or sections, shall be made, nor into, through, across, under, or over any part of the lands not shown in such map or plan and book of reference or plans or sections, or within one mile of the said line and place, save in such instances as are provided for in the Special Act.

Line not to deviate more than a mile.

Eighthly. Provided that the railway may be carried across or upon the lands of any person on the line, or within the distance from such line as aforesaid, although the name of such person be not entered in the book of reference through error or any other cause, or although some other person be erroneously mentioned as the owner of or entitled to convey, or be interested in such lands.

Error in the name of a person entered in a book of reference.

Ninthly. The lands which may be taken without the consent of the proprietor thereof shall not exceed thirty yards in breadth, except in such places where the

Extent of lands to be taken without consent of proprietor.

CANADA.

railway shall be raised more than five feet higher, or cut more than five feet deeper than the surface of the line, or where offsets shall be established, or where stations, depôts, or fixtures are intended to be erected, or goods be delivered, and then not more than two hundred yards in length by one hundred and fifty yards in breadth, without the consent of the person authorized to convey such lands; and the places at which such extra breadth is to be taken shall be shown on the map or plan, or plans or sections, so far as the same may be then ascertained, but their not being so shown shall not prevent such extra breadth from being taken, provided it be taken upon the line shown or within the distance aforesaid from such line.

Extent of public beach to be taken.

Tenthly. The extent of the public beach, or of the land covered with the waters of any river or lake in this Province taken for the railway, shall not exceed the quantity limited in the next preceding clause.

LANDS, AND THEIR VALUATION.

11. And be it enacted, That the conveyance of lands, their valuation, and the compensation therefor, shall be made in manner following:

Corporation, &c. may convey lands.

Firstly. All corporations and persons whatever, tenants in tail or for life, grevés de substitution, guardians, curators, executors, administrators, and all other trustees whatsoever, not only for and on behalf of themselves, their heirs and successors, but also for and on behalf of those whom they represent, whether infants, issue unborn lunatics, idiots, femes covert, or other persons, who are or shall be seised, possessed of, or interested in any lands, may contract for, sell, and convey unto the company all or any part thereof; and any contract, agreement, sale, conveyance, and assurance so to be made, shall be valid and effectual in law to all intents and purposes whatsoever, any law, statute, usage, or custom to the contrary thereof in anywise notwithstanding, and such corporation or person so conveying as aforesaid is hereby indemnified for what he or it shall respectively do by virtue of or in pursuance of this Act.

Effects of contracts made before deposit of map.

Secondly. Provided that any contract or agreement made by any party authorized by this Act to convey lands, and made before the deposit of the map or plan and book of reference, and before the setting out and ascertaining of the lands required for the railway, shall be binding at the price agreed upon for the same lands, if they shall be afterwards so set out and ascertained within one year from the date of the contract or agreement, and although such land may in the meantime have become the property of a third party; and possession of the land may be taken, and the agreement and price may be dealt with, as if such price had been fixed by an award of arbitrators as herein-after provided, and the agreement shall be in the place of an award.

Corporations who cannot sell may agree upon a fixed rent.

Thirdly. All corporations or persons who cannot in common course of law sell or alienate any lands so set out and ascertained, shall agree upon a fixed annual rent as an equivalent, and not upon a principal sum to be paid for the lands; and if the amount of the rent shall not be fixed by voluntary agreement or compromise, it shall be fixed in the manner herein prescribed, and all proceedings shall in that case be regulated as herein prescribed; and for the payment of the said annual rent, and every other annual rent agreed upon or ascertained, and to be paid for the purchase of any lands, or for any part of the purchase money of any lands, which the vendor shall agree to leave unpaid, the railway and the tolls thereon shall be and are hereby made liable and chargeable in preference to all other claims and demands thereon whatsoever, the deed creating such charge and liability being duly registered in the registry office of the proper county.

As to proprietors par indivis.

Fourthly. Whenever there shall be more than one party proprietor of any land as joint tenant or tenants in common, or par indivis, any contract or agreement made in good faith with any party or parties proprietor or being together proprietors of one-third or more of such land, as to the amount of compensation for the same or for any damages thereto, shall be binding as between the remaining proprietor or proprietors as joint tenants or tenants in common and par indivis; and the proprietor or proprietors who have so agreed, may deliver possession of such land, or empower the entry upon the same, as the case may be.

After one month's notice of deposit of map, &c., application to the owner of lands.

Fifthly. After one month from the deposit of the map or plan and book of reference as aforesaid, and from notice thereof in at least one newspaper, if there be any, published in each of the districts and counties through which the railway is intended to pass, application may be made to the owners of lands or to parties empowered to convey lands or interested in lands which may suffer damage from the taking of materials or the exercise of any of the powers granted for the railway, and thereupon agreements and contracts may be made with the said parties touching the said lands or the compensation to be paid for the same, or for the damages, or as to the mode in which the said compensation shall be ascertained, as shall seem expedient to both parties, and in case of disagreement between them, or any of them, then all questions which shall arise between them, shall be settled as follows; that is to say:

Deposit to be general notice.

Sixthly. The deposit of a map or plan and book of reference, and the notice of such deposit, given as aforesaid, shall be deemed a general notice to all such parties as aforesaid of the lands which will be required for the said railway and works.

CANADA.

Notice to opposite party.

Seventhly. The notice served upon the party shall contain a description of the lands to be taken, or of the powers intended to be exercised with regard to any lands, describing them; a declaration of readiness to pay some certain sum or rent, as the case may be, as compensation for such lands or for such damages, and the name of a person to be appointed as the arbitrator of the Company, if their offer be not accepted; and such notice shall be accompanied by the certificate of a sworn surveyor for Upper Canada or Lower Canada, as the case may be, disinterested in the matter, and not being the arbitrator named in the notice, that the land, if the notice relate to the taking of land shown on the said map or plan and, is required for the railway, or is within the limits of deviation hereby allowed, that he knows the land, or the amount of damage likely to arise from the exercise of the powers, and that the sum so offered is in his opinion a fair compensation for the land and for the damages as aforesaid.

Sic.

Eighthly. If the opposite party be absent from the district or county in which the lands lie, or be unknown, then, upon application to a judge of the district, county, or circuit court, as the case may be, accompanied by such certificate as aforesaid, and by an affidavit of some officer of the Company that the opposite party is so absent, or that after diligent enquiry, the party on whom the notice ought to be served cannot be ascertained, the judge shall order a notice as aforesaid, but without a certificate to be inserted three times in the course of one calendar month in some newspaper published in the said district or county.

If the party be absent or unknown.

Ninthly. If within ten days after the service of such notice, or within one month after the first publication thereof as aforesaid, the opposite party shall not notify to the Company his acceptance of the sum offered by them, or notify to them the name of a person whom he appoints as arbitrator, then the judge shall, on the application of the Company, appoint a sworn surveyor for Upper or Lower Canada, as the case may be, to be sole arbitrator for determining the compensation to be paid as aforesaid.

Party not accepting the Company's offer, and not appointing an arbitrator.

Tenthly. If the opposite party shall, within the time aforesaid, notify to the Company the name of his arbitrator, then the two arbitrators shall jointly appoint a third, or if they cannot agree upon a third, then the judge shall, on the application of the party or of the Company, (previous notice of at least one clear day having been given to the other party) appoint a third arbitrator.

Appointment of arbitrators by opposite party.

Eleventhly. The arbitrators, or any two of them, or the sole arbitrator, being sworn before some justice of the peace for the district or county in which the lands lie as aforesaid, faithfully and impartially to perform the duties of their office, shall proceed to ascertain the said compensation in such way as they or he, or a majority of them, shall deem best, and the award of such arbitrators, or any two of them, or of the sole arbitrator, shall be final and conclusive; provided that no such award shall be made, or any official act be done by such majority, except at a meeting held at a time and place of which the other arbitrator shall have at least one clear day's notice, or to which some meeting at which the third arbitrator was present shall have been adjourned; and no notice to either of the parties shall be necessary, but they shall be held sufficiently notified through the arbitrator they shall have appointed, or whose appointment they shall have required.

Third arbitrator.
Duties of arbitrators.

Proviso.

Twelfthly. Provided, that if in any case where three arbitrators shall have been appointed, the sum awarded be not greater than that offered, the costs of the arbitration shall be borne by the opposite party, and deducted from the compensation, but if otherwise, they shall be borne by the Company, and in either case they may, if not agreed upon, be taxed by the judge aforesaid.

Costs, how paid.

Thirteenthly. The arbitrators, or a majority of them, or the sole arbitrator, may examine on oath or solemn affirmation the parties, or such witnesses as shall voluntarily appear before him or them, and may administer such oath or affirmation, and any wilfully false statement made by any witness under such oath or affirmation shall be deemed wilful and corrupt perjury, and punishable accordingly.

Arbitrators may examine on oath.

Fourteenthly. The judge by whom any third arbitrator or sole arbitrator shall be appointed shall at the same time fix a day on, or before which the award shall be made, and if the same be not made on or before such day, or some other day to which the time for making it shall have been prolonged, either by the consent of the parties or by the order of the judge (as it may be for reasonable cause shown on the application of such sole arbitrator or of one of the arbitrators after one clear day's notice to the others), then, the sum offered by the Company as aforesaid shall be the compensation to be paid by them.

Time within which award must be made.

Fifteenthly. If the arbitrator appointed by such judge, or if any arbitrator appointed by the parties, shall die before the award be made, or be disqualified or refuse or fail to act within a reasonable time, then, upon the application of either party, such judge, being satisfied by affidavit or otherwise of such disqualification, refusal, or failure, may in his discretion appoint another arbitrator in the place of him by the judge previously appointed, and the Company and party may each appoint an arbitrator in the place of their arbitrator deceased or otherwise not acting as aforesaid, but no recommencement or repetition of prior proceedings shall be required in any case.

Arbitrator dying, &c.

Sixteenthly. Any such notice for lands, as aforesaid, may be desisted from and new notice given, with regard to the same or other lands, to the same or any other party, but

Company may desist paying costs.

CANADA.

Arbitrators not disqualified for certain circumstances.

in any such case the liability to the party first notified for all damages or costs by him incurred in consequence of such first notice and desistment shall subsist.

Seventeenthly. The surveyor or other person offered or appointed as valuator or as arbitrator shall not be disqualified by reason that he is professionally employed by either party, or that he has previously expressed an opinion as to the amount of compensation, or that he is related or of kin to any member of the Company, provided he is not himself personally interested in the amount of the compensation; and no cause of disqualification shall be urged against any arbitrator appointed by the judge after his appointment, but shall be made before the same, and its validity or invalidity shall be summarily determined by the judge; and no cause of disqualification shall be urged against any arbitrator appointed by the Company or by the opposite party after the appointment of a third arbitrator; and the validity or invalidity of any cause of disqualification urged against any such arbitrator, before the appointment of a third arbitrator, shall be summarily determined by any such judge, on the application of either party, after one clear day's notice to the other, and if such cause be determined to be valid, the appointment shall be null, and the party offering the person so adjudged to be disqualified shall be held to have appointed no arbitrator.

Awards not avoided for want of form.

Eighteenthly. No award made as aforesaid shall be invalidated from any want of form or other technical objection, if the requirements of this Act shall have been complied with, and if the award shall state clearly the sum awarded, and the lands or other property, right, or thing for which such sum is to be the compensation; nor shall it be necessary that the party or parties to whom the sum is to be paid be named in the award.

Possession may be taken on payment, tender, &c. of sum awarded.

Nineteenthly. Upon payment or legal tender of the compensation or annual rent so awarded or agreed upon as aforesaid to the party entitled to receive the same, or upon the deposit of the amount of such compensation in the manner herein-after mentioned, the award or agreement shall vest in the said Company the power forthwith to take possession of the lands, or to exercise the right, or to do the thing for which such compensation or annual rent shall have been awarded or agreed upon; and if any resistance or forcible opposition shall be made by any person to their so doing, the judge may, on proof to his satisfaction of such award or agreement, issue his warrant to the sheriff of the district or county, or to a bailiff, as he may deem most suitable, to put the said Company in possession and to put down such resistance or opposition, which the sheriff or bailiff, taking with him sufficient assistance, shall accordingly do; provided that such warrant may also be granted by any such judge, without such award or agreement, on affidavit to his satisfaction that the immediate possession of the lands or of the power to do the thing mentioned in the notice is necessary to carry on some part of the said railway with which the said Company are ready forthwith to proceed; and upon the said Company giving security to his satisfaction, and in a sum which shall not be less than double the amount mentioned in the notice, to pay or deposit the compensation to be awarded within one month after the making of the award, with interest from the time at which possession shall be given, and with such costs as may be lawfully payable by the Company.

Proviso.

As to incumbrances upon lands, &c. purchased or taken in Upper Canada.

Twentiethly. The compensation for any lands which might be taken without the consent of the proprietor shall stand in the stead of such lands; and any claim to or incumbrance upon the said lands, or any portion thereof shall, as against the Company, be converted into claim to the compensation, or to a like proportion thereof, and they shall be responsible accordingly whenever they shall have paid such compensation, or any part thereof, to a party not entitled to receive the same, saving always their recourse against such party; provided that if the Company shall have reason to fear any claims or incumbrances, or if any party to whom the compensation or annual rent or any part thereof shall be payable, shall refuse to execute the proper conveyance and guarantee, or if the party entitled to claim the same cannot be found, or be unknown to the Company, or if for any other reason the Company shall deem it advisable, it shall be lawful, if the lands be situated in Upper Canada, for them to pay such compensation into the office of either of the superior courts for Upper Canada, with the interest thereon for six months, and to deliver to the clerk of the court an authentic copy of the conveyance, or of the award or agreement if there be no conveyance, and such award or agreement shall thereafter be deemed to be the title of the Company to the land therein mentioned; and a notice, in such form and for such time as the said court shall appoint, shall be inserted in some newspaper, if there be any published in the county in which the lands are situate, and in the city of Toronto, which shall state that the title of the Company, that is, the conveyance, agreement, or award, is under this Act, and shall call upon all persons entitled to the land, or to any part thereof, or representing or being the husbands of any parties so entitled to file their claims to the compensation or any part thereof, and all such claims shall be received and adjudged upon by the court, and the said proceedings shall for ever bar all claims to the lands, or any part thereof, including dower, as well as all mortgages or incumbrances upon the same; and the court shall make such order for the distribution, payment, or investment of the compensation, and for the securing of the rights of all parties interested, as to right and justice, and according to the provisions of this Act, and the special Act, and to law, shall appertain; and the costs of the proceedings, or any part thereof, shall be paid by

Proviso.

the Company, or by any other party as the court shall deem it equitable to order ; and if such order of distribution as aforesaid be obtained in less than six months from the payment of the compensation into court, the court shall direct a proportionate part of the interest to be returned to the Company, and if from any error, fault, or neglect of the Company, it shall not be obtained until after the six months are expired, the Court shall order the Company to pay to the proper claimants the interest for such further period as may be right.

Twenty-firstly. If the lands so taken be situate in Lower Canada, and if the said Company shall have reason to fear any such claim, mortgage, hypothec, or incumbrance, or if any party to whom the compensation or annual rent, or any part thereof, shall be payable, shall refuse to execute the proper conveyance and guarantee, or if the party entitled to claim the compensation or rent cannot be found, or be unknown to the Company, or if for any other reason the Company shall deem it advisable, it shall be lawful for them to pay such compensation into the hands of the prothonotary of the superior court for the district in which such land is situate, with the interest thereon for six months, and to deliver to the said prothonotary an authentic copy of the conveyance, or of the award, if there be no conveyance, and such award shall thereafter be deemed to be the title of the said Company to the land therein mentioned, and proceedings shall thereupon be had for the confirmation of the title of the said Company, in like manner as in other cases of confirmation of title, except that, in addition to the usual contents of the notice, the prothonotary shall state that the title of the Company (that is, the conveyance or award) is under this Act, and shall call upon all persons entitled to the lands, or any part thereof, or representing or being the husband of any party so entitled, to file their oppositions for their claims to the compensation, or any part thereof, and all such oppositions shall be received and adjudged upon by the court ; and the judgment of confirmation shall for ever bar all claims to the land, or any part thereof (including dower not yet open), as well as any mortgage, hypothec, or incumbrance upon the same ; and the court shall make such order for the distribution, payment, or investment of the compensation, and for the security of the rights of all parties interested, as to right and justice, and the special Act, and according to the provisions of this Act, and to law, shall appertain ; and the costs of the said proceedings, or any part thereof, shall be paid by the Company, or by any other party as the court shall deem it equitable to order ; and if judgment of confirmation be obtained in less than six months from the payment of the compensation to the prothonotary, the court shall direct a proportionate part of the interest to be returned to the Company, and if from any error, fault, or neglect of the Company it shall not be obtained until after the six months are expired, the court shall order the Company to pay the prothonotary the interest for such further period as may be right.

Case in which lands are situate in Lower Canada, and Company have reason to fear incumbrances, provided for



Twenty-secondly. If the said railway shall pass through any land belonging to or in possession of any tribe of Indians in this province, or if any Act occasioning damage to their lands shall be done under the authority of this Act or the special Act, compensation shall be made to them therefor, in the same manner as is provided with respect to the lands or rights of other individuals ; and whenever it shall be necessary that arbitrators shall be chosen by the parties, the chief officer of the Indian department within this province is hereby authorized and required to name an arbitrator on behalf of the Indians, and the amount which shall be awarded in any case shall be paid, where the lands belong to the Indians, to the said chief officer, for the use of such tribe or body.

Case in which railway shall pass through Indian lands, provided for.

Twenty-thirdly. Whenever it shall be necessary for the Company to occupy any part of the lands belonging to the Queen's Majesty, reserved for naval or military purposes, they shall first apply for and obtain the licence or consent of Her said Majesty, under the hand and seal of the Governor for the time being, and having obtained such licence and consent, they may at any time or times enter into or upon, have, hold, use, occupy, and enjoy any of the said lands for the purposes of the railway : Provided always, that in the case of any such naval or military reserves no such licence or consent shall be given but upon a report first made thereupon by the naval or military authorities in which such lands shall for the time being be vested, approving of such licence and consent being so given as aforesaid.

As to lands belonging to Her Majesty, &c.

Proviso.

HIGHWAYS AND BRIDGES.

12. And be it enacted, That the highways and bridges shall be regulated as follows :

Firstly. The railway shall not be carried along any existing highway, but merely cross the same in the line of the railway, unless leave be obtained from the proper municipal authority therefor ; and no obstruction of such highway with the works shall be made without turning the highway so as to leave an open and good passage for carriages, and, on completion of the works, replacing the highway, under a penalty of not less than ten pounds for any contravention ; but, in either case, the rail itself, provided it does not rise above or sink below the surface of the road more than one inch, shall not be deemed an obstruction.

Railway not to be carried along any highway without leave from municipal authorities.

Secondly. No part of the railway which shall cross any highway without being carried over by a bridge, or under by a tunnel, shall rise above or sink below the level of the

Railway not to rise more than one inch above level of high-

ways when crossing the same.

Height and breadth of bridge over highways.

Ascent of bridges.

Precautions when railway crosses a highway.

highway more than one inch; and the railway may be carried across or above any highway within the limits aforesaid.

Thirdly. The space of the arch of any bridge erected for carrying the railway over or across any highway shall at all times be and be continued of the open and clear breadth and space under such arch of not less than twenty feet, and of a height from the surface of such highway to the centre of such arch of not less than twelve feet; and the descent under any such bridge shall not exceed one foot in twenty feet.

Fourthly. The ascent of all bridges erected to carry any highway over any railway shall not be more than one foot in twenty feet increase over the natural ascent of the highway; and a good and sufficient fence shall be made on each side of every bridge, which fence shall not be less than four feet above the surface of the bridge.

Fifthly. Signboards stretching across the highway crossed at a level by any railway shall be erected and kept up at each crossing at such height as to leave sixteen feet from the highway to the lower edge of the signboard, and having the words "Railway Crossing" painted on each side of signboard, and in letters not less than six inches in length; and for every neglect to comply with the requirements of this section, a penalty not exceeding ten pounds currency shall be incurred.

FENCES.

13. And be it enacted, That,—

Firstly. Fences shall be erected and maintained on each side of the railway of the height and strength of an ordinary division fence, with openings, or gates, or bars therein and farm crossings of the road, for the use of the proprietors of the lands adjoining the railway, and also cattle guards at all road crossings, suitable and sufficient to prevent cattle and animals from getting on the railway; and until such fences and cattle guards shall be duly made, the Company shall be liable for all damages which shall be done by their trains or engines to cattle, horses, or other animals on the railway; and after the fences or guards shall be duly made, and while they are duly maintained, no such liability shall accrue for any such damages unless negligently or wilfully done; and if any person shall ride, lead, or drive any horse or other animal upon such railway, and within the fences and guards, other than the farm crossings, without the consent of the Company, he shall for every such offence forfeit a sum not exceeding ten pounds, and shall also pay all damages which shall be sustained thereby to the party aggrieved, and no person other than those connected with or employed by the railway shall walk along the track thereof, except where the same shall be laid across or along a highway.

Secondly. Within six months after any lands shall be taken for the use of the railway, and if thereunto required by the proprietors of the adjoining lands respectively, but not otherwise, the lands shall be by the Company divided and separated, and kept constantly divided and separated from the lands or grounds adjoining thereto, with a sufficient post or rail, hedge, ditch, bank, or other fence sufficient to keep off hogs, sheep, and cattle, to be set and made on the lands so taken, and which the Company shall, at their own costs and charges, from time to time, maintain, support, and keep in sufficient repair.

TOLLS.

14. And be it enacted, That tolls shall be established as follows:

Firstly. Tolls shall be from time to time fixed and regulated by the byelaws of the Company, or by the directors, if thereunto authorized by the byelaws, or by the shareholders at any general meeting, and shall and may be demanded and received for all passengers and goods transported upon the railway or in the steam vessels to the undertaking belonging, and which shall be paid to such persons and at such places near to the railway, in such manner and under such regulations as the byelaws shall direct; and in case of denial or neglect of payment of any such tolls, or any part thereof, on demand to such persons, the same may be sued for and recovered in any competent court, or the agents or servants of the Company may, and they are hereby empowered to seize the goods for or in respect whereof such tolls ought to be paid, and detain the same until payment thereof, and in the meantime the said goods shall be at the risk of the owners thereof; and if the said tolls shall not be paid within six weeks, the Company shall thereafter have power to sell the whole or any part of such goods, and out of the money arising from such sales to retain the tolls payable as aforesaid, and all charges and expenses of such detention and sale, rendering the surplus, if any, of the money realized from such sale, or of such of the goods as may remain unsold, to the person entitled thereto; and if any goods shall remain in the possession of the Company unclaimed for the space of twelve months, the Company shall thereafter, and on giving public notice thereof by advertisement for six weeks in the Canada Gazette, and in such other papers as they may deem necessary, have power to sell such goods by public auction at a time and place to be mentioned in such advertisement, and out of the proceeds thereof to pay such tolls and all reasonable charges for storing, advertising, and selling such goods; and any balance of such proceeds shall be kept by the Company for a further period of three months, to be paid over to any party entitled thereto; and in default of such balance being claimed before the expiration of the period last aforesaid, the same shall be paid over to the Receiver General, to be

Fences to be erected on each side of railway.

Dividing and separating of lands for railway from neighbouring lands.

Tolls to be fixed by byelaws.

applied to the general purposes of the province, until such time as the same shall be claimed by the party entitled thereto; and all or any of the said tolls may, by any byelaw, be lowered and reduced and again raised as often as it shall be deemed necessary for the interests of the undertaking; provided that the same tolls shall be payable at the same time and under the same circumstances upon all goods and persons, so that no undue advantage, privilege, or monopoly may be afforded to any person or class of persons by any byelaws relating to the tolls.

Proviso.

Secondly. In all cases a fraction in the distance over which goods or passengers shall be transported on the railway shall be considered as a whole mile; and for a fraction of a ton in the weight of any goods, a proportion of the tolls shall be demanded and taken according to the number of quarters of a ton contained therein, and a fraction of a quarter of a ton shall be deemed and considered as a whole quarter of a ton.

A fraction of a mile to be considered as a whole one in charging tolls.

Thirdly. The directors shall from time to time print and stick up, or cause to be printed and stuck up, in the office and in all and every of the places where the tolls are to be collected, and in every passenger car, in some conspicuous place there, a printed board or paper exhibiting all the tolls payable, and particularising the price or sum of money to be charged or taken for the carriage of any matter or thing.

Table of tolls to be stuck up in cars, &c.

Fourthly. No tolls shall be levied or taken until approved of by the Governor in Council, nor until after two weekly publications in the Canada Gazette of the byelaw establishing such tolls, and of the Order in Council approving thereof.

Fifthly. Every byelaw fixing and regulating tolls shall be subject to revision by the Governor in Council from time to time after approval thereof as aforesaid; and after an Order in Council reducing the tolls fixed and regulated by any byelaw shall have been twice published in the Canada Gazette, the tolls mentioned in such Order in Council shall be substituted for those mentioned in such byelaw so long as such Order in Council remains unrevoked.

GENERAL MEETINGS.

15. And be it enacted, That the shareholders shall always have power to assemble together at general meetings for purposes connected with or belonging to the undertaking, and at any annual general meeting, and elect directors in the manner provided by the next succeeding clause.

Shareholders may hold general meetings.

DIRECTORS—THEIR ELECTION AND DUTIES.

16. And be it enacted, That—

Firstly. A Board of Directors of the undertaking to manage its affairs, the number whereof shall be stated in the special Act, shall be chosen annually by a majority of the shareholders voting at such election at a general meeting, the time and place for which shall be appointed by the special Act, and if such election shall not be held on the day so appointed, it shall be the duty of the directors to notify and cause such election to be held within thirty days after the day so appointed; and on the day so notified no person shall be admitted to vote except those who would have been entitled to vote had the election been held on the day when it ought to have been held; and vacancies in the Board of Directors shall be filled in such manner as may be prescribed by the byelaws; and no person shall be a director unless he be a stockholder, owning stock absolutely in his own right and qualified to vote for directors at the election at which he shall be chosen.

Board of directors.

Secondly. The method of calling general meetings, and the time and place of the first meeting of stockholders for the appointment of directors, shall be determined and settled in the special Act.

Calling of special meetings, &c.

Thirdly. The number of votes to which each shareholder shall be entitled on every occasion when the votes of the members are to be given shall be in the proportion to the number of shares held by him, unless otherwise provided by the special Act; and all shareholders, whether resident in this province or elsewhere, may vote by proxy, if they shall see fit; provided, that such proxy do produce from his constituent an appointment in writing in the words or to the effect following; that is to say,

Votes to be in proportion to shares.

" I of one of the shareholders of the do hereby appoint of to be my proxy, and in my absence to vote or give my assent to any business, matter, or thing relating to the said undertaking, that shall be mentioned or proposed at any meeting of the shareholders of the said Company, or any of them, in such manner as he the said shall think proper. In witness whereof I have hereunto set my hand and seal, the day of in the year "

Fourthly. The votes by proxy shall be as valid as if the principals had voted in person; and every matter or thing proposed or considered in any public meeting of the shareholders shall be determined by the majority of votes and proxies then present and given as aforesaid; and all decisions and acts of any such majority shall bind the Company, and be deemed the decisions and acts of the Company.

Votes by proxy.

Fifthly. The directors first appointed, or those appointed in their stead, in case of vacancy, shall remain in office until the next annual election of directors at the time appointed therefor, at which time an annual general meeting of the shareholders shall be held to choose directors for the ensuing year, and generally to transact the business

Term of office of directors.

CANADA.	
Proviso.	of the Company : Provided always, that the said directors, in case of the death, absence, or resignation of any of them, may appoint others in their stead ; but if such appointment be not made, such death, absence, or resignation shall not invalidate the acts of the remaining directors.
President.	Sixthly. The directors shall, at their first or at some other meeting after the day appointed for the annual general meeting, elect one of their number to be the president of the Company, who shall always, when present, be the chairman of and preside at all meetings of the directors, and shall hold his office until he shall cease to be a director or until another president shall be elected in his stead ; and they may in like manner elect a vice-president, who shall act as chairman in the absence of the president.
Vice-president.	
Quorum of directors.	Seventhly. The directors at any meeting at which not less than a quorum to be settled by the special Act shall be present shall be competent to use and exercise all and any of the powers vested in the said directors, but no one director shall have more than one vote at any meeting except the chairman, who shall, in case of a division of equal numbers, have the casting vote, and the directors shall be subject to the examination and control of the shareholders at their annual meetings, and be subject to all byelaws of the Company, and to the orders and directions from time to time made at the annual or at any special meetings, such orders and directions not being contrary to any express directions or provisions of this Act or the special Act ; and provided also, that the act of any majority of a quorum of the directors present at any meeting regularly held shall be deemed the act of the directors.
Proviso.	
Officers of Company cannot be directors.	Eighthly. No person holding any office, place, or employment in or being concerned or interested in any contracts under or with the Company, shall be capable of being chosen a director or of holding the office of director.
Byelaws for management of stock, &c.	Ninthly. The directors shall make byelaws for the management and disposition of the stock, property, and business affairs of the Company, not inconsistent with the laws of this province, and for the appointment of all officers, servants, and artificers, and prescribing their respective duties.
Calls.	Tenthly. The directors may from time to time make such calls of money upon the respective shareholders in respect of the amount of capital respectively subscribed or owing by them, as they shall deem necessary, provided that thirty days notice at the least be given of each call, and that no call exceed the prescribed amount to be determined therefor in the special Act, nor made at a less interval than two months from the previous call, or a greater amount be called in, in any one year, than the prescribed amount therefor in the special Act, and every shareholder shall be liable to pay the amount of the call so made in respect of the shares held by him to the persons and at the times and places from time to time appointed by the Company or the directors.
Interest to be charged on unpaid calls.	Eleventhly. If before or on the day appointed for payment any shareholder do not pay the amount of any call he shall be liable to pay interest for the same at the rate of six per centum per annum, from the day appointed for the payment thereof to the time of the actual payment.
Amount of call may be recovered by suit.	Twelfthly. If at the time appointed for the payment of any call any shareholder shall fail to pay the amount of the call, he may be sued for the same in any court of law or equity having competent jurisdiction, and the same may be recovered with lawful interest from the day on which such call was payable.
Certain formalities not necessary in actions for calls.	Thirteenthly. In any action or suit to recover any money due upon any call it shall not be necessary to set forth the special matter, but it shall be sufficient to declare that the defendant is the holder of one share or more, stating the number of shares, and is indebted in the sum of money to which the calls in arrear shall amount, in respect of one call or more upon one share or more, stating the number and amount of each of such calls, whereby an action hath accrued to the said Company by virtue of the special Act.
Certificate of proprietorship <i>primâ facie</i> evidence.	Fourteenthly. The certificate of proprietorship of any share shall be admitted in all courts as <i>primâ facie</i> evidence of the title of any shareholder, his executors, administrators, successors, or assigns, to the share therein specified ; nevertheless the want of such certificate shall not prevent the holder of any share from disposing thereof.
Penalty for refusal to pay calls.	Fifteenthly. Any persons neglecting or refusing to pay a rateable share of the calls as aforesaid for the space of two calendar months after the time appointed for the payment thereof, shall forfeit their respective shares in the undertaking, and all the profit and benefit thereof ; all which forfeitures shall go to the Company for the benefit thereof.
Forfeiture of share not to be taken advantage of, unless declared at general meeting.	Sixteenthly. Provided that no advantage shall be taken of the forfeiture, unless the same shall be declared to be forfeited at a general meeting of the Company, assembled at any time after such forfeiture shall be incurred, and every such forfeiture shall be an indemnification to and for every shareholder so forfeiting against all actions, suits, or prosecutions whatever to be commenced or prosecuted for any breach of contract or other agreement between such shareholder and the other shareholders with regard to carrying on the said undertaking.
Directors may sell forfeited shares by auction.	Seventeenthly. The directors of the said Company may sell, either by public auction or private sale, and in such manner and on such terms as to them shall seem meet, any shares so declared to be forfeited, and also any shares remaining unsubscribed for in the

capital stock of the Company, or pledge such forfeited or unsubscribed shares for the payment of loans or advances made or to be made thereon, or of any sums of money borrowed or advanced by or to the Company.

Eighteenthly. A certificate of the treasurer of the Company that the forfeiture of the shares was declared shall be sufficient evidence of the fact therein stated, and of their purchase by the purchaser; and with the receipt of the treasurer for the price of such shares shall constitute a good title to the shares; and the certificate shall be by the said treasurer enregistered in the name and with the place of abode and occupation of the purchasers, and shall be entered in the books required to be kept by the byelaws of the Company, and such purchaser shall thereupon be deemed the holder of such shares, and shall not be bound to see to the application of the purchase money, nor shall his title to such shares be affected by any irregularity in the proceedings in reference to such sale, and any shareholder may purchase any shares so sold.

Certificate of treasurer to be evidence of forfeiture.

Nineteenthly. Shareholders willing to advance the amount of their shares, or any part of the money due upon the respective shares beyond the sums actually called for, may pay the same, and upon the principal monies so paid in advance, or so much thereof as from time to time shall exceed the amount of the calls then made upon the shares in respect of which such advance shall be made, the Company may pay interest at the legal rate of interest for the time being as the shareholders paying such sum in advance and the said Company may agree upon, provided such interest shall not be paid out of the capital subscribed.

Interest to be allowed to shareholders paying money in advance on their shares.

Twentiethly. The directors shall and they are hereby required to cause a true, exact, and particular account to be kept and annually made up and balanced on the thirty-first day of December in each year, of the money collected and received by the Company, or by the directors or managers thereof, or otherwise for the use of the Company, and of the charges and expenses attending the erecting, making, supporting, maintaining, and carrying on of the undertaking, and of all other receipts and expenditures of the Company or the directors; and at the general meetings of the shareholders of the undertaking to be from time to time holden as aforesaid, a dividend shall be made out of the clear profits of the said undertaking, unless such meetings shall declare otherwise; and such dividend shall be at and after the rate of so much per share upon the several shares held by the shareholders in the stock of the Company as such meeting shall think fit to appoint or determine: Provided always, that no dividend shall be made whereby the capital of the said Company shall be in any degree reduced or impaired, or be paid thereout, nor shall any dividend be paid in respect of any share, after a day appointed for payment of any call for money in respect thereof until such call shall have been paid.

Directors to cause annual accounts to be kept.

Twenty-firstly. The directors of the Company may, in their discretion, until the railroad shall be completed and opened to the public, pay interest at any rate not exceeding six pounds per centum per annum on all sums called up in respect of the shares from the respective days on which the same shall be paid, such interest to accrue and be paid at such times and places as the directors shall appoint for that purpose: Provided always, that no interest shall accrue to the proprietors of any share upon which any call shall be in arrear in respect of such shares or any other share to be holden by the same shareholder during the period which such call shall remain unpaid, nor shall any interest be paid or taken from the capital subscribed or any part thereof.

Proviso.

Directors may pay interest on sums called up in respect of shares.

Proviso.

Twenty-secondly. The directors shall from time to time appoint such and so many officers as they may deem requisite, and take from them such sufficient security by one or more bond or bonds, in a sufficient penalty or penalties or otherwise from the manager and officers for the time being, for the safe keeping and accounting of the monies to be raised by virtue of this Act and the special Act, and for the faithful execution by them of their offices respectively, as the directors shall think proper.

Directors may appoint officers.

Twenty-thirdly. In case of the absence or illness of the president, the vice-president shall have all the rights and powers of the president, and shall be competent to sign all notes, bills, debentures, and other instruments, and to perform all acts which by the regulations and byelaws of the Company or by the Acts incorporating the Company are required to be signed, performed, and done by the president; and the directors may at any meeting require the secretary to enter such absence or illness among the proceedings of such meeting, and a certificate thereof signed by the secretary shall be delivered to any person or persons requiring the same on payment to the treasurer of five shillings, and such certificate shall be taken and considered as prima facie evidence of such absence or illness, at and during the period in the said certificate mentioned, in all proceedings in courts of justice or otherwise.

Vice-president to act in the absence of the president.

Twenty-fourthly. All notices of meetings or of calls upon the shareholders of the Company shall be published weekly in the Canada Gazette, and the said Gazette shall, on production thereof, be conclusive evidence of the sufficiency of the said notices.

Notices to be published in Canada Gazette.

SHARES AND THEIR TRANSFER.

17. And be it enacted, That—

Firstly. Shares in the undertaking may be by the parties sold and disposed of by instrument in writing, to be made in duplicate in the form following, one part of which

Shareholders may dispose of shares.

CANADA.

shall be delivered to the directors to be filed and kept for the use of the said Company, and an entry thereof shall be made in a book to be kept for that purpose; but no interest on the shares transferred shall be paid by the purchaser until said duplicate shall be so delivered, filed, and entered.

Form of sale.

Secondly. Sales shall be in the form following, varying the names and descriptions of the contracting parties, as the case may require;

"I A.B., in consideration of the sum of _____, paid to me by C.D., hereby do sell and transfer to him _____ share (or shares) of the stock of the _____ to hold to him the said C.D. his heirs, executors, administrators and assigns, subject to the same rules and orders, and on the same conditions that I held the same immediately before the execution thereof. And I, the said C.D. do hereby agree to accept of the said _____ share (or shares) subject to the same rules, orders, and conditions. Witness, our hands this _____ day of _____ in the year of _____"

Thirdly. The stock of the Company shall be deemed personal estate, but no shares shall be transferable until all previous calls thereon shall have been fully paid in, or the said shares shall have been declared forfeited for the non-payment of calls thereon, and no transfer of less than a whole share shall be valid.

Fourthly. If any share in the Company shall be transmitted by the death, bankruptcy, or last will, donation, or testament, or by the intestacy of any shareholder, or by any lawful means other than the transfer herein-before mentioned, the party to whom such share shall be so transmitted shall deposit in the office of the Company a statement in writing, signed by him, declaring the manner of such transmission, together with a duly certified copy or probate of such will, donation, or testament, or sufficient extracts therefrom, and such other documents or proof as may be necessary, and without which such party shall not be entitled to receive any share of the profits of the Company, nor vote in respect of any such share as to the holder thereof.

MUNICIPALITIES.

18. And be it enacted, That—

Municipal corporations may take stock.

Firstly. Municipal corporations in this province may subscribe for any number of shares in the capital stock of, or lend to or guarantee the payment of any sum of money borrowed by the Company from any corporation or person, or indorse or guarantee the payment of any debenture to be issued by the Company for the money by them borrowed, and shall have power to assess and levy from time to time upon the whole rateable property of the municipality a sufficient sum for them to discharge the debt or engagement so contracted, and for the like purpose to issue debentures payable at such times and for such sum respectively, not less than five pounds currency, and bearing or not bearing interest, as such municipal corporation may think meet.

Debentures issued by them to be binding.

Secondly. Any such debenture issued, indorsed, or guaranteed shall be valid and binding upon such municipal corporation, if signed or indorsed, and countersigned by such officer or person, and in such manner and form as shall be directed by any byelaw of such corporation, and the corporation seal thereto shall not be necessary; nor the observance of any other form with regard to the debentures than such as shall be directed in such byelaw as aforesaid.

They cannot subscribe for stock unless byelaws are made for that purpose.

Thirdly. No municipal corporation shall subscribe for stock or incur any debt or liability under this Act or the special Act, unless and until a byelaw to that effect shall have been duly made, and adopted with the consent first had of a majority of the qualified electors of the municipality, to be ascertained in such manner as shall be determined by the said byelaw, after public advertisement thereof, containing a copy of such proposed byelaw, inserted at least four times in each newspaper printed within the limits of the municipality, or if none be printed therein, then in some one or more newspaper printed in the nearest city or town thereto and circulated therein, and also put up in at least four of the most public places in each municipality.

Mayor, &c. to be ex officio a director in certain cases.

Fourthly. The mayor, warden, or reeve, being the head of such municipal corporation subscribing for and holding stock in the company to the amount of five thousand pounds or upwards, shall be and continue to be ex officio one of the directors of the Company, in addition to the number of directors authorized by the special Act, and shall have the same rights, powers, and duties as any of the directors of the Company.

SHAREHOLDERS.

19. And be it enacted, That,—

Shareholders individually liable.

Firstly. Each shareholder shall be individually liable to the creditors of the Company to an amount equal to the amount unpaid on the stock held by him, for the debts and liabilities thereof, and until the whole amount of his stock shall have been paid up; but shall not be liable to an action therefor before an execution against the Company shall have been returned unsatisfied in whole or in part, and the amount due on such execution shall be the amount recoverable, with costs, against such shareholders.

Stock may be increased.

Secondly. The original capital stock may be increased from time to time to any amount, but such increase must be sanctioned by a vote, in person or by proxy, of at least two thirds in amount of all the shareholders, at a meeting of them expressly called

by the directors for that purpose, by a notice in writing to each shareholder, served on him personally, or properly directed to him, and deposited in the post office nearest to his place of residence at least twenty days previous to such meeting, stating the time and place and object of the meeting, and the amount of increase; and the proceedings of such meeting must be entered on the minutes of the proceedings, and thereupon the capital stock may be increased to the amount sanctioned by such a vote.

Thirdly, The funds of the Company shall not be employed in the purchase of any stock in their own or any other Company.

Funds of company not to be employed in purchasing other stock.

ACTIONS FOR INDEMNITY, AND FINES AND PENALTIES, AND THEIR PROSECUTION.

20. And be it enacted, That,—

Firstly. All suits for indemnity for any damage or injury sustained by reason of the railway shall be instituted within six calendar months next after the time of such supposed damage sustained, or if there shall be continuation of damage, then within six calendar months next after the doing or committing such damage shall cease, and not afterwards; and the defendants may plead the general issue, and give this Act and the special Act and the special matter in evidence at any trial to be had thereupon, and may prove that the same was done in pursuance of and by authority of this Act and the special Act.

Limitation of assignees for damages.

Secondly. All persons by any means or in any manner or way whatsoever obstructing or interrupting the free use of the railway, or the carriages, vessels, engines, or other works incidental or relative thereto or connected therewith, shall, for every such offence, be deemed guilty of a misdemeanor, and on conviction thereof shall be punished by imprisonment in the common gaol of the district or county, where the conviction shall take place, or in the provincial penitentiary, for a term not to exceed five years.

Penalty on persons obstructing free use of railway.

Thirdly. All persons wilfully and maliciously, and to the prejudice of the railway, breaking, throwing down, damaging or destroying the same, or any part thereof, or any of the buildings, stations, depôts, wharves, vessels, fixtures, machinery, or other works or devices incidental and relative thereto or connected therewith, or doing any other wilful hurt or mischief, or wilfully or maliciously obstructing or interrupting the free use of the railway, vessels or works, or obstructing, hindering, or preventing the carrying on, completing, supporting, and maintaining the railway, vessels or works, shall be adjudged guilty of a misdemeanor, unless the offence committed shall, under some other Act or Law, amount to a felony, in which case such person shall be adjudged guilty of a felony, and the court by and before whom the person shall be tried and convicted shall have power and authority to cause such person to be punished in like manner as persons guilty of misdemeanor or felony (as the case may be) are directed to be punished by the laws in force in this province.

Penalty on persons damaging railway.

Fourthly. All fines and forfeitures imposed by this Act or the special Act, or which shall be lawfully imposed by any byelaw, the levying and recovering of which are not particularly herein directed, shall, upon proof of the offence before any one or more justice or justices of the peace for the district, county, or place where the act occurred, either by the confession of the parties or by the oath or affirmation of any one credible witness, which oath or affirmation such justice or justices is or are hereby empowered and required to administer without fee or reward, be levied by distress and sale of the offender's goods and chattels, by warrant under the hand and seal or hands and seals of such justice or justices; and all fines, forfeitures, and penalties, the application whereof is not herein-before particularly directed, shall be paid into the hands of the treasurer of the Company, to be applied to the use thereof, and the overplus of the money so raised, and after deducting the penalty and the expenses of the levying and recovering thereof, shall be returned to the owner of the goods so distrained and sold; and for want of sufficient goods and chattels whereof to levy the said penalty and expense, the offender shall be sent to the common gaol for the county or district in which he shall have been convicted, there to remain without bail or mainprize for such term not exceeding one month as the justice or justices shall think proper, unless the penalty or forfeiture, and all expenses attending the same, shall be sooner paid and satisfied; but every such person or persons may within four calendar months after the conviction appeal against the same to the court of general quarter sessions to be holden in and for the county or district.

Fines how recovered.

Fifthly. All contraventions of this Act or of the special Act, by the Company or by any other party, for which no punishment or penalty is herein provided, shall be a misdemeanor, and shall be punishable accordingly; but such punishment shall not exempt the Company, if they be the offending party, from the forfeiture by this Act and the special Act of the privileges conferred on them by the said Acts, if by the provisions thereof or by law the same be forfeited by such contravention.

Contraventions of this Act or of Special Act to be misdemeanors.

Sixthly. All byelaws, rules, and orders regularly made shall be put into writing and signed by the chairman or person presiding at the meeting at which they were adopted, and shall be kept in the office of the Company; and a printed copy of so much of them as may relate to or affect any party other than the members or servants of the Company, shall be affixed openly in all and every passenger car, and in all and every of the places where tolls are to be gathered, and in like manner so often as any change or alteration shall be made to the same; and any copy of the same, or of any of them, certified as

Byelaws to be put into writing, and signed by chairman.

CANADA.

Proviso.

correct by the President or Secretary shall be deemed authentic, and shall be received as evidence thereof in any court, without further proof; provided nevertheless, that all such byelaws, rules, and orders shall be submitted from time to time to the Governor General or person administering the government of this province for approval.

Copies of minutes to be prima facie evidence.

Seventhly. That copies of the minutes of proceedings and resolutions of the shareholders of the Company, at any general or special meeting, and of minutes of proceedings and resolutions of the directors, at their meetings, extracted from the minute books kept by the secretary of the Company, and by him certified to be true copies, extracted from such minute books, shall be prima facie evidence of such proceedings and resolutions in all courts of civil jurisdiction, and all notices given by the secretary of the Company, by order of the directors, shall be deemed notices by the said directors and Company.

WORKING OF THE RAILWAY.

21. And be it enacted, That—

Servants to wear badges.

Firstly. Every servant of the undertaking employed in a passenger train or at stations for passengers shall wear upon his hat or cap a badge, which shall indicate his office, and he shall not without such badge be entitled to demand or receive from any passenger any fare or ticket, or to exercise any of the powers of his office, nor meddle or interfere with any passenger or his baggage or property.

Trains to start at public hours.

Secondly. The trains shall start and run at regular hours to be fixed by public notice, and shall furnish sufficient accommodation for the transportation of all such passengers and goods as shall within a reasonable time previous thereto be offered for transportation at the place of starting, and at the junctions of other railways and at usual stopping places established for receiving and discharging way-passengers and goods from the trains, and such passengers and goods shall be taken, transported, and discharged at, from, and to such places, on the due payment of the toll, freight, or fare legally authorized therefor, and the party aggrieved by any neglect or refusal in the premises shall have an action therefor against the Company.

Checks to be fixed on parcels.

Thirdly. Checks shall be affixed by an agent or servant to every parcel of baggage having a handle, loop, or fixture of any kind thereupon, and a duplicate of such check shall be given to the passenger delivering the same; and if such check be refused on demand, the Company shall pay to such passenger the sum of two pounds, to be recovered in a civil action; and further, no fare or toll shall be collected or received from such passenger, and if he shall have paid his fare, the same shall be refunded by the conductor in charge of the train; and any passenger producing such check may himself be a witness in any suit brought by him against the Company, to prove the contents and value of his baggage not delivered to him.

Baggage cars not to be in rear of passage cars.

Fourthly. The baggage, freight, merchandise, or lumber cars shall not be placed in rear of the passenger cars, and if any such be so placed, the officer or agent directing or knowingly suffering such arrangement, and the conductor of the train, shall severally be deemed guilty of a misdemeanor, and be punished accordingly.

Locomotive to be furnished with bells or steam whistles.

Fifthly. Every locomotive engine shall be furnished with a bell, of at least thirty pounds weight, or a steam whistle, and the bell shall be rung or the whistle sounded at the distance of at least eighty rods from every place where the railway shall cross any highway, and be kept ringing or be sounded at short intervals until the engine shall have crossed such highway, under a penalty of two pounds for every neglect thereof, to be paid by the Company, who shall also be liable for all damages sustained by any person by reason of such neglect, one half of which penalty and damages shall be chargeable to and collected by the Company from the engineer having charge of such engine and neglecting to sound the whistle or ring the bell as aforesaid.

Passengers refusing to pay fare may be put out.

Sixthly. Passengers refusing to pay their fare may, by the conductor of the train and the servants of the Company, be, with their baggage, put out of the cars, using no unnecessary force, at any usual stopping place, or near any dwelling house, as the conductor shall elect, first stopping the train.

Intoxicated conductor of locomotives.

Seventhly. All persons in charge of a locomotive engine, or acting as the conductor of a car or train of cars, who shall be intoxicated on the railway, shall be deemed guilty of a misdemeanor.

Passengers to have on claim if injured when on platform of cars, &c.

Eighthly. Any passenger injured while on the platform of a car, or on any baggage, wood, or freight car, in violation of the printed regulations posted up at the time in a conspicuous place, inside of the passenger cars then in the train, shall have no claim for the injury, provided sufficient room inside of such passenger cars, sufficient for the proper accommodation of the passengers, was furnished at the time.

GENERAL PROVISIONS.

22. And be it enacted, that—

Company not bound to see to execution of trusts.

Firstly. The company shall not be bound to see to the execution of any trust, whether express, implied, or constructive to which any of the shares may be subject; and the receipt of the party in whose name any share shall stand in the books of the company, or

if it stands in the name of more parties than one, the receipt of one of the parties named in the register of shareholders shall from time to time be a sufficient discharge to the Company for any dividend or other sum of money payable in respect of the share, notwithstanding any trust to which the share may then be subject, and whether or not the Company have had notice of the trusts, and the Company shall not be bound to see to the application of the money paid upon such receipts.

Secondly. Her Majesty's mail, Her Majesty's naval or military forces or militia, and all artillery, ammunition, provisions, or other stores for their use, and all policemen, constables, and others travelling on Her Majesty's service, shall at all times, when thereunto required by Her Majesty's Provincial Postmaster General, the Commander of the Forces, or any person having the superintendence or command of any police force, and with the whole resources of the Company, if required, be carried on the railway, on such terms and conditions, and under such regulations as the Governor in Council shall make; and the Company may be required by the Governor, or any person thereunto authorized by him, to place any electric telegraph, and the apparatus and operators they may have, at the exclusive use of the Government, receiving thereafter reasonable compensation for such service; provided that any further enactments which the Legislature of this province may hereafter make, for the carriage of the mail or Her Majesty's forces, and other persons and articles as aforesaid, or the tolls therefor, or in any way respecting the use of any electric telegraph or other service to be rendered to the Government, shall not be deemed an infringement of the privileges intended to be conferred by this Act or the special Act.

Provisions to the carriage of Her Majesty's mail, &c.

Thirdly. A true and perfect account of the names and places of abode of the several shareholders shall be kept and entered in a book to be kept for that purpose as well as of the several persons who shall from time to time become proprietors of, or entitled to any shares therein, and of all the other acts, proceedings, and transactions of the said Company and of the directors from the time being.

Account of names and residence of shareholders to be kept.

Fourthly. A map and profile of the completed railway and of the land taken or obtained for the use thereof, shall, within a reasonable time after completion of the undertaking, be made and filed in the office of the Commissioners of Public Works, and also like maps of the parts thereof located in different counties shall be filed in the Registry Offices for the counties in which such parties shall be respectively; and every such map shall be drawn on such a scale and on such paper as may from time to time be designated for that purpose by the Chief Commissioner of Public Works, and shall be certified and signed by the president or engineer of such corporation.

Map, &c. of railway to be filed in the Board of Works Office.

Fifthly. An account shall be annually submitted to the three branches of the Legislature, within the first fifteen days after the opening of each session of the Provincial Parliament after the opening of the railway or any part thereof to the public, containing a detailed and particular account, attested upon oath of the president, or vice president in his absence, of the monies received and expended by the Company, and a classified statement of the passengers and goods transported by them, with an attested copy of the last annual statement; and no further provisions which the Legislature may hereafter make with regard to the form or details of such account, or the mode of attesting or rendering the same, shall be deemed an infringement of the privileges hereby granted to the Company.

Account to be submitted to Legislature.

Sixthly. If the construction of the railway shall not have been commenced, and ten per cent. on the amount of the capital shall not have been expended thereon within three years after the passing of the special Act, or if the railway shall not be finished and put in operation in ten years from the passing of such special Act as aforesaid, its corporate existence and powers shall cease.

Ten per cent. to be paid within three years from passing of special Act.

Seventhly. The Legislature of this province may from time to time reduce the tolls upon the railway, but not without consent of the Company, or so as to produce less than fifteen per cent. per annum profit on the capital actually expended in its construction; nor unless, on an examination made by the Commissioners of Public Works of the amount received and expended by the Company, the net income from all sources for the year then last passed shall have been found to exceed fifteen per cent. upon the capital so actually expended.

Parliament may reduce tolls on railways.

Eighthly. No person shall be entitled to carry or to require the Company to carry upon their railway any aqua fortis, oil of vitriol, gunpowder, lucifer matches, or any other goods, which, in the judgment of the Company may be of a dangerous nature; and if any person send by the said railway any such goods without distinctly marking their nature on the outside of the package containing the same, and otherwise giving notice in writing to the book-keeper or other servants of the Company with whom the same are left at the time of so sending the said goods, he shall forfeit to the Company the sum of five pounds currency for every such offence; and it shall be lawful for the Company to refuse to take any package or parcel that they may suspect to contain goods of a dangerous nature or require the same to be opened to ascertain the fact.

As to goods of a dangerous nature.

CANADA.

Forging debentures,
&c. deemed felony.

Company bound to
make and repair
fences, roads, &c. in
Lower Canada, &c.

Special Act to be a
public Act.

And may dissolve any
corporation formed
under this Act.

Saving of Her Ma-
jesty's rights.

Interpretation.

Ninthly. The offence of forging any debentures or a coupon of any debenture issued under the authority of this Act or of the Special Act, or of uttering any such debenture or coupon knowing the same to be forged, or of being accessory before or after the fact to any such offence, shall be deemed felony, and be punished accordingly.

Tenthly. The Company shall make and keep in repair all fences, roads, and water-courses, and be subject to all municipal regulations and provisions in respect thereof in or for lands belonging to, or held by the Company, and subject to any such regulations, or to any charges, public, municipal, or local, as the case may be, in any county, parish, or township in Lower Canada through which the railway shall pass; and the said Company may, in default or contravention thereof, be prosecuted therefor by the officers of the municipality, before the commissioners court or circuit court within the jurisdiction of which such fence, road, or watercourse shall be, and the service of the summons upon any clerk or officer in charge of the section of the railway within the said jurisdiction, or at the nearest depôt of the railway, shall be good service upon the Company.

Eleventhly. Every special railway Act shall be a public Act.

Twelfthly. The Legislature may at any time annul or dissolve any corporation formed under this Act; but such dissolution shall not take away or impair any remedy given against any such corporation, its shareholders, officers, or servants, for any liability which shall have been previously incurred.

Thirteenthly. Nothing herein contained shall affect or be construed to affect in any manner or way whatsoever the rights of Her Majesty, Her heirs and successors, or of any person or persons, or of any bodies politic, corporate, or collegiate, such only excepted as are herein mentioned.

Fourteenthly. No amendment or alteration in this Act shall be held to be an infringement of the rights of any company authorized to construct a railway by any Act of this or any future session with which this Act is or shall be incorporated.

I certify the above to be a true copy of the Act passed by the Legislative Council and Legislative Assembly of the province of Canada, in the fourth session of the third Provincial Parliament, and assented to in Her Majesty's name by his Excellency the Governor-General, on the Thirtieth day of August one thousand eight hundred and fifty-one.

Attest: J. F. TAYLOR,
Clk. Leg. Council.

No. 2.

Cap. 72.

An Act to make Provision for the Construction of a Main Trunk Line of Railway throughout the whole Length of this Province.

WHEREAS it is of the highest importance to the progress and welfare of this province that a main trunk line of railway should be made throughout the length thereof, and from the eastern frontier thereof, through the provinces of New Brunswick and Nova Scotia, to the city and port of Halifax, and it is therefore expedient that every effort should be made to insure the construction of such railway, whilst as an act of justice to those who have advanced their money upon provincial securities, and as the best means of sustaining the credit of the province, and of readily commanding such further pecuniary assistance as may from time to time become necessary for great provincial works of internal communication, it is expedient that the Provincial Parliament should pledge itself not to allow the public debt and liabilities of the province to be increased, except in the cases and under the conditions herein-after mentioned: Be it therefore declared and enacted by the Queen's most Excellent Majesty, by and with the advice and consent of the Legislative Council and of the Legislative Assembly of the province of Canada, constituted and assembled by virtue of and under the authority of an Act passed in the Parliament of the United Kingdom of Great Britain and Ireland, and intituled "An Act to reunite the Provinces of Upper and Lower Canada, and for the Government of Canada," and it is hereby declared and enacted by the authority of the same, That excepting only as regards such sum as may be raised for the purposes of this Act, under the authority and guarantee of the Parliament of the United Kingdom, and as regards the guarantee of the province to be given under the Act passed in the twelfth year of Her Majesty's reign, and intituled "An Act to provide for affording the Guarantee of the Province to the Bonds of Railway Companies on certain Conditions,

"and for rendering Assistance in the Construction of the Halifax and Quebec Railway," for the interest only of debentures issued or to be issued by the St. Lawrence and Atlantic Railroad Company, the Great Western Railway Company, or the Ontario, Simcoe, and Huron Railroad Union Company, on the conditions in the said Act and herein-after mentioned, the public debt and liabilities of this province shall not be increased under this Act, nor will the Provincial Parliament hereafter authorize the increase thereof without the consent of the agents through whom loans may have been negotiated in England, or the previous offer to pay off all debentures then outstanding, and the actual payment of all such as shall be presented for payment pursuant to such offer, at the place therein appointed, within one month from the first publication thereof in the London official Gazette, in which it shall be published during the period aforesaid, at least; and the expenditure herein-after authorized shall not be made, nor the liabilities herein-after mentioned incurred on behalf of the province, except only in so far as it may be found practicable to make or incur the same, or any part thereof, without increasing the debt or liabilities of the province, otherwise than in the cases and under the conditions aforesaid.

And be it enacted, That provided the funds necessary for the purpose shall be raised by loan under the authority and guarantee of the Parliament of the United Kingdom, or advanced as a loan to this province under the said authority, it shall be lawful for the Governor of this province in Council to enter into such arrangements as he may deem conducive to the interests of this province, with the Government of the United Kingdom and with the Governments of the provinces of New Brunswick and Nova Scotia, with respect to the construction of a railway from some point opposite the city of Quebec to the city of Halifax, in Nova Scotia, either by constructing the same on the joint account of this province and the said provinces of Nova Scotia and New Brunswick in equal proportions, or by engaging to construct at the expense of this province that part of the said railway lying within Lower Canada, or by making such other arrangements for the construction of the said railway as may be agreed upon with the said Government of the United Kingdom and the said provincial Governments; and for facilitating such arrangements all the ungranted lands within this province lying within ten miles on either side of the line of the said railway are hereby placed at the disposal of the Governor of this province in Council, to be appropriated, pledged, or otherwise dealt with in such way as he may think best for the interests of the province with regard to such arrangements as aforesaid, it being understood and hereby declared that the Parliament of this province will confirm and carry out by such legislative enactments (if any) as may be necessary to give full effect to the same, any arrangement and agreement which may be made by the Governor in Council, in the spirit and for the purposes of this Act.

And be it enacted, That it shall be lawful for the Governor, out of the funds to be raised or advanced for the purpose as aforesaid, to pay all such sums as may be required to defray all the expenses of making such part of the said railway as shall be to be made at the expense of this province under any such arrangement as aforesaid, or any other expenses which under any such arrangement shall be to be borne by this province.

And be it enacted, That provided the funds necessary for the purpose shall be raised by loan under the authority and guarantee of the Parliament of the United Kingdom, or advanced as a loan to this province under the said authority, the whole of the main trunk line of railway from the city of Quebec, or a point opposite thereto, to the city of Hamilton or some convenient point on the line of the Great Western Railroad, or so much of the said main trunk line of railway as the funds so raised or advanced as aforesaid shall be sufficient to make, shall be made as a provincial work, and it shall be lawful for the Governor, out of any such funds as aforesaid, to pay all such sums as shall be required to defray all the expenses of making such main trunk line of railway, or such part thereof as aforesaid.

And be it enacted, That if the funds necessary for making the main trunk line of railway mentioned in the next preceding section shall not be raised by loan under the authority and guarantee of the Parliament of the United Kingdom, or advanced as a loan to this province, under the said authority, then the said main trunk line of railroad, or so much thereof as shall not be made by funds so raised or advanced as aforesaid, may be made with funds of which one half shall be raised on the credit of the consolidated revenue fund of this province, provided the other half shall have been subscribed for by municipal corporations in this province.

And be it enacted, That if the Governor in Council shall determine that it is expedient that the whole or any part of the said main trunk line of railway shall be made with funds to be raised in the manner mentioned in the next preceding section, the Governor shall, by proclamation, declare the total amount required for such purpose, and the sum to be raised by subscriptions of municipal corporations under this Act; and it shall then be lawful for any municipal corporation in this province to subscribe for such amount of the sum last mentioned as it may think proper, by a byelaw declaring such subscription and the amount thereof, which declaration shall suffice; and it shall not be necessary by such byelaw to impose any rate, or to make

CANADA.

any provision or enactment other than such declaration as aforesaid, which shall be sufficient to enable the proper officers to assess and levy, from time to time, such rate as may be necessary to produce a clear sum equal to that payable to the receiver general under the said byelaw and this Act, and ten per cent. over to make up any deficiency, which ten per cent., or so much thereof as may not be required to make up any deficiency, shall remain in the hands of the proper officer of the corporation, and go in deduction of the next sum to be assessed and levied under such byelaw, or, if not required for that purpose, then for the general uses of the corporation; and any sum payable to the receiver general under any such byelaw and this Act shall be a debt due from the municipal corporation so in default to the Crown; and the warrant of the receiver general, countersigned by the inspector general, directed to the sheriff of the proper district, county, or united counties, certifying that any such sum is so payable and remains unpaid, and commanding him to levy the same, shall be sufficient authority to the said sheriff to levy such sum with interest and costs, and to pay over such sum when levied to the receiver general, in like manner as he might do under a writ of execution for such sum issuing out of any court in which judgment might have been obtained for the same in favour of the Crown; and no such byelaw shall be repealable except with the express consent of the Governor in Council; and if more money be subscribed for than is required to be raised by subscription of municipal corporations as aforesaid, then the sum subscribed for by each shall be *ipso facto* proportionately reduced, and such reduction shall be notified to the municipal corporations concerned, in such way as the Governor may direct: Provided always, that no municipal corporations shall subscribe for stock, or incur any debt or liability under this Act, unless and until a byelaw to that effect shall have been duly made and adopted, with the consent first had of a majority of the qualified electors of the municipality, to be ascertained in such manner as shall be determined by the said byelaw, after public advertisement thereof containing a copy of such proposed byelaw, inserted at least four times in each newspaper printed within the limits of the municipality, or, if none be printed therein, then in some one or more newspaper printed in the nearest city or town thereto and circulated therein.

And be it enacted, That the sums subscribed for as aforesaid shall form a fund to be called the Railway Municipal Subscription Fund; and so soon as the sum required shall have been subscribed for as aforesaid, it shall be lawful for the Governor in Council from time to time to authorize the issuing of debentures to an amount not exceeding in the whole that so subscribed for, in such form, for such separate sums, and at such rate of interest not exceeding six per centum per annum, and to make the principal and interest payable at such periods and at such places, as to him shall seem most expedient, the said principal and interest being hereby made chargeable upon the consolidated revenue fund of this province, but after the principal and interest of any sum to be raised under this Act or any Act of the present session, by advance from the Government of the United Kingdom or with the guarantee of the said Government: And it shall also be lawful for the Governor in Council from time to time to authorize the issuing of debentures to an amount not exceeding in the whole that so subscribed for as aforesaid, (and not exceeding at any time that for which debentures shall then be issued under this section on the credit of the consolidated revenue fund) in such form, for such separate sums, and at the lowest rate of interest not exceeding seven per centum per annum at which they can be negotiated at par, and to make the principal payable at any period, not being less than twenty years from the date of such debentures respectively, and the interest at such periods as he may think proper, and to make the principal and interest payable at such places as he may deem most expedient, such principal being chargeable not upon the said consolidated revenue fund, but solely upon the railway municipal subscription fund aforesaid and the sinking fund herein-after mentioned.

Provided always, and be it enacted, That the total sum to be raised for the purposes of this Act, upon the credit of the consolidated revenue fund of this province, with or without any guarantee under the authority of the Parliament of the United Kingdom, and including any sum which may be advanced under the authority of the said Parliament, on the credit of the said consolidated revenue fund, added to any sum which may be raised on the credit of the municipal subscription fund, shall never exceed in the whole the sum of four millions of pounds currency.

And be it enacted, That the funds to be raised under the seventh section of this Act on the credit of the consolidated revenue fund, and those to be raised under the said section on the credit of the railway municipal subscription fund shall be expended as nearly as may be in equal proportions, as the work advances in the several sections into which the railway to be made may be divided by the Governor in Council.

And be it enacted, That as well the cost of that part of the said main trunk line of railway which is to be constructed with funds to be raised partly on the credit of the province and partly on that of the railway municipal subscription fund, as all the expenses and outlay of any kind to be incurred while the work is in progress, shall be defrayed out of the funds so to be raised as aforesaid; and that the municipal corporations so subscribing as aforesaid shall be called upon to pay the interest on the

sums for which they have subscribed, whenever at any time the said fund, and their share of the profits from any part of the work which shall have been completed, shall be insufficient to pay the interest on the sums borrowed on the credit of the municipal subscription fund; in which case they shall from time to time pay such sums to the receiver general as may be sufficient, with any sums he may have in his hands applicable to the purpose, to enable him to pay such interest as it becomes due, the sum to be paid in such case by each municipal corporation being in proportion to the sum for which it may have subscribed.

And be it enacted, That the share of the profits of that part of the said railway last aforesaid which may belong to the said municipal corporations, and shall not be required to pay the interest on the sums raised on the credit of the railway municipal subscription fund, shall be invested by the receiver general, and shall, with the interest thereon, form a sinking fund for the redemption of the debentures to be issued on the credit of the said railway municipal subscription fund; and that the share of the said profits which shall belong to the province, after deducting three and a half per cent. per annum on the sums raised on the credit of the consolidated revenue fund, shall be also invested by the receiver general, and shall, with the interest thereon, form a sinking fund for the redemption of the debentures to be issued on the credit of the consolidated revenue fund under the seventh section of this Act; and the share which the province and the said municipal corporations shall respectively have in the profits of the said railroad, shall be in proportion to the sums which shall have been raised on the credit of the consolidated revenue fund, and of the said railway municipal subscription fund, respectively.

And be it enacted, That if at any time after the expiration of two years from the completion of that part of the said railway last aforesaid it shall appear to the receiver general that the sinking fund first aforesaid will not produce enough to pay off the principal of the debentures issued on the credit of the said railway municipal subscription fund, at the time when the same will become payable, it shall be lawful for him to add not exceeding three per cent. per annum on the amount of such debentures to the sum which would otherwise be payable to him in any year by each municipal corporation, and such per-centage shall form part of the said sinking fund, and shall be paid by such municipal corporations respectively, in like manner as any other monies payable by them to the receiver general under this Act.

And be it enacted, That the said main trunk line of railway, including that part thereof lying between the city of Quebec and the city of Halifax, or such part thereof as shall be made under the provisions of the preceding sections of this Act, shall be a public provincial work, to be constructed and managed by the Commissioners of Public Works, under the control of the Governor in Council, and subject to such supervision by the Board of Railway Commissioners herein-after mentioned, as the Governor in Council shall direct; and all the powers vested in the Commissioners of Public Works, with regard to the taking of lands required for public works, and all other powers vested in them, and the provisions of the several Acts now in force relative to public works, and not inconsistent with this Act, shall apply to that part of the said railway to be made as aforesaid as fully as to any other public provincial work; and the said railway, and every part thereof, shall be made on such line, and in such places as the Governor in Council shall determine and appoint as best adapted to promote the general interests of this province.

And be it enacted, That the said Commissioners of Public Works, with the consent of the Governor in Council, shall have full power to treat and agree with the Montreal and Lachine Railroad Company, or the St. Lawrence and Atlantic Railroad Company, for the purchase or use of the whole or any part of their respective railroads, rights, and property which it may be found expedient to adopt as part of the said main trunk line or railway, and to pay such sum as may be agreed upon, to either of the said companies, as compensation for any such railroad or portion thereof, rights or property, out of any monies which might be applied to making part of the said main trunk line of railway at the same place; and the directors of the said companies respectively shall have full power and authority to treat and agree with the said Commissioners of Public Works for any of the purposes aforesaid, and to receive the compensation that may be agreed upon, and to give a valid discharge for the same, and to surrender and convey to Her Majesty, for the public uses of the province, such railroad or part thereof, rights or property as aforesaid, which shall hereafter be vested in Her Majesty for the uses aforesaid: Provided always, that nothing herein contained shall be construed to affect or impair any right now vested in Her Majesty to take the said railroads, or either of them, or any of the rights or property of the said companies, or either of them, under any Act incorporating such company, or amending the Act incorporating it.

And be it enacted, That if it be found to be impracticable to raise the funds for constructing the said main trunk line of railway in any of the modes herein-before mentioned, then the Governor of this province may by proclamation declare that the same may be undertaken by any private companies thereunto authorized by the Legislature; and any company in whose Act of incorporation a clause may have been inserted suspending its operation until the Governor should issue a proclamation declaring it

CANADA.

in force, shall, by the issuing of such proclamation, receive authority to commence its operations.

And whereas, although it is highly desirable to afford every possible encouragement to the construction of railways in all parts of the country, yet for the purpose of confining the liabilities of the province within proper limits, and at the same time ensuring effectual aid to those undertakings which are most necessary to its progress and development, it is expedient to restrict the provisions of the Railway Guarantee Act, herein-before cited, in the manner herein-after provided: Be it therefore enacted, That the guarantee offered by the said Act, and all the provisions of the said Act relative to such guarantee, shall be and are hereby restricted and confined to those railroads which may form part of the said main trunk line (in case of any part thereof being constructed by private companies), and to the St. Lawrence and Atlantic Railroad which has already received the said guarantee, and forms part of the said main trunk line, the Great Western Railroad which has been commenced and partly constructed on the faith of the said guarantee, and forms part of the said main trunk line, and the Ontario, Simcoe, and Huron Union Railroad, for the construction of which certain arrangements have been made in expectation and upon the faith of the said guarantee: Provided always, that the expression "the Great Western Railroad" in this Act shall mean only the main line of railway which the Great Western Railroad Company are authorized to make from Burlington Bay to the Detroit River, and shall not include any branches which the said company is or may be authorized to make, nor shall the said guarantee be extended to any such branch.

And for better ensuring the attainment of the objects proposed in the said Act and in this Act, be it enacted, That the Receiver General, the Inspector General, the Commissioner and Assistant Commissioner of Public Works, and the provincial Postmaster General shall constitute a Board of Railway Commissioners; and each of the said officers shall be a member of the said Board by virtue of his office, and so long and so long only as he shall hold the same; such one of the said officers as the members of the Board shall agree upon shall be the chairman and official organ of the Board; the secretary of the Commissioners of Public Works shall be the secretary of the said Board; and any report concurred in by a majority of the Board shall be deemed the report of the Board.

And be it enacted, That no railway company shall be entitled to the benefit of the said guarantee until the said Board shall have examined and approved the line selected for such railroad, the intended gauge, the form and weight of rail, and general mode of construction of the road, and of the larger bridges, viaducts, and principal works upon such line, and shall have reported such approval to the Governor in Council, with their opinion that the road is one which may advantageously form part of such main trunk line as aforesaid, that the Act incorporating the company contains all such provisions as they think essential to the protection of the public interest, or that the company have consented to the amendment of their charter by the insertion of such provisions, and that the road, when completed, will afford ample security to the province against loss under the guarantee to be given with regard to it; and the line and mode of construction so approved shall not be altered or deviated from without an express report of the said Board in favour of such alteration or deviation, nor unless such report shall be approved by the Governor in Council, on pain of forfeiting the right of the company to the said guarantee: Provided always, that the Ontario, Simcoe, and Huron Railroad Union Company shall be entitled to the said guarantee on complying with the other conditions aforesaid, although their road does not form part of the said main trunk line.

And be it enacted, That any company having received such approval as aforesaid shall be empowered, if the length of their railway exceeds one hundred miles, to divide the same into sections of not less than fifty miles each, and being, as nearly as the total length of the railway and other circumstances will admit, of seventy-five miles each, and each of such sections may, after such division shall have been approved by the Governor, be considered for all the purposes of the said Act and of this Act as a distinct railway; and when the requirements of the said Act and of this Act are complied with, as regards any such section, the guarantee of the province may be given for the sum required to complete such section, which sum shall not be applied to any other purpose; and the company shall keep and render separate accounts of receipt and expenditure for each such section, and if any receipt or expenditure be common to two or more sections, the same shall be fairly apportioned among them in such accounts, to the satisfaction of the said Board.

And be it enacted, That the said guarantee shall not be given with regard to any railway or section until the said Board shall have reported to the Governor in Council, that the land for the whole railway or section has been acquired and paid for, that a part of the work thereon has been completed to their satisfaction, and that the fair cost of the part so completed, including the fair cost of the land and of all materials then procured by and the property of the company, (and not merely the sum the company may have actually expended upon the same,) would not be less than the cost of the part remaining to be done, according to an estimate made upon tenders received and approved.

by the company and by the said Board as fair and reasonable, in which case the guarantee of the province may be granted for the sum necessary to complete such remaining part of the work according to such estimate; and, generally, it shall be the duty of the said Board to obtain and report to the Governor all such information, and to do all such things as may be necessary to ensure the faithful execution of the said Act and of this Act; and any duty assigned to the Commissioners of Public Works by the said Act shall hereafter be performed by the said Board.

And be it enacted, That no contract shall be entered into by any company for the performance of work or the furnishing of materials for that part of their railway for the making whereof the said guarantee is to be granted, except with the approval of the said Board; that the said Board may suggest and the Governor in Council may impose upon the company such further conditions as they may think requisite for guarding the province against loss; and that the guarantee may be granted to the company from time to time, and as may be necessary, to enable them to meet their engagements under such contracts as aforesaid, when the work has been performed to the satisfaction of the said Board.

And be it enacted, That the said guarantee may, as regards those companies whose railways will form part of the said main trunk line, and upon such conditions as the Governor in Council shall think fit, be extended to the payment of the principal of the sum guaranteed, as well as to the payment of the interest thereon, provided the bonds guaranteed are made payable at periods previously approved by the Governor in Council, or, in his discretion, provincial debentures for the amount to be guaranteed, or any part thereof, may be delivered to the company in exchange for their bonds, for like sums, and the principal and interest whereof shall be made payable at like periods, or at such others as may be agreed upon; and for the principal and interest of such bonds, the province shall have the same priority of hypothec, mortgage, and lien upon the railway, tolls, and property of the company, as by the said Act is given for sums paid or guaranteed by the province, and subject to the same provisions, and the said guarantee may be given either at once for the whole sum to be raised by the company, or from time to time, and by portions, as the same shall be required for carrying on the works, according to the terms and conditions which shall have been made in that behalf: Provided always, that it shall be lawful for the Governor in Council, if he shall deem it expedient and consistent with the interests of the province, and the due maintenance of the public credit, to grant the same advantages, or any of them, to the "Ontario, Simcoe, and Huron Railroad Union Company," as he may under this section grant to companies whose railways form part of the said main trunk line of railway; and provided also, that one of the conditions on which the benefit of this section shall be granted to any company shall be, that no byelaw of such company imposing tolls, or affecting others than the company, shall have force or effect until approved by the Governor in Council, and that no such byelaw shall remain in force for more than three years from the passing thereof, so that such byelaws may be subject to periodical revisions by the said Governor in Council, and that the company shall consent to such amendments (if any) of the Act incorporating it as may be requisite to give full effect to this proviso.

And be it enacted, That so much of the Act first above cited, or of any other Act or Law, as may be inconsistent with the provisions of this Act shall be and is hereby repealed.

And be it enacted, That the word "railway" in this Act shall include all viaducts, bridges, station-houses, depôts, and other works, machinery, engines, vessels, carriages, and things of every kind which may be necessary or convenient to the making or using of any railway.

And be it enacted, That the due application of all monies expended under the authority of this Act shall be accounted for to Her Majesty, her heirs or successors, through the Lords Commissioners of Her Majesty's Treasury for the time being, in such manner and form as Her Majesty, her heirs and successors, shall direct; and that an account of all monies so expended shall be laid before the Provincial Parliament within fifteen days after the opening of the session thereof next after such expenditure.

I certify the above to be a true copy of the Act passed by the Legislative Council and Legislative Assembly of the province of Canada, in the fourth session of the third Provincial Parliament, and assented to in Her Majesty's name by his Excellency the Governor-General, on the thirtieth day of August one thousand eight hundred and fifty-one.

Attest. J. F. TAYLOR,
Clk. Leg. Council

No. 3.

Cap. 74.

An Act to extend the Provisions of an Act passed in the present session, intituled "An Act to make provision for the Construction of a main Trunk Line of Railway throughout the length of this Province."

WHEREAS the Great Western Railroad Company are authorized by their Acts of incorporation to make a main line of railway throughout the whole distance between the Niagara River and the Detroit River, by the way of Burlington Bay: And whereas it is desirable that the provisions of the Act herein-after mentioned should extend to the whole of the said main line of railway although not to any of its branches, and that no doubt should exist as to the intention of the Legislature to that effect: Be it therefore declared and enacted by the Queen's most Excellent Majesty, by and with the advice and consent of the Legislative Council and of the Legislative Assembly of the province of Canada, constituted and assembled by virtue of and under the authority of an Act passed in the Parliament of the United Kingdom of Great Britain and Ireland, and intituled "An Act to reunite the provinces of Upper and Lower Canada, and for the government of Canada," and it is hereby enacted by the authority of the same, that the expression, "The Great Western Railroad" in the Act of the present session, intituled "An Act to make provision for the Construction of a main Trunk Line of Railway throughout the Length of the Province," shall mean and include the whole of the said main line of railway which the said Great Western Railroad Company are authorized to make from the Niagara River by the way of Burlington Bay to the Detroit River, anything contained in the proviso to the sixteenth section of the said Act or in any other part thereof to the contrary notwithstanding, but shall not include any branches which the said company are or may be authorized to make, nor shall the guarantee in the said Act mentioned be extended to any such branch.

I certify the above to be a true copy of the Act passed by the Legislative Council and Legislative Assembly of the province of Canada, in the fourth session of the third Provincial Parliament, and assented to in Her Majesty's name by his Excellency the Governor-General, on the thirtieth day of August one thousand eight hundred and fifty-one.

Attest. J. F. TAYLOR,
Clk. Leg. Council.

No. 4.

Cap. 75.

An Act for raising, by way of Loan, a sum not exceeding Four millions of Pounds Currency for making a main Trunk Line of Railway throughout the length of this Province.

WHEREAS by a despatch from the Right Honourable Earl Grey, Her Majesty's Secretary of State for the Colonies, to the Right Honourable the Earl of Elgin and Kincardine, Governor-General of British North America, and Governor of this province of Canada, bearing date the fourteenth day of March one thousand eight hundred and fifty-one, and the documents laid with the said despatch before both Houses of the Parliament of this province by message from his Excellency the Governor-General, it appears that Her Majesty's Government in the United Kingdom is disposed, on certain conditions, to recommend to Parliament that the credit of the said United Kingdom should be employed to enable the provinces of Canada, New Brunswick, and Nova Scotia to raise upon advantageous terms the funds necessary for the construction of a line of railway from Halifax in Nova Scotia to Quebec or Montreal in this province: And whereas the Parliament of this province hath during the present session passed an Act for the construction of that portion of the said railway from Halifax to Quebec, which ought to be made by this province, provided the necessary funds shall be raised under the authority and guarantee of the Parliament of the said United Kingdom, or advanced as a loan to this province under the said authority, and for continuing the said railway, by and at the expense of this province, from Quebec to the city of Hamilton, or some convenient point on the Great Western Railroad, or so far as the said railway can be made with funds to be so raised or advanced as aforesaid, and it is the earnest wish and hope of the people of this province that the great advantages which must accrue not only to Canada but to the other provinces of British North America, and to the empire at large, and more especially to all Her Majesty's subjects who may be desirous of becoming settlers in this province, or either of the provinces aforesaid, will induce Her Majesty's Government to

recommend to Parliament that the sum required to make the whole length of the said railway may be raised with the benefit of the credit of the United Kingdom: Be it therefore enacted by the Queen's most Excellent Majesty, by and with the advice and consent of the Legislative Council and of the Legislative Assembly of the province of Canada, constituted and assembled by virtue of and under the authority of an Act passed in the Parliament of the United Kingdom of Great Britain and Ireland, and intituled "An Act to reunite the Provinces of Upper and Lower Canada, and for the Government of "Canada," and it is hereby enacted by the authority of the same, That the sum necessary for defraying the expenses of making such part of the railway from some point opposite the city of Quebec to the city of Halifax in Nova Scotia as may, under the provisions of the Act passed in the present session, and intituled "An Act to make provision for the construction of a main Trunk Line of Railway throughout the length of this Province," and the arrangements made under the same, be to be made at the expense of this province, or any other expenses which under any such arrangement shall be to be borne by this province, and such further sum as may be necessary to defray the expense of making, under the provisions of the said Act, the whole or any part of the railway therein mentioned from a point opposite the city of Quebec to the city of Hamilton, or some other convenient point on the line of the Great Western Railroad, may be raised and borrowed under the provisions of any Act to be passed by the Parliament of the United Kingdom authorizing the advance of such sums to this province from the Treasury of the United Kingdom, or the granting of any guarantee under the authority of such Act for the repayment of the sums so borrowed, or the due payment of the dividends and interest thereon, or providing in any other way for the employment of the credit of the said United Kingdom so as to ensure the raising of the said sum on advantageous terms; and being so raised, shall be applied to the purposes for which they are hereby authorized to be raised, and to no other; provided always, that the sums to be raised under the authority of this Act shall not in the whole exceed the sum of four millions of pounds currency.

And be it enacted, That the said sums may be raised and borrowed under and subject to the provisions of any such Act as aforesaid of the Parliament of the United Kingdom, by any person or persons appointed in that behalf by Her Majesty, her heirs or successors, or by the Governor of this province, by loan, debentures, or otherwise, and the principal sum so raised, the dividends and interest thereupon, and a sinking fund for the payment of the said principal sums not exceeding two per centum per annum on the said principal sums, shall be and are hereby charged on the consolidated revenue fund of this province, (of which the profits coming to this province from any part of the said railway, made with funds raised under this Act, shall form part,) and shall be the first charge thereon after any previously existing debts of the province, and the sums payable under any Act or Acts then in force granting a civil list to Her Majesty, her heirs and successors.

And be it enacted, That the principal sums so to be raised and borrowed shall be received from time to time as the same shall be raised, by the receiver general, who shall, upon the warrants of the Governor of this province, pay out of the same such sums as may from time to time be required for defraying the expenses made payable out of the same by this Act and the said Act of this session, and shall also, upon warrants of the Governor, pay the dividends and interest upon the sums so raised and borrowed as the same shall become due, together with the sums accruing to the said sinking fund; and the said sinking fund shall consist of such sum per centum per annum on the principal sums so to be raised and borrowed, and shall be paid and managed in such manner for the redemption and payment of the said principal sums, as shall be agreed upon and negotiated when the said principal sums shall be raised and borrowed, or if there be no such agreement in that behalf, then in such manner as the Governor of this province, by and with the advice and consent of the Executive Council thereof, shall from time to time direct and appoint; and it is hereby declared, that the Parliament of this province will confirm and carry out, by such legislative enactments (if any) as may be necessary to give full effect to the same, any arrangement or agreement, not inconsistent with the spirit of this Act and of the Act of this session herein-before referred to, which may be made or authorized by the Governor in Council with regard to the raising and borrowing the sums aforesaid, under the provisions of any Act to be passed by the Parliament of the United Kingdom in that behalf, and for the purpose of complying with the requirements of such Act.

And be it enacted, That the receiver general shall, before each session of the Provincial Parliament, transmit to the Governor, for the purpose of being laid before the two Houses of the Legislature, a correct and detailed statement and account of the sums raised under the authority of this Act, and of the debentures and other securities which shall have been issued, and of the dividends and interest paid thereon, and of the sinking fund, and of the redemption of the whole or any part of the principal sum by means of the said sinking fund, or otherwise, and of the expenses attending the negotiation, management, payment, and redemption of the said loan.

And be it enacted, That the due application of the monies to be raised under the authority of this Act, and of all sums to be expended under the said authority, shall be accounted for to Her Majesty, her heirs and successors, through the Lords Commissioners of Her

CANADA.

Majesty's Treasury for the time being, in such manner and form as Her Majesty, her heirs and successors, shall direct; and an account in detail of all sums expended under the authority of this Act shall be laid before both Houses of the Provincial Parliament, within fifteen days after the opening of the session thereof next after such expenditure.

I certify the above to be a true copy of the Act passed by the Legislative Council and Legislative Assembly of the Province of Canada, in the fourth session of the third Provincial Parliament, and assented to in Her Majesty's name by his Excellency the Governor-General, on the thirtieth day of August one thousand eight hundred and fifty-one.

Attest. J. F. TAYLOR,
Clk. Leg. Council.

No. 5.

Cap. 143.

An Act to incorporate the Montreal and Kingston Railway Company.

WHEREAS the construction of a railway connecting the extremities of the province must conduce greatly to the interest and welfare of its inhabitants: And whereas John Young, the Honourable George Moffatt, the Honourable A. N. Morin, L. H. Holton, A. T. Galt, George E. Cartier, M.P.P., and Ira Gould have prayed to be incorporated with the powers requisite for making and maintaining a portion of such railway: Now, therefore, be it enacted by the Queen's most Excellent Majesty, by and with the advice and consent of the Legislative Council and of the Legislative Assembly of the province of Canada, constituted and assembled by virtue of and under the authority of an Act passed in the Parliament of the United Kingdom of Great Britain and Ireland, and intituled "An Act to re-unite the provinces of Upper and Lower Canada, and for the Government of Canada," and it is hereby enacted by the authority of the same, That John Young, the Honourable A. N. Morin, the Honourable George Moffatt, L. H. Holton, A. T. Galt, George E. Cartier, M.P.P., and Ira Gould, together with such person or persons as shall under the provisions of this Act become subscribers to and proprietors of any share or shares in the railway hereby authorized to be made, and their several and respective heirs, executors, administrators, curators, and assigns, being proprietors of any share or shares in the said railway, are and shall be a company for constructing and maintaining the said railway according to the rules, orders, and directions herein-after expressed, and shall for that purpose be one body politic and corporate, by the style and title of "The Montreal and Kingston Railway Company;" and the said company shall be and are hereby authorized and empowered from and after the passing of this Act, by themselves, their deputies, agents, officers, workmen, and servants, to make and complete a railway to be called "The Montreal and Kingston Railway," from the city of Montreal by such line as may be found most advantageous to the city of Kingston, or such other point on or near the river St. Lawrence or Lake Ontario in the vicinity of Kingston as shall seem most suitable to the purposes of the said company.

And be it enacted, That the Governor shall, with all convenient speed, cause to be ascertained by actual survey the shortest and most direct line between Montreal and Kingston, having due regard to the best grades and the interests of the province; and that the said company shall construct the said railway on the line selected by the Governor after such survey.

And be it enacted, That if the line so selected be such as in the opinion of the Governor to require that the company hereby incorporated should purchase, and the Montreal and Lachine Railroad Company shall be willing to sell to them, the railroad and property, rights, privileges, and advantages of the said last-mentioned company, but the said two companies shall not be able to agree upon the price to be paid for the same, such price shall be established by the award of arbitrators, one of whom shall be named by each of the said companies, and the third by the Governor, and the decision of the said arbitrators or any two of them, the third being present, duly notified to attend, shall be final and conclusive, and binding on both companies; and on payment by the company hereby incorporated to the said Montreal and Lachine Railroad Company of the sum ascertained by such award, the railroad and property, rights, privileges, and advantages of the said last-named company shall be transferred to and vested in the company hereby incorporated: Provided always, that in estimating the price to be paid as aforesaid, the said arbitrators shall be guided by the consideration of the actual value of the said railroad and property, rights, privileges, and advantages of the company hereby incorporated at the time when the said arbitration shall take place; and if at that time the actual or prescribed gauge of the railway of the said company shall be different from that of the railroad of the said Montreal and Lachine Railroad Company, the value of the locomotive

engines, cars, tenders, and other equipments of the said railroad not adapted for use on a railroad of a different gauge, shall not be taken into account by the said arbitrators, nor shall the property or possession thereof be transferred by or under the said award, or otherwise without the full and free consent of both companies.

And be it enacted, That the several clauses of "the Railway Clauses Consolidation Act," to be passed during the present session with respect to the first, second, third, and fourth clauses thereof, and also the several clauses of the said Act with respect to the "Interpretation," "Incorporation," "Powers," "Plans and Surveys," "Lands and their valuation," "Highways and Bridges," "Fences," "Tolls," "General Meetings," "Directors, their election and duties," "Shares and their Transfer," "Municipalities," "Shareholders," "Actions for indemnity, and fines and penalties, and their prosecution," "Working of the Railway," and "General Provisions," shall be incorporated in this Act.

And be it enacted, That the gauge of the said railway shall not be broader or narrower than five feet six inches.

And to the end that the said company may be enabled to carry on so useful an undertaking, be it enacted, That it shall and may be lawful for the said company, and their successors, to raise and contribute among themselves, in such proportions as to them shall seem meet and convenient, a competent sum of money for the making and completing the said railway and all such other works, matters, and conveniences as may be found necessary for making, effecting, preserving, improving, completing, maintaining, and using the said railway and other works: Provided always, that the before-mentioned John Young, the Honourable A. N. Morin, the Honourable Geo. Moffatt, G. E. Cartier, M.P.P., L. H. Holton, Ira Gould, and A. T. Galt, or a majority of them, shall cause books of subscription to be opened in the cities of Montreal and Kingston and elsewhere, as they may from time to time appoint, until the first meeting of shareholders herein-after provided for, for receiving the signatures of persons willing to become subscribers to the said undertaking, and for this purpose they shall be held and bound to give public notice in the Canada Gazette and such other newspaper or newspapers as they or a majority of them shall think proper, of the time and place at which such books will be opened and ready for receiving signatures as aforesaid, and of the persons by them authorized to receive such subscriptions, and every person who shall write his or her signature in such book as a subscriber to the said undertaking shall thereby become a member of the said company, and shall have the same rights and privileges as such, as are hereby conferred on the several persons who are herein mentioned by name as members of the said company.

And be it enacted, That the sum so to be raised or subscribed shall constitute the capital stock of the said company, and shall not exceed in the whole the sum of six hundred thousand pounds currency, and the money so to be raised is hereby directed and appointed to be laid out and applied, in the first place, for and towards the payment, discharge, and satisfaction of all fees and disbursements for obtaining and passing this Act, and for making the surveys, plans, and estimates incident thereunto, and all the rest, residue, and remainder of such money for and towards making, completing, and maintaining the said railway, and other the purposes of this Act, and to no other use, intent, or purpose whatever.

And be it enacted, That the said sum of six hundred thousand pounds shall be divided and distinguished into twenty-four thousand equal parts or shares, not exceeding twenty-five pounds each, and that such shares shall be deemed personal estate, and shall be transferred as such, and that the said twenty-four thousand shares shall be and are hereby vested in the said several subscribers and their several respective heirs, executors, curators, administrators, and assigns, to their and every of their purpose, use, and behoof, proportionally to the sum they and each of them shall severally subscribe and pay thereunto; and all and every the bodies politic, corporate, or collegiate, or communities, and all and every person or persons, their several and respective successors, executors, curators, administrators, and assigns, who shall severally subscribe and pay the sum of twenty-five pounds, or such sum or sums as shall be demanded in lieu thereof, towards carrying on and completing the said intended railway, shall be entitled to and receive, after the said railway shall be completed, the entire and net distribution of the profits and advantages that shall and may arise and accrue by virtue of the sum and sums of money to be raised, recovered, or received by the authority of this Act, in proportion to the number of shares so held, and every body politic, corporate, or collegiate, or community, person, or persons, having such property of one twenty-four thousandth part or share in the said undertaking, and so in proportion as aforesaid, shall bear and pay an adequate and proportional sum of money towards carrying on the said undertaking in manner by this Act directed and appointed.

And be it enacted, That in case the said sum of six hundred thousand pounds herein-before authorized to be raised shall be found insufficient for the purposes of this Act, then and in such case it shall be lawful for the said company to raise and contribute amongst themselves in manner and form aforesaid, and in such shares and proportions as to them shall seem meet, or by the admission of new subscribers, a further or other sum of money for completing and perfecting the said intended railway, and its branches and other works or conveniences incidental or relative thereto, not exceeding the sum of four

CANADA.

hundred thousand pounds currency aforesaid; and every subscriber towards raising such further or other sum of money shall be a shareholder in the said undertaking, and have a like vote by himself or herself, or his or her proxy, in respect of every share in the said additional sum so to be raised, and shall also be liable to such obligations and stand interested in all the profits and powers of the said undertaking in proportion to the sum he, she, or they shall or may subscribe thereto, as generally and extensively as if such other or further sum had been originally raised and a part of the said first sum of six hundred thousand pounds, anything herein contained to the contrary notwithstanding.

And be it enacted, That it shall be lawful for the directors of the said "Montreal and Kingston Railway Company," or a majority of a quorum of them, to enter into and make any arrangement with the directors of any other railway company now or hereafter to be chartered in any portion of the country between Montreal and Toronto, and more particularly with the directors of the Montreal and Lachine Railroad Company, for the union, junction, amalgamation, or purchase of any railway now or hereafter to be constructed and wholly or partially completed; and in case of the amalgamation or purchase of such railway the same shall become to all intents and purposes a portion of the said "Montreal and Kingston Railway Company," and the capital stock of the said Montreal and Kingston Railway Company, if the said company think fit to increase the same, shall be thereupon increased to the extent of the capital stock of the road so purchased, independently of all other increase of the same authorized by this Act.

And be it enacted, That the number of votes to which each shareholder in the said undertaking shall be entitled on every occasion when, in conformity to the provisions of this Act, the votes of the members of the said company are to be given, shall be in proportion to the number of shares held by him: Provided always, that no one shareholder as aforesaid shall have more than three hundred votes.

And be it enacted, That the first general meeting of the shareholders for putting this Act in execution may be held at the Court House in the city of Montreal whenever one thousand shares in the said undertaking shall have been subscribed, provided that public notice thereof be given during one week in the Canada Gazette and in any other paper published in Montreal, and in some paper published at Kingston aforesaid; and at such said first general meeting the shareholders assembled, together with such proxies as shall be present, shall choose nine persons, being each a shareholder of twenty or more shares in the said undertaking, out of whom any five or more of them shall be a committee for managing the affairs of the said company until the due appointment of directors as herein-after provided, and such committee shall have the same powers and authorities as are by law conferred on the said directors, and shall be subject to the same restrictions and control.

And be it enacted, That the said committee or any five of them shall call a general meeting of the shareholders for the purpose of putting this Act into effect, to be held in the city of Montreal within one month after one fourth of the capital stock authorized to be raised under this Act shall have been subscribed, fifteen days public notice thereof being given in the Canada Gazette, and in not less than one other newspaper published in each of the cities of Montreal and Kingston, at which said general meeting the shareholders assembled, with such proxies as shall be present, shall choose nine persons, being each a shareholder of not less than twenty shares in the said undertaking, to be directors of the said company in such manner as is herein-after directed.

And be it enacted, That in the month of February in each year an annual general meeting of the said company shall be held to choose directors in the room of those whose office may at that time become vacant, and generally to transact the business of the company; but if at any time it shall appear to any eleven or more of such shareholders, holding together two thousand shares at least, that for more effectually putting this Act in execution a special meeting of shareholders is necessary to be held, it shall be lawful for such eleven or more of them to cause fifteen days notice at least to be given thereof in the Canada Gazette and in any other newspaper in each of the cities of Montreal and Kingston, or in such manner as the shareholders or their successors shall, at any general meeting, direct or appoint, specifying in such notice the time and place, and the reason and intention of such special meeting respectively; and the shareholders are hereby authorized to meet pursuant to such notices, and proceed to the execution of the powers by this Act given them, with respect to the matters so specified only; and all such acts of the shareholders, or the majority of them, at such special meetings assembled, such majority not having either as principals or proxies less than two thousand shares, shall be as valid to all intents and purposes as if the same were done at general meetings: provided always, that it shall and may be lawful for the said company at such special meetings, in case of the death, absence, resignation, or removal of any person named of the committee to manage the affairs of the said company in manner aforesaid, to choose and appoint another or others, in the room or stead of those of such committee who may die or be absent, resign or be removed as aforesaid, anything in this Act to the contrary notwithstanding.

And be it enacted, That at the said annual meeting three of the said nine directors shall annually retire in rotation, the retirement of the said first elected nine directors being decided by lot, but the directors then or at any subsequent time retiring shall be

eligible for re-election: Provided always, that no such retirement shall have effect except the shareholders at such general meeting proceed to fill up the vacancies thus occurring in the direction.

And be it enacted, That any meeting of the said directors, at which not less than five directors shall be present, shall be competent to do and perform all and any of the powers hereby vested in the said directors of the said company.

And be it enacted, That the stock qualification of shareholders to be directors of the said company shall be twenty shares of twenty-five pounds currency each of the capital stock.

And be it enacted, That every such annual general meeting shall have power to appoint not exceeding three auditors, to audit all accounts of money laid out and disbursed on account of the said undertaking, by the treasurer, receiver and receivers, and other officer and officers to be by the said directors appointed, or by any other person or persons whatsoever employed by or concerned for or under them in and about the said undertaking, and to that purpose shall have power to adjourn themselves over from time to time, and from place to place, as shall be thought convenient by them.

And be it enacted, That no call of money from the shareholders shall exceed the sum of two pounds ten shillings per share of twenty-five pounds.

And be it enacted, That in all actions or suits at law by or against the company instituted in Lower Canada, recourse shall be had to the rules of evidence laid down by the laws of England as recognized by the courts in Lower Canada in commercial cases; and no shareholder shall be deemed an incompetent witness, either for or against the company, unless he be incompetent otherwise than as a shareholder.

And be it enacted, That if any writ of saisie-arrêt or attachment shall be served upon the said company, it shall be lawful for the secretary or treasurer in any such case to appear in obedience to the said writ to make the declaration in such case by law required according to the exigency of each case, which said declaration or the declaration of the president, shall be taken and received in all courts of justice in Lower Canada as the declaration of the company; and in causes where interrogatories sur faits et articles or serment décisoire may have been or may hereafter be served upon the company, the directors shall have the power, by a vote or resolution entered among the minutes of the proceedings of any meeting, to authorize the president or treasurer to appear in any cause to answer such interrogatories; and the answers of the president or treasurer so authorized shall be held and taken to be the answers of the company to all intents and purposes as if all the formalities by law required had been complied with; and the production of a copy of such resolution certified by the secretary, with the said answers, shall be sufficient evidence of such authorization.

And be it enacted, That it shall and may be lawful for the company to take and appropriate for the use of the railway so much of the land covered with the waters of the rivers Ottawa or Saint Lawrence, or of any other river, stream, or canal, or of their respective beds, as may be found necessary for the making and completing or more conveniently using the same, and thereon to erect such wharfs, quays, inclined planes, cranes, and other works as to the company shall seem meet: Provided always, that it shall not be lawful for the said company to cause any obstruction in or to impede the free navigation of the River Saint Lawrence or of the River Ottawa, or of any other river, stream, or canal to or across which their railway shall be carried; and if the said railway shall be carried across any navigable river or canal the said company shall leave such openings between the piers of their bridge or viaduct over the same, and shall construct such drawbridge or swingbridge over the channel of the river or canal, and shall be subject to such regulations with regard to the opening of such drawbridge or swingbridge for the passage of vessels and rafts, as the Governor in Council shall direct and make from time to time; nor shall it be lawful for the said company to construct any wharf, bridge, pier, or other work upon the public beach or bed of any navigable river or stream, or upon the land covered with the waters thereof, until they shall have submitted the plan of such work to the Governor in Council, nor until the same shall have been approved by him in Council as aforesaid.

And be it enacted, That by any regulations to be made by the Governor in Council touching any such drawbridge or swingbridge as aforesaid, penalties not exceeding ten pounds in any case may be imposed for the contravention thereof, and such penalties shall be recoverable from the said company or from any of their officers or servants by whom the regulations shall have been contravened.

And be it enacted, That the said company shall have power to become parties to promissory notes and bills of exchange for sums not less than twenty-five pounds, and any such promissory note made or endorsed, and any such bill of exchange drawn, accepted, or endorsed by the president or vice-president of the company, and countersigned by the secretary and treasurer, and under the authority of a majority of a quorum of the directors, is and shall be binding upon the company; and every such promissory note or bill of exchange made, drawn, accepted, or endorsed by the president or vice-president of the said company, and countersigned by the secretary and treasurer as such either before or after the passing of this Act, shall be presumed to have been properly made, drawn, accepted, or endorsed, as the case may be, for the company until the contrary be shown;

CANADA.

and in no case shall it be necessary to have the seal of the company affixed to any such bill of exchange or promissory note, nor shall the president, vice-president, or the secretary and treasurer of the company so making, drawing, accepting, or endorsing any such promissory note or bill of exchange be thereby subjected individually to any liability whatever; provided always, that nothing in this clause shall be construed to authorize the said company to issue any note payable to bearer, or any promissory note intended to be circulated as money or as the notes of a bank.

And be it enacted, That if at any time the mayor, aldermen, and citizens of the city of Montreal, or the municipality of the city of Kingston, or the ecclesiastics of the seminary of Saint Sulpice of Montreal, or any other corporate body, civil or ecclesiastical, or any municipality in this province shall be desirous of subscribing for shares of the capital stock of the said company, or of otherwise promoting the speedy completion of the said railway, by loans of money or securities for money at interest or à constitution de rente, it shall be lawful for them respectively so to do in like manner and with the same rights and privileges in respect thereof as private individuals may do under or in virtue of this Act, anything in any Ordinance or Act or instrument of incorporation of any such body, or in any law or usage to the contrary notwithstanding: Provided always, that should the said company require to purchase from the ecclesiastics of the seminary of Saint Sulpice of Montreal any land either on the Lachine Canal, River Saint Lawrence, or in any other place for the purposes of the railway, it shall be lawful for the said ecclesiastics to sell and convey the same to the company without advertising and offering the said lands at public sale, or without any other formality of sale than is herein provided by this Act.

And be it enacted, That the Provincial Government may at any time after the commencement of the said railway assume the possession and property thereof and of all the property which the said company is empowered to hold, and shall then have, and of all the rights, privileges, and advantages vested in the said company, all of which shall, after such assumption, be vested in Her Majesty, on the said Government giving to the company six months notice of the intention to assume the same.

And be it enacted, That the Government shall, within six months after the company shall render an account in writing of the amount of money expended by the said company, and all their then ascertained liabilities up to the time of such assumption, pay to the company the whole amount of the money so expended and of the liabilities so ascertained, together with interest at the rate of six per cent., and ten per cent. additional thereon, after deducting the amount of any dividends before then declared; and the said Government shall also from time to time pay and discharge all liabilities of the company not ascertained at the time of such assumption, as the same shall be established against the said company: Provided always, that in case of difference between the Government and the company as to the amounts so to be paid by the Government, such difference shall be referred to two arbitrators, one to be named by the Government the other by the company, and in case of disagreement, such difference shall be referred to an umpire, to be chosen by the said arbitrators before entering into the consideration of the said difference; and that the said award so made by the arbitrators or the umpire shall be final: And provided also, that in case of refusal by the company to appoint an arbitrator on their behalf, the same shall be appointed by any two of the judges of the superior court for the district of Montreal, on application of the Government.

And be it enacted, That this Act shall be in force so to enable the said Company to enter upon lands, to make all necessary surveys for the construction of the said railway, from the time that the same shall receive the Royal assent, but not for any other purpose, until the Governor shall issue a proclamation declaring it to be in force.

I certify the above to be a true copy of the Act passed by the Legislative Council and Legislative Assembly of the Province of Canada, in the fourth session of the third Provincial Parliament, and assented to in Her Majesty's name by his Excellency the Governor-General, on the thirtieth day of August one thousand eight hundred and fifty-one.

Attest. J. F. TAYLOR,
Clk. to Leg. Council.

An Act to incorporate "The Kingston and Toronto Railway Company."

WHEREAS it is desirable, in carrying out the design of a main trunk line of railway through the province of Canada, that a company should be incorporated for the purpose of constructing so much of the said railway as may extend from the city of Kingston to the city of Toronto: And whereas Francis Manning Hill, mayor of the city of Kingston, David Roblin, warden of the united counties of Frontenac, Lennox, and Addington, George Benjamin, warden of the county of Hastings, William Hamilton Ponton, mayor of the Town of Belleville, Asa Allworth Burnham, warden of the united counties of Northumberland and Durham, William Weller, mayor of the town of Cobourg, James Smith, mayor of the town of Port Hope, and John George Bowes, mayor of the city of Toronto, have petitioned for the passing of a law incorporating a joint stock company for the purpose of constructing a single or double track iron railroad or way to extend from Kingston to Toronto aforesaid: Be it therefore enacted by the Queen's most excellent Majesty, by and with the advice and consent of the Legislative Council and of the Legislative Assembly of the province of Canada, constituted and assembled by virtue of and under the authority of an Act passed in the Parliament of the United Kingdom of Great Britain and Ireland, and intituled "An Act to re-unite the Provinces of Upper and Lower Canada and for the Government of Canada;" and it is hereby enacted by the authority of the same, That the said Francis Manning Hill, David Roblin, George Benjamin, William Hamilton Ponton, Asa Allworth Burnham, William Weller, James Smith, and John George Bowes, with all such other persons or corporations as shall become shareholders in such joint stock company as is herein-after mentioned, shall be and are hereby ordained, constituted, and declared to be a body corporate and politic in fact, by and under the name and style of "The Kingston and Toronto Railway Company."

And be it enacted, that the several clauses of "The Railway Clauses Consolidation Act," to be passed during the present session, with respect to the first, second, third, and fourth clauses thereof, and also the several clauses of the said Act, with respect to "interpretation," "incorporation," "powers," "plans and surveys," "lands and their valuation," "highways and bridges," "fences," "tolls," "general meetings," "directors, their election and duties," "shares, and their transfer," "municipalities," "shareholders," "actions for indemnity, and fines and penalties, and their prosecution," "working of the railway," and "general provisions," shall be incorporated with this Act.

And be it enacted, that the said company and their agents or servants shall have full power under this Act to lay out, construct, make, and finish a double or single iron railroad or way, at their own costs and charges, on and over any part of the country lying between the said city of Kingston and the said city of Toronto.

And be it enacted, that the Governor shall with all convenient speed cause to be ascertained by actual survey the shortest and most direct line between Kingston and Toronto, having due regard to the best grades and the interests of the province, and that the said company shall construct the said railway on the line selected by the Governor after such survey.

And be it enacted, that all deeds and conveyances for lands to be conveyed to the said company for the purposes of this Act shall and may, as far as the title to the said lands or the circumstances of the party making such conveyances will admit, be made in the form given in the schedule of this Act marked A, and all registrars are hereby required to enter in their registry book such deeds on the production thereof, and proof of execution, without any memorial, and to minute such entry on the said deed, and the said company are to pay to the said registrar for so doing the sum of two shillings and sixpence and no more.

And be it enacted, that the capital stock of the said company shall not exceed in the whole the sum of seven hundred and fifty thousand pounds currency, to be divided in thirty thousand shares of twenty-five pounds each, which amount shall be raised by the persons above named, or some of them, together with such other persons and corporations as may become subscribers towards such stock, and the said money so raised shall be applied in the first place towards the payment and discharge of all fees, expenses, and disbursements for procuring the passage of this Act, and for making the surveys, plans, and estimates connected with the railway, and all the rest and remainder of such money shall be applied towards making, completing, and maintaining the said railway and other purposes of this Act, and to no other purpose whatever: Provided always, that until the said preliminary expenses connected with the said railway shall be paid out of the capital stock thereof, it shall be lawful for the municipality of any county, city, or town on the line of the said road, to pay, out of the general funds of such municipality, their fair proportion of such preliminary expenses; which sum shall be refunded to such municipality from the stock of the said company, or be allowed to them in payment of stock.

CANADA:

And be it enacted, that until one third of the capital stock of the said company shall have been subscribed, the affairs of the said company shall be managed by the heads of the municipalities of the counties of Frontenac, Lennox, and Addington, Hastings, Northumberland and Durham, and York, the cities of Kingston and Toronto, and the towns of Belleville, Cobourg, and Port Hope, or by such persons in lieu thereof as may be appointed under the seal of the said municipalities, who, or a majority of them, are hereby authorized to take all necessary measures for opening the stock books and commencing the operations of the company.

And be it enacted, that so soon as one third of the said capital stock shall have been subscribed, a general meeting of the shareholders shall be held at the city of Kingston, for the purpose of putting this act into effect, which meeting may be called by the heads of any five municipalities of cities or counties on the line of road, fifteen days public notice thereof being given, and to be published once in one newspaper in each city or county on the line of road; at which said general meeting the shareholders present, either in person or by proxy, shall choose nine directors in manner and qualified as herein-after mentioned, who, together with the ex-officio directors, as provided by the Railway Clauses Consolidation Act, shall hold office until the first Monday in April following: Provided, that the heads of municipalities subscribing for stock may represent such stock at the said first meeting, or in their absence such persons as may be duly authorized under the seal of the municipality for the purpose, and such heads of municipalities or persons so voting shall vote according to the scale of votes herein-after mentioned, and in the same manner as individual shareholders.

And be it enacted, that on the first Monday in April in each year, at such time and place as shall be appointed by the directors of the previous year, there shall be chosen by the shareholders nine directors, in the manner herein-after mentioned; and public notice of such annual election shall be published one month before the day of election in the Canada Gazette, and also once fifteen days before the election in one newspaper in each city or county on the line of road; and all elections for such directors shall be by ballot, and the persons who shall have the greatest number of votes at any election shall be directors, and if it shall happen that two or more shall have an equal number of votes, the shareholders shall determine the election by another or other votes until a choice is made; and if any vacancy shall at any time happen among the directors by death, resignation, or removal from the province, such vacancy shall be filled for the remainder of the year by a majority of the directors, and that the said nine directors, together with the said ex-officio directors, shall form the board of directors.

And be it enacted, that six directors shall form a quorum for the transaction of business: Provided, that the said directors may employ one or more of their said number, as paid director or directors.

And be it enacted, that the persons qualified to be elected directors of said company under this Act shall be any shareholder holding stock to the amount of five hundred pounds, who shall have paid up all calls on the said stock.

And be it enacted, that it shall and may be lawful for the directors at any time to call upon the shareholders for a first instalment of five per cent. upon each share which they or any of them may respectively subscribe for; and that the residue of the amount of shares of the shareholders shall be payable by instalments at such times and in such proportions as the directors of the said company may see fit, so as no such instalment shall exceed ten per cent.: Provided always, that the said directors shall not commence the construction of the said railway or way until the said first instalment shall be called in.

And be it enacted, that each shareholder, whether in his own right or representing any municipality holding less than two hundred shares, shall be entitled to the number of votes proportioned to the number of shares which he or they shall have had in his or their name at least two weeks prior to the time of voting; provided that no one shareholder as aforesaid shall have more than three hundred votes.

And be it enacted, that the said company shall have power to become parties to promissory notes and bills of exchange for sums not less than twenty-five pounds, and any such promissory note made or endorsed, and any such bill of exchange drawn, accepted, or endorsed by the president of the company or vice president, and countersigned by the secretary and treasurer, and under the authority of a majority of a quorum of the directors, is and shall be binding upon the said company, and every such promissory note or bill of exchange so made, drawn, accepted, or endorsed by the president or vice president of the said company, and countersigned by the secretary and treasurer as such, either before or after the passing of this Act, shall be presumed to have been properly made, drawn, and accepted or endorsed, as the case may be, for the company until the contrary be shown; and in no case shall it be necessary to have the seal of the company affixed to any such bill of exchange or promissory note, nor shall the president, vice president, or the secretary or treasurer of the company so making, drawing, accepting, or endorsing any such promissory note or bill of exchange be thereby subjected individually to any liability whatever: Provided always, that nothing in this clause shall be construed to authorize the said company to issue any note payable to bearer or any promissory note intended to be circulated as money or as the notes of a bank.

And be it enacted, that it shall be lawful for the directors (if authorized by any general meeting of the shareholders to be called for the purpose) to enter into and make any arrangement with the directors of any other railway company now or hereafter to be chartered in any part of this province, more particularly with the company of any railway extending from Kingston to Montreal, for the union, junction, amalgamation, or purchase of any railway or railway company by mutual agreement with such company, and the capital stock of any companies so united shall become the capital stock of the companies so united, and be controlled and managed as such independently of all other increase of stock authorized by this Act.

And be it enacted, that the gauge of the said railway shall not be broader or narrower than five feet six inches.

And be it enacted, that it shall and may be lawful for the said company to take and appropriate for the use of the said railway so much of the land covered with the waters of any river, stream, or canal, or of their respective beds, as may be found necessary for the making and completing or more conveniently using the same, and thereon to erect such wharves, quays, inclined planes, cranes, and other works, as to the company shall seem meet: Provided always, that it shall not be lawful for the said company to cause any obstruction in or to impede the free navigation of any river, stream, or canal to or across which their railway shall be carried; and if the said railway shall be carried across any navigable river or canal the said company shall leave such openings between the piers of their bridge or viaduct over the same, and shall construct such draw bridge or swing bridge over the channel of the river or canal, and shall be subject to such regulations with regard to the opening of such draw bridge or swing bridge for the passage of vessels and rafts, as the Governor in Council shall direct and make from time to time; nor shall it be lawful for the said company to construct any wharf, bridge, pier, or other work upon the public beach or bed of any navigable river or stream, or upon the lands covered with the waters thereof, until they shall have submitted the plan of such work to the Governor in Council, nor until the same shall have been approved by him in Council as aforesaid.

And be it enacted, that by any regulations to be made by the Governor in Council touching any such draw bridge or swing bridge as aforesaid, penalties not exceeding ten pounds in any case may be imposed for the contravention thereof, and such penalties shall be recoverable from the said company or from any of their officers or servants by whom the regulations shall have been contravened.

And be it enacted, that the Provincial Government may at any time after the commencement of the said railway assume the possession and property thereof, and of all the property which the said company is empowered to hold and shall then have, and of all the rights, privileges, and advantages vested in the said company, all of which shall after such assumption be vested in Her Majesty, on the said Government giving to the company six months notice of the intention to assume the same.

And be it enacted, that the said Government shall, within six months after the company shall render an account in writing to the amount of money expended by the said company, and all their then ascertained liabilities up to the time of such assumption, pay to the said company the whole amount of the money so expended, and of the liabilities so ascertained, together with interest at the rate of six per cent., and ten per cent. additional thereon after deducting the amount of any dividends before then declared, and the said Government shall also from time to time pay and discharge all liabilities of the company not ascertained at the time of such assumption as the same shall be established against the said company: Provided always, that in case of a difference between the Government and the company as to the amount so to be paid by the Government, such difference shall be referred to two arbitrators, one to be named by the Government, the other by the company, and in case of disagreement such difference shall be referred to an umpire to be chosen by the said arbitrators before entering into the consideration of the said difference, and that the said award so made by the arbitrators or the umpire shall be final; and provided also, that in case of refusal by the company to appoint an arbitrator on their behalf, the same shall be appointed by any two of the judges of either of the superior courts of common law for Upper Canada, on application of the Government.

And be it enacted, that this Act shall be in force so as to enable the said company to enter upon lands, to make all necessary surveys for the construction of the said railway, from the time that the same shall receive the Royal Assent, but not for any other purpose until the Governor shall issue a proclamation declaring it to be in force.

SCHEDULE A.

Form of Conveyance.

Know all men by these presents, that I, A.B., of _____, do hereby, in consideration of (here state the purchase money), paid to me by the Kingston and Toronto Railway Company, the receipt whereof is hereby acknowledged, grant, bargain, sell, convey, and confirm unto the said Kingston and Toronto Railway Company, their successors and assigns, for ever, all that certain tract or parcel of land situate (here describe the land), the same having been selected and laid out by the said company for the purposes of their road;

CANADA,

to have and to hold the said land and premises, together with the hereditaments and appurtenances thereto, to the said Kingston and Toronto Railway Company, their successors and assigns, for ever.

Witness my hand and seal, this _____ day of _____ one thousand eight hundred and _____ [L. s.]
Signed, sealed and delivered in presence of _____

I certify the above to be a true copy of the Act passed by the Legislative Council and Legislative Assembly of the province of Canada, in the fourth session of the third provincial Parliament, and assented to in Her Majesty's name by his Excellency the Governor General, on the thirtieth day of August one thousand eight hundred and fifty-one.

Attest. J. F. TAYLOR,
Clerk, Legislative Council.

NOVA SCOTIA.

NOVA SCOTIA.

No. 1.

An Act to make provision for the Construction of a Trunk Railway through British North America.—(Passed the 29th day of November 1851.)*

Preambles.

WHEREAS the formation of railroads from Halifax to the rivers Detroit and Saint Croix would consolidate and strengthen the provinces of British America, develope their resources, multiply their social and commercial relations, and afford increased facilities for rapid intercommunication with the British Islands and with all parts of this continent :

And whereas Her Majesty's Government is prepared to advance the funds required to construct a portion of these works, on certain conditions :

And whereas Canada has made liberal provision for one third of a trunk line from Halifax to Quebec, and for the extension of that line to the river Detroit :

And whereas there is reason to anticipate the co-operation of New Brunswick in the completion of both lines passing through that province :

Arrangements may be made by the Governor and Council to construct railroad, &c.

I. Whenever the funds necessary for the purpose shall be raised by loan under the authority and guarantee of the Parliament of the United Kingdom, or advanced as a loan to this province under such authority, or subscribed or loaned by individuals, as herein-after provided, it shall be lawful for the Governor in Council to enter into such arrangements as may be deemed conducive to the interests of this province, with the Government of the United Kingdom, and with the Governments of Canada and New Brunswick, in reference to the construction of a railway from the Harbour of Halifax, in Nova Scotia, to some point opposite the city of Quebec, either by constructing the same on the joint account of this province and the provinces of Canada and New Brunswick in equal proportions, or by engaging to construct, at the expense of this province, that part of the railway lying within Nova Scotia, or by making such other arrangements for the construction of the railway as may be agreed upon with the Government of the United Kingdom and such provincial Governments; and for facilitating such arrangements, all the ungranted lands within this province lying within ten miles on each side of the line of the railway are hereby placed at the disposal of the Governor in Council, to be appropriated, pledged, or otherwise dealt with as may be thought best for the interests of the province with regard to such arrangements, it being understood and hereby declared that the Legislature of this province will confirm and carry out, by such enactments as may be necessary to give full effect to the same, any arrangement and agreement which may be made by the Governor in Council, in the spirit and for the purposes of this Act.

Expenses how defrayed.

II. It shall be lawful for the Governor, out of the funds to be raised or advanced for the purpose, to pay such sums as may be required to defray the expenses of making that part of the railway which shall be made at the expense of this province under any such arrangement, or any other expenses which, under such arrangement, are to be borne by this province.

Appointment of commissioners.

III. Whenever the Governments of Canada, New Brunswick, and Nova Scotia have completed the arrangements necessary, and determined on the construction of the work contemplated by this Act, it shall be lawful for the Governor in Council to appoint not more than five commissioners, with full powers to construct such work, in conjunction with commissioners to be appointed in the other provinces, who shall be empowered, from time to time, to draw upon the Receiver General for any amount, not to exceed one third of the funds required for the same.

The railway to be a provincial work.

IV. The main trunk line of railway, or such part thereof as may be made under the provisions of the preceding sections of this Act, shall be a public provincial work; and the railway shall be made through this province on such line and in such places as the

Governor in Council shall determine and appoint as best adapted to promote the general interests.

V. The commissioners are authorized to enter upon and take possession of any lands required for the track of the railway or for stations, and they shall lay off the same by metes and bounds, and record a description and plan thereof in the registry of deeds for the county, and the same shall operate as a dedication to the public of such lands; but the lands so taken shall not be less than four nor more than eight rods in breadth for the track, nor more than five acres in extent for any station.

Lands to be appropriated for road.

VI. The commissioners may enter, with workmen, carts, carriages, and horses, upon any lands, and therefrom, for the making of such railroad, dig up and carry away stones and gravel, and cut down and carry away any trees, bushes, logs, poles, and brushwood.

Entry, &c. upon other lands.

VII. The commissioners may make an agreement in writing with the proprietors of the land so taken for damages and fencing, where such fencing shall be considered requisite by the commissioners, and also for materials for the road taken from any lands; and the same shall be laid before the sessions, and, if approved of, shall be confirmed.

Commissioners may make agreement relative to lands, &c.

VIII. Where no agreement shall be made, or the same shall not be confirmed, one appraiser shall be appointed by the sessions, a second by the persons interested in the lands, and on their default, after three days notice by the clerk of the peace, such two shall choose a third appraiser; and the appraisers shall be sworn to the faithful discharge of their duty, and they or any two of them shall make a valuation as to damages for lands, and fencing when requisite, or materials taken from any land, which valuation shall be final.

Appraisement where no agreement made.

IX. In making such arrangement or appraisement, the benefit likely to be derived by the proprietor from the railway running through his land shall be taken into consideration, and the damages thereby reduced or extinguished.

Where proprietor is benefited by the road.

X. The monies payable for such lands and fencing shall form a county charge, but in the apportionment of the assessment the session shall have respect to the relative benefits derived from the railway by the several sections of the county, and shall appoint the assessment accordingly.

The amount of ap-praisement to be a county charge.

XI. If any corporation or individual shall desire to invest monies in the railway fund applicable to the construction of this work at their own risk, sharing with the Govern-ment the hazard and the profit of the enterprise, it shall be lawful for the Receiver General to issue scrip in sums not less than twenty-five pounds, bearing no interest, but entitling the holder to a share, proportioned to his investment, in the tolls and revenues of the road.

Investment in the railway, how made.

XII. Any person desiring to invest, on the credit of the province, monies in the railway fund, applicable to the construction of this work, may pay any amount to the Receiver General, under the same guards and regulations as now secure the monies invested in the savings bank, provided that the rate of interest to be paid on such instalments shall be the same as the province pays for the loans advanced by Her Majesty's Government.

Loans to the pro- vices for railroad, how made.

XIII. Whenever the railway shall be completed from Halifax to Quebec, it shall be lawful for the Governor in Council to make, in conjunction with the Governments of Canada and New Brunswick, such arrangements as may be suitable for working the railway as one line, by a common management, or for working that portion of the line which shall have been constructed at the risk of this province; such arrangements to be submitted to both branches of the Legislature at the session then next ensuing; and during the progress of the work the Governor in Council shall have the like power over the portion of the line within this province, and arrangements made in reference thereto shall be submitted in like manner.

How the railroad i to be worked.

XIV. The total sum to be raised for the purposes of this Act, upon the credit of the revenues of this province, shall never exceed in the whole the sum of one million of pounds sterling, including the stock to be held by the city of Halifax, and any stock that may be taken by private individuals.

The amount to be raised not to exceed 1,000,000l. sterling.

XV. This Act shall not go into operation unless provision be made by the province of New Brunswick for the construction of a branch line from some convenient point of intersection with the main trunk line to the river Saint Croix.

Act not to go into operation until, &c.

Government House, Halifax,
11th December 1851.

It is hereby certified, that the foregoing is a true copy of an Act passed in the last session of the Legislature.

J. HARRY, Lieut. Governor

No. 2.

An Act for raising*, by way of loan, a sum not exceeding one million of pounds sterling, for the construction of a trunk railway through British North America.—(Passed the 29th day of November, A.D. 1851.)

WHEREAS Her Majesty's Government is disposed, on certain conditions, to recommend to Parliament that the credit of the United Kingdom shall be employed to enable the provinces of Canada, New Brunswick, and Nova Scotia to raise, upon advantageous

Preamble

* See further Act passed 8th April 1852, printed at page 161.

NOVA SCOTIA.

terms, the funds necessary for the construction of a line of railway from the harbour of Halifax in Nova Scotia to Quebec or Montreal in the province of Canada :

And whereas the Parliament of this province hath, during the present session, passed an Act for the construction of that portion of the railway from the harbour of Halifax to Quebec which is to be made by this province, provided the necessary funds shall be raised under the authority and guarantee of the Parliament of the United Kingdom, or advanced as a loan to this province under such authority :

Funds for railway,
how raised.

I. The sum necessary for defraying the expenses of making such part of the railway from the harbour of Halifax to some point opposite the city of Quebec as may be to be made under the provisions of the Act passed in the present session, and entitled "An Act to make provision for the construction of a trunk railway through British North America," and the arrangements under the same, or any other expenses which under any such arrangement are to be borne by this province, may be raised and borrowed under the provisions of any Act which shall be passed by the Parliament of the United Kingdom authorizing the advance of such sums to this province from the Treasury of the United Kingdom, or guaranteeing the repayment of the sums so borrowed, the due payment of dividends and interest thereon, or providing in any other way for the employment of the credit of the United Kingdom, so as to ensure the raising of such sums on advantageous terms; and the sums so raised shall be applied to the purposes for which they are hereby authorized to be raised, and no other; but the sums to be raised under the authority of this Act shall not in the whole exceed the sum of one million of pounds sterling, including the stock held by the city of Halifax as herein-after mentioned, and any stock that may be taken by private individuals.

Money raised charged
on the general revenues.

II. Such sums may be raised and borrowed, under and subject to the provisions of any such Act of the Parliament of the United Kingdom, by any person appointed in that behalf by Her Majesty or by the Governor of this province, by loan debentures or otherwise; and the principal sums so raised, and the dividends and interest thereon, are hereby charged on the general revenues of this province, of which the profits coming to this province from any part of the railway made with the funds raised under this Act shall form part, and shall be the first charge thereon after any previously existing debts of the province, and the sums payable under any Act then in force granting a civil list to Her Majesty.

Sinking Fund.

III. The annual sums payable for the transmission of British mails and troops shall be carried to the credit of the loan contracted, and shall, together with the net profits of the railway, after deducting working expenses and interest, form a sinking fund for the liquidation of such loan.

When principal borrowed, to become chargeable on general revenues, &c.

IV. Until the railway shall pay its working expenses, and the annual interest due upon the loan contracted, no part of the principal sum shall be chargeable upon the revenues of this province, nor shall the sinking fund ever consist of more than two per cent. per annum, if chargeable on the provincial revenues, on the principal sums so to be raised and borrowed.

Money borrowed, how to be received and paid.

V. The principal sums so to be raised and borrowed shall be received, from time to time as the same may be raised, by the Receiver General, who shall, upon the warrants of the Governor, pay out of the same such sums as may from time to time be required for defraying the expenses made payable out of the same by this Act and the Act of this session herein-before referred to; and who shall also, upon the warrants of the Governor pay the dividends and interest upon the sums so raised and borrowed, as the same shall become due, together with the sums accruing to the sinking fund; and such fund shall be paid and managed in such manner, for the redemption and liquidation of the principal sums, as shall be agreed upon and negotiated when the principal sums shall be raised and borrowed; or if there be no such agreement in that behalf, then in such manner as the Governor in Council shall from time to time direct and appoint, subject, however, to the provisions of this Act; and it is hereby declared, that the Parliament of this province will confirm and carry out, by such legislative enactments, if any, as may be necessary to give full effect to the same, any arrangement or agreement not inconsistent with the spirit of this Act and of the Act of this session herein-before referred to, which may be made or authorized by the Governor in Council, with regard to the raising and borrowing the sums aforesaid, under the provisions of any Act to be passed by the Parliament of the United Kingdom in that behalf, and for the purpose of complying with the requirements of such Act.

Interest, how paid.

Sinking fund, how managed.

Agreements to be confirmed by Legislature.

VI. The Receiver General shall, before each session of the provincial Parliament, transmit to the Governor, for the purpose of being laid before the two Houses of the Legislature, a correct and detailed statement and account of the sums raised under the authority of this Act, and of the debentures and other securities which shall have been issued, and of the dividends and interest paid thereon, and of the sinking fund, and of the redemption of the whole or any part of the principal sum by means of the sinking fund, or otherwise, and of the expenses attending the negotiation, management, payment, and redemption of the loan.

Accounts to be laid before the Legislature.

City of Halifax to hold stock to the amount of 100,000l. sterling.

VII. The city of Halifax shall be considered as holding stock in the railway to the extent of one hundred thousand pounds sterling, and shall be entitled to participate in the profits of the railway in proportion to the amount of such stock, and shall be assessed annually for the amount of interest thereon, at the same rate of interest at which the

loan is obtained ; and also for a proportionate amount of such sums as may be chargeable against the general revenues of this province for the sinking fund, such annual sums to be assessed and levied in the same manner in which other city rates are now assessed and levied, and to be paid into the hands of the Receiver General, to form a part of the general revenues of this province, and to continue to be so annually assessed, levied, and paid in, until the loan obtained under this Act shall become extinguished under the provisions thereof.

VIII. The due application of the monies to be raised under the authority of this Act, and of all sums to be expended under such authority, shall be accounted for to Her Majesty, through the Lords Commissioners of Her Majesty's Treasury for the time being, in such manner and form as Her Majesty shall direct, and an account of all sums expended under the authority of this Act shall be laid before both Houses of the provincial Parliament within fifteen days after the opening of the session thereof next after such expenditure.

Application of money to be accounted for to Her Majesty.

And whereas, for the maintenance of the credit and good faith of this province, it is indispensable that the annual revenues from all sources should never fall short of the amount collected in the present year while any portion of the loan contemplated by this Act remains due and unpaid :

IX. Until the monies advanced or guaranteed by the Imperial Government shall have been repaid, or until the roads built with the same shall yield a net income of three and one half per cent., the tariff of the year one thousand eight hundred and fifty-one shall form the basis of the revenue laws of this province, and shall not be varied or changed so as to diminish the amount of security which it is the intention and meaning of this Act should be pledged to Her Majesty's Government ; but nothing herein contained shall be construed to prevent the Legislature from annually revising such tariff, or from making regulations in respect to trade and the protection of the revenue, due care being taken that any alterations to be made shall not diminish the net income of the province below the amount collected or to be collected in the year one thousand eight hundred and fifty-one, and that changes which may so operate shall, before becoming law, be reported to and approved of by Her Majesty's Government.

Tariff not to be reduced.

Government House, Halifax,

11th December 1851.

It is hereby certified, That the foregoing is a true copy of an Act passed in the last Session of the Legislature.

J. HARVEY,
Lieut.-Governor.

No. 3.

No. 3.

An Act relative to the Crown Land Department. (Passed the 29th day of November, A.D. 1851.)

1. The Surveyor General and Commissioner of Crown Lands shall hereafter be styled "Commissioner of Crown Lands." Commissioner, &c.
2. It shall be the duty of the Commissioner of Crown Lands, in addition to his present duties, when so required by the Governor in Council, Duties of
 - To cause a survey to be made of all the Crown Lands within ten miles on each side of any line of railroad which may be first put under contract in this province, such lands to be laid off in lots of 100 acres each, except in the neighbourhood of any railway station or other desirable locality, where town lots of smaller dimensions may be laid off. To make surveys within ten miles of railways;
 - To prepare and cause to be lithographed plans or maps of such lands, with the lots numbered, and the course of the railroad, or of any streams or public roads running through the same, and the price of the lots clearly indicated thereon. To prepare plans, &c. ;
 - To sell, without reference or delay, and where there is no adverse possession, at such price as may have been affixed by order of the Governor in Council, any such lot to which the title of the Crown is clear. To sell lots ;
 - To forward to every emigrant agent in the United Kingdom copies of such plans, with a public advertisement of the lands thus offered for sale. To transmit plans to emigrant agents ;
 - To correspond with the Commissioners of Lands and Emigration in the United Kingdom, or other legally constituted authorities within the same, supplying them from time to time with information, and co-operating with them for the speedy sale and settlement of the public lands. To correspond with commissioners, &c. in the United Kingdom ;
 - To collect, through the deputy surveyors in each county, annual returns of the number of tradesmen, mechanics, labourers, and apprentices which the formed settlements in such counties would probably require. To collect returns ;
 - To transmit copies of such returns to the Commissioners of Lands and Emigration in December in each year, and generally to superintend and facilitate the transmission and location of such immigrants as may land at any port within the province, of which he shall have due notice. To transmit same to Commissioners of Lands and Emigration.
3. The Governor in Council may from time to time modify, alter, or change the above Regulations may be altered.

NOVA SCOTIA.

regulations, such alterations to be published in the "Royal Gazette," and laid before the Legislature at the next ensuing session.

Guardian of young persons landed in this province.

4. The Commissioner of Crown Lands and any deputy surveyor who may be commissioned for the purpose by the Governor shall be the legal guardian of such young persons as may be landed in the province, under the authority and at the expense of the Commissioners of Land and Emigration, or of any legally constituted board having the sanction of Her Majesty's Government; such officers having power to bind by indenture such young persons until they are twenty-one years of age, and to protect them from ill-treatment or neglect, by appeal to the ordinary tribunals, in as ample a manner as other apprentices are now protected by law; but no greater number of such young persons shall be so protected than shall have been forwarded to the province on requisition from the Commissioner of Crown Lands; and the expense of maintaining them after their arrival and forwarding them to their destination, and of the requisite indentures, shall be paid or refunded by the persons to whom they are bound.

Duties.

Governor in Council may order survey of lands.

5. The Governor in Council may direct the surveying and laying off, in manner herein-before mentioned, of other lands than those mentioned in section 2, and may direct plans thereof to be prepared, and such other steps taken in relation thereto as may be deemed advisable.

Duty of deputy Surveyors;
To collect information;

6. It shall be the duty of the deputy surveyors in the different counties, To collect information within their counties relating to the ungranted lands therein, the quality, description, and value of the buildings on the occupied portions thereof, and the quality of the soil and the quantity and quality of the timber thereon, and transmit the same to the Commissioner of Crown Lands.

To receive and transmit applications for grants, and report thereon.

To receive and transmit to the Crown Lands Office all applications for grants; the same, where no previous survey has been made, to be accompanied by a plan of the lands applied for upon a survey and running out thereof by the deputy surveyor, made at the expense of the applicant; and also by a report setting forth the quality, situation, and value of the land, and whether any and what portion thereof has been occupied or improved, and by whom; when a survey shall have been previously made to refer specifically thereto, and to the number of the lot on any plan thereof, and the state of the land at the time of the application, and whether it has been occupied, and if so, by whom, and what, in his opinion, is the then value of it, the value in either case, if improved, to be estimated as if in its original state, and separately taking into consideration such improvements.

Price of ungranted lands, how settled.

7. The Governor in Council may from time to time, subject to the previous provisions, settle the price to be paid for ungranted lands, and the manner of making application therefor.

Grants to purchasers.

8. Any of Her Majesty's subjects may, upon due application to the Commissioner of Crown Lands, subject to the operation of the previous provisions, become the purchaser of such lands as may be for sale, and he shall immediately pay the price and be entitled to possession, and to a grant in fee simple, subject to such reservations and conditions as may be deemed necessary.

Where lands built upon or improved.

9. If at the time of any application there was any dwelling-house on the lands in which any person other than the applicant then and for a year previously had continually resided, or in case five acres at least of the land had been cleared or cultivated during such person's actual possession, and had been for at least one year in his constant use, then, unless such fact shall have been communicated to the Commissioner before the passing of the grant, the Governor in Council may, within two years from the passing thereof, if it shall appear proper so to do, declare the grant to be vacated, and the same shall thereupon become void.

Power of Governor in Council to sell.

10. The Governor in Council may, from time to time, sell or lease any lands, at such price and for such tenure, time, or use, either as regards the land, or timber, quarries, or mines thereon, or other benefit to be derived therefrom, as may be deemed expedient.

Reservations for the use of Indians.

11. The Governor in Council may reserve lands for the use of the Indians, may divide existing reservations, and vest in the Commissioner of Crown Lands the title to such lands, and the duty of protecting the rights of the aborigines who are disposed to settle thereupon.

Repeal of Cap. 28.

12. Chapter 28 of the revised Statutes is repealed.

Government House, Halifax,
December 11, 1851.

It is hereby certified, that the foregoing is a true copy of an Act passed in the last session of the Legislature.

J. HARVEY, Lieut.-Governor.

No. 4.

An Act for the Incorporation of Land Companies. (Passed the 29th day of November, A.D. 1851.)

Incorporation of Land Companies.

I. Whenever any British subjects desire to form an association for the purchase and improvement of Crown lands on the lines of the contemplated trunk line of railroad from

Halifax to Quebec, they may transmit the names of such persons, not less than twenty, as they wish to represent them, to the Commissioners of Lands and Emigration, to be transmitted to the Lieutenant-Governor of this province, who shall thereupon, if, with the advice of Council, it be determined to invest such persons with corporate powers, direct their names to be inserted in the Royal Gazette, and a patent to issue, clothing such persons and their copartners with the privileges and legal liabilities of a corporation upon the following terms, subject to such restrictions as may by the Governor in Council be deemed necessary.

NOVA SCOTIA

First. The name of the company, and the names of its directors, to be lodged in the office of the provincial secretary, with an impression of its common seal.

Name and seal to be lodged with provincial secretary.

Second. The directors to be liable to the whole extent of their fortunes for the debts of the company, being vested with power to sue and be sued in their corporate capacity.

Liability of directors.

Third. The shareholders to be liable only to the extent of their shares.

Liability of shareholders.

Fourth. The company to purchase 50,000 acres of Crown lands on the line of railroad at such price as may be determined upon by the Government, with power to purchase any further quantity when one half of the original purchase has been sold and settled.

Purchase of lands.

Fifth. The lands to be laid off in lots of 100 acres at the expense of the Government, and numbered on the plans from 1 to 500, it being provided in the general grant that every lot on which there is not a dwelling house actually occupied, and at least five acres of land cleared and improved, at the end of ten years from the date of its purchase, shall revert to the Government, and become a part of the public domain, upon a declaration of the Governor in Council to that effect, without office found.

Lands to be laid off by Government.

Sixth. Where the lands purchased are in one block, and are not included in any township, they shall be formed into a township, and the inhabitants, whenever they shall number 100 heads of families, shall be invested by law with all the privileges of township organisation.

Formation of townships.

Seventh. The capital of the company shall be limited to 50,000 $\text{\$}$, but may be increased by 1 $\text{\$}$ for every acre of land purchased from the Provincial Government above the quantity specified in the fourth condition.

Capital.

II. The company shall have power over such lands as they shall purchase—over mines not subject to legal reservation—over the standing timber, mill sites, and water privileges, and may lay off and sell such lands in town lots or blocks of less or more than 100 acres, at their option, and for the general advantage.

Power of company.

III. The company may enter into contracts with any commissioners appointed by the Provincial Government to construct so much of the railway as will run through the lands purchased, and to work and repair such railway after it is made; but no greater amount shall be charged for the construction and working of such sections of the railway than is paid for constructing and working other portions of the line.

Contracts with commissioners of railroad.

Government House, Halifax, December 11, 1851.

It is hereby certified, that the foregoing is a true copy of an Act passed in the last session of the Legislature.

J. HARVEY,
Lieut.-Governor.

No. 5.

No. 4.

An Act to make Provision for the Construction of a Trunk Railway from Halifax to Quebec. (Passed April 8, 1852.)

WHEREAS the formation of a great trunk line of railway from the harbour of Halifax to Quebec, through British territory, would consolidate and strengthen the provinces of British North America, develop their resources, settle their waste lands, multiply their social and commercial relations, and afford increased facilities for rapid intercommunication with the British islands, and with all parts of this continent: And whereas it is anticipated that Her Majesty's Government will advance or guarantee the funds required to construct this work on certain conditions:

Be it enacted, by the Governor, Council, and Assembly, as follows:—

1. Whenever the funds necessary for the purpose shall be raised by loan, under the authority and guarantee of the Parliament of the United Kingdom, or advanced as a loan to this province under such authority, or subscribed or loaned by individuals, as herein-after provided, it shall be lawful for the Governor in Council to enter into such arrangements as may be deemed conducive to the interests of this province with the Government of the United Kingdom, and with the Governments of Canada and New Brunswick, in reference to the construction of a railway from the harbour of Halifax, in Nova Scotia, to some point opposite the city of Quebec, either by constructing the same on the joint account of this province and the provinces of Canada and New Brunswick, or by engaging to construct, at the expense of this province, that part of the railway lying within Nova Scotia, or by making such other arrangements for the construc-

tion of one fourth part of the said railway as may be agreed upon with the Government of the United Kingdom and such provincial governments; and for facilitating such arrangements all the ungranted lands within this province, lying within five miles on each side of the line of the railway, are hereby placed at the disposal of the Governor in Council, to be appropriated, pledged, or otherwise dealt with as may be thought best for the interests of this province; with regard to such arrangements, it being understood and hereby declared that the Legislature of this province will confirm and carry out, by such enactments as may be necessary to give full effect to the same, any arrangement and agreement which may be made by the Governor in Council in the spirit and for the purposes of this Act.

2. The great trunk line of railway shall be constructed by this province, in conjunction with the provinces of Canada and New Brunswick, in the following proportions; that is to say:

The province of New Brunswick to make provision for, and to contribute to, the construction of the whole line, five twelfths—Canada four twelfths, and this province three twelfths—each province bearing the hazard and sharing the profits of the whole enterprise in the like proportions; and this province, after the debt shall have been paid, to own three twelfths of the whole line.

3. It shall be lawful for the Governor, out of the funds to be raised or advanced for the purpose, to pay such sums as may be required to defray the expenses of making that part of the railway which shall be made at the expense of this province under any such arrangement, or any other expenses which, under such arrangements, are to be borne by this province.

4. Whenever their services are required, it shall be lawful for the Governor in Council to appoint not more than five commissioners, with full powers to construct such work, in conjunction with commissioners to be appointed in the other provinces, who shall be empowered from time to time to draw upon the Receiver-General for any amount not to exceed one fourth of the funds required for the same; provided that not more than one of such commissioners shall at any time hold a seat in the Legislature.

5. The Executive Government shall, in the first instance, fix the rate of salary for the respective commissioners appointed for this province, subject to the revision and confirmation of the Legislature at its first session thereafter.

6. No member of the Legislature shall hold or be appointed to any office of emolument under the commissioners, or be a contractor, or party to any contract arising out of the construction, management, or working of the road, or any part thereof.

7. The main trunk line of railway, or such part thereof as may be made under the provisions of the preceding actions of this Act, shall be a public provincial work, and the railway shall be made through this province on such line and in such places as the Governor in Council shall determine and appoint as best adapted to promote the general interests.

8. The commissioners are authorized to enter upon and take possession of any lands required for the track of the railway or for stations, and they shall lay off the same by metes and bounds, and record a description and plan thereof in the registry of deeds for the county in which the lands are situate, and the same shall operate as a dedication to the public of such lands; but the lands so taken shall not be less than four nor more than eight rods in breadth for the tract, nor more than five acres in extent for any station.

9. The commissioners may enter, with workmen, carts, carriages, and horses, upon any lands, and therefrom, for the making of such railroad, dig up and carry away stones and gravel, and cut down and carry away any trees, bushes, logs, poles, and brushwood.

10. The Commissioners may make an agreement in writing, with the proprietors of the land so taken, for damages and fencing, where such fencing shall be considered requisite by the Commissioners, and also for materials for the road taken from any lands, and the same shall be laid before the sessions, and, if approved of, shall be confirmed.

11. Where no agreement shall be made, or the same shall not be confirmed, one appraiser shall be appointed by the sessions, a second by the persons interested in the lands, and on their default, after three days notice, by the clerk of the peace, such two shall choose a third appraiser, and the appraisers shall be sworn to the faithful discharge of their duty, and they, or any two of them, shall make a valuation as to damages for lands and fencing when requisite, or materials taken from any land, which valuation shall be final.

12. In making such arrangement or appraisement the benefit likely to be derived by the proprietor from the railway running through his land shall be taken into consideration, and the damages thereby reduced or extinguished.

13. The monies payable for such lands and fencing shall form a county charge, but in the apportionment of the assessment the sessions shall have respect to the relative benefits derived from the railway by the several sections of the county, and shall apportion the assessment accordingly.

14. If any corporation or individual shall desire to invest monies in the railway fund, applicable to the construction of this work, at their own risk, sharing with the Government the hazard and the profit of the enterprise, it shall be lawful for the Receiver-

General to issue scrip in sums not less than twenty-five pounds, bearing no interest, but entitling the holder to a share proportioned to his investment in the tolls and revenues of the road.

15. Any person desiring to invest, on the credit of the province, monies in the railway fund, applicable to the construction of this work, may pay any amount to the Receiver General, under the same guards and regulations as now secure the monies invested in the savings bank; provided that the rate of interest to be paid on such instalments shall be the same as the Province pays for the loans advanced by or on the guarantee of Her Majesty's Government.

16. Whenever the railway shall be completed from Halifax to Quebec, it shall be lawful for the Governor in Council to make, in conjunction with the Governments of Canada and New Brunswick, such arrangements as may be suitable for working the railway as one line, by a common management, or for working that portion of the line which shall have been constructed at the risk of this province, such arrangements to be submitted to both branches of the Legislature at the session then next ensuing; and during the progress of the work the Governor in Council shall have the like power over the portion of the line within this Province, and arrangements made in reference thereto shall be submitted in like manner.

17. The total sum to be raised for the purposes of this Act, upon the credit of the revenues of this Province, shall never exceed, in the whole, the sum of eight hundred thousand pounds sterling.

18. An Act passed during the last session of the General Assembly, entitled "An Act to make provision for the construction of a trunk railway through British North America," is repealed.

Government House, Halifax,
April 15, 1852.

It is hereby certified, that the foregoing is a true copy of an Act passed in the last session of the Legislature.

JOHN BAZALGETTE,
Administrator.

Halifax, April 15, 1852.

This Act in my opinion is unobjectionable, and should pass into a law.

JAMES B. UNIACKE,
Attorney-General.

No. 6.

No. 6.

An Act for raising, by way of loan, a sum not exceeding eight hundred thousand pounds sterling, for the construction of a trunk railway from Halifax to Quebec.

[Passed 8th April 1852.]

WHEREAS Her Majesty's Government is disposed, on certain conditions, to recommend to Parliament, that the credit of the United Kingdom may be made available to enable the provinces of Canada, New Brunswick and Nova Scotia to raise, upon advantageous terms, the funds necessary for the construction of a line of railway from the harbour of Halifax in Nova Scotia, through British territory to Quebec, in the province of Canada: And whereas the General Assembly of this Province hath, during the present session, passed an Act for the construction of a certain proportion of said railway, provided the necessary funds shall be raised under the authority and guarantee of the Parliament of the United Kingdom, or advanced as a loan to this Province, under such authority:

Be it enacted, by the Governor, Council, and Assembly, as follows:

1. The sum necessary for defraying the expenses of making such part of the railway from the harbour of Halifax to some point opposite the city of Quebec, as may be to be made under the provisions of the Act passed in the present session, and entitled "An Act to make provision for the construction of a trunk railway from Halifax to Quebec," and the arrangements under the same, or any other expenses which, under any such arrangement, are to be borne by this Province, may be raised and borrowed under the provisions of any Act which shall be passed by the Parliament of the United Kingdom, authorizing the advance of such sums to this Province from the Treasury of the United Kingdom, or guaranteeing the repayment of the sums so borrowed, the due payment of dividends and interest thereon, or providing in any other way for the employment of the credit of the United Kingdom, so as to ensure the raising of such sums on advantageous terms; and the sums so raised shall be applied to the purposes for which they are hereby authorized to be raised, and no other; but the sums to be raised under the authority of this Act shall not in the whole exceed the sum of eight hundred thousand pounds sterling.

2. Such sums may be raised and borrowed under and subject to the provisions of any such Act of the Parliament of the United Kingdom, by any person appointed in that behalf by Her Majesty, or by the Governor of this Province, by loan debentures or otherwise; and the principal sums so raised, and the dividends and interest thereon, are hereby charged on the general revenues of this Province, of which the profits coming to

NOVA SCOTIA.

this Province from any part of the railway made with the funds raised under this Act, shall form part, and shall be the first charge thereon after any previously existing debts of the Province, and the sums payable under any Act then in force granting a civil list to Her Majesty.

3. For creating a sinking fund for payment of the loan to this Province, if required by the Imperial Government, the profits of the railway accruing to this Province, after deducting interest, repairs, working and incidental expenses, to be allowed as such by Her Majesty's Government, and also the proceeds arising from the sale and leasing of the lands appropriated by the first section of the Act passed at this present session, entitled "An Act to make provision for the construction of a trunk railway from Halifax to Quebec," shall be set apart and shall form such sinking fund.

4. The principal sums so to be raised and borrowed shall be received from time to time as the same may be raised by the Receiver General, who shall, upon the warrants of the Governor, pay out of the same such sums as may from time to time be required for defraying the expenses made payable out of the same by this Act and the Act of this session herein-before referred to; and who shall also, upon the warrants of the Governor, pay the dividends and interest upon the sums so raised and borrowed as the same shall become due, together with the sums accruing to the sinking fund; and such fund shall be paid and managed in such manner for the redemption and liquidation of the principal sums as shall be agreed upon and negotiated when the principal sums shall be raised and borrowed; or if there be no such agreement in that behalf, then in such manner as the Governor in Council shall from time to time direct and appoint, subject, however, to the provisions of this Act; and it is hereby declared, that the Parliament of this Province will confirm and carry out by such legislative enactments, if any, as may be necessary to give full effect to the same, any arrangement or agreement not inconsistent with the spirit of this Act and of the Act of this session herein-before referred to, which may be made or authorized by the Governor in Council, with regard to the raising and borrowing the sums aforesaid, under the provisions of any Act to be passed by the Parliament of the United Kingdom in that behalf, and for the purpose of complying with the requirements of such Act.

5. The Receiver-General shall, before each session of the Provincial Parliament, transmit to the Governor, for the purpose of being laid before the two Houses of the Legislature, a correct and detailed statement and account of the sums raised under the authority of this Act, and of the debentures and other securities which shall have been issued, and of the dividends and interest paid thereon, and of the sinking fund, and of the redemption of the whole or any part of the principal sum, by means of the sinking fund or otherwise, and of the expenses attending the negotiation, management, payment, and redemption of the loan.

6. The due application of the monies to be raised under the authority of this Act, and of all sums to be expended under such authority, shall be accounted for to Her Majesty, through the Lords Commissioners of Her Majesty's Treasury for the time being, in such manner and form as Her Majesty shall direct, and an account of all sums expended under the authority of this Act, shall be laid before both Houses of the Provincial Parliament within fifteen days after the opening of the session thereof next after such expenditure.

And whereas for the maintenance of the credit and good faith of this Province, it is indispensable that the annual revenues from all sources should never fall short of the amount collected in the last year, while any portion of the loan contemplated by this Act remains due and unpaid:

7. Until the monies advanced or guaranteed by the Imperial Government shall have been repaid, or until the roads built with the same shall yield a net income of three and one-half per cent., the tariff of the year one thousand eight hundred and fifty-one shall form the basis of the revenue laws of this province, and shall not be varied or changed so as to diminish the amount of security which it is the intention and meaning of this Act should be pledged to Her Majesty's Government; but nothing herein contained shall be construed to prevent the Legislature from annually revising such tariff, or from making regulations in respect to trade and the protection of the revenue, due care being taken that any alterations to be made shall not diminish the net income of the Province below the amount collected in the year one thousand eight hundred and fifty-one, and that changes which may so operate shall, before becoming law, be reported to and approved of by Her Majesty's Government.

8. The Act passed during the last session of the Assembly, entitled "An Act for raising, by way of loan, a sum not exceeding one million of pounds sterling, for the construction of a trunk railway through British North America," is repealed.

Government House, Halifax, April 15, 1852.

It is hereby certified, That the foregoing is a true copy of an Act passed in the last session of the Legislature.

JOHN BAZALGETTE,
Administrator.

Halifax, April 15, 1852.

This Act, in my opinion, is unobjectionable, and should pass into a law.

JAMES B. UNTLACKE,
Attorney General.

NEW BRUNSWICK

NEW BRUNSWICK

No. 1.

No. 1.

An Act to amend an Act to incorporate the European and North American Railway Company. [Passed 7th April 1852.]

WHEREAS the Act passed in the fourteenth year of the reign of Her present Majesty, intituled "An Act to incorporate the European and North American Railway Company," requires to be amended in certain particulars :

Preamble.
Private Act,
14 Vict. c. 1.

Be it therefore enacted by the Lieutenant-Governor, Legislative Council, and Assembly, as follows :

1. The thirty-eighth section of the aforesaid Act of Incorporation shall be and is hereby amended by the following addition thereto: Provided always, that the Lieutenant-Governor or administrator of the Government for the time being, or any public officer by him appointed for that purpose, may direct the said railway company to make alterations in crossings which the increase of traffic on the highways, turnpikes, or other roads whatsoever arising from that on the railways may render necessary, although at the outset a level crossing might be allowed without danger; and the alteration so directed shall forthwith be made by the company.

14 Vict. c. 1. sec. 38.
amended.
Railway crossings to be altered on requisition.

2. The sixty-first section of the said Act of Incorporation shall be and the same is hereby repealed; and in lieu thereof it is enacted as follows: The directors of the said railway company shall be bound to provide such conveyance for the officers or soldiers of Her Majesty's forces of the line, Ordnance corps, marines, militia, or police forces at such time or times (whether the same shall be the usual hours of starting trains or not) as shall be required or appointed by any officer duly authorized for that purpose, and with the whole resources of the company, at fares not exceeding twopence sterling per mile for each commissioned officer proceeding on duty, such officer being entitled to conveyance in a first-class carriage; and not exceeding one penny sterling per mile for each soldier, marine, or private of the militia or police force, and also for each wife, widow, or child above twelve years of age of a soldier entitled by Act of Parliament or by competent authority to be sent to their destination at the public expense; children under three years of age so entitled to be taken free of charge, and children of three years of age and upward, but under twelve years of age, so entitled being taken at half price of an adult; such soldiers, marines, and privates of the militia and police force, and their wives, widows, and children, so entitled, being conveyed in carriages which shall be provided with seats with sufficient space for the reasonable accommodation of the persons conveyed, and which shall be protected against the weather: Provided that every officer conveyed shall be entitled to take with him one hundredweight of personal luggage without extra charge, and every soldier, marine, private, wife, or widow shall be entitled to take with him or her half a hundredweight of personal luggage without extra charge, all the excess of the above weights of personal luggage being paid for at the rate of not more than one halfpenny per pound; and all public baggage, stores, arms, ammunition, and other necessary things (except gunpowder and other combustible matters, which the company shall only be bound to convey at such prices and upon such conditions as may from time to time be contracted for between the proper authorities and the company) shall be conveyed at charges not exceeding twopence sterling per ton per mile, the assistance of the military or others being given in loading and unloading such goods.

14 Vict. c. 1. sec. 61.
repealed.
Railway company to provide when required for conveyance of officers and soldiers, their wives and children, at specified rates.

Luggage.

Conveyance of public baggage, arms, ammunition, gunpowder, and other combustibles.

3. In the event of a line of electric telegraph being established along the line of the railway, either by the said railway company or by any other company, partnership, person, or persons otherwise than exclusively for Her Majesty's service, or exclusively for the purposes of the railway, or jointly for both, the rate of such electric telegraph for the purpose of receiving and sending messages shall, subject to the prior right of use thereof for the service of Her Majesty, and for the purposes of the company, and subject also to such equal charges and to such reasonable regulations as may be from time to time made by the said railway company, be open for the sending and receiving of messages by all persons alike, without favour or preference.

Use of electric telegraph constructed along the line of railway.

4. In the event of the construction of the said European and North American Railway by the company now incorporated for that purpose, the use of so much of said railway as may be common to that line and the Halifax and Quebec line shall be conceded on fair and equitable terms and conditions to the governing body of the Halifax and Quebec Railway, if they demand it; and such terms and conditions shall be fixed by two arbitrators and an umpire, or the majority of them of whom the two arbitrators shall be appointed by the governing bodies of the two railways respectively, and the umpire shall be named by such arbitrators when so appointed.

The use of so much of the railway as may be common with the contemplated Halifax and Quebec line to be conceded on equitable terms to the governing body of the latter.

5. Provided always, that the two Acts or Bills intituled respectively "An Act to facilitate the construction of the European and North American Railway," and "An Act further to facilitate the construction of the European and North American Railway," which were passed in the last session of the Legislature of New Brunswick, but which

Construction of this Act and two Acts of last session if assented to by Her Majesty.

NEWBRUNSWICK.

The Acts for the Halifax and Quebec Railway to be construed so as to give that line the precedence.

have not yet received Her most Gracious Majesty's assent, shall, in the event of both or either of them receiving such assent, be deemed to be and be construed as one Act with this present Act: And provided also, that nothing in such two Acts or Bills contained shall be so construed as to be inconsistent with or impede the concession of any facilities or the enjoyment of any advantages granted by an Act of the present session in favour of the national and provincial undertaking of the Halifax and Quebec Railway; but all provisions of such two Acts or Bills shall be so construed as to give a preference to the construction and maintenance of the said Halifax and Quebec line whenever by reason of its traversing the same ground or otherwise the interests of the two railways may conflict or be incompatible.

J. R. PARTELOW,
Provincial Secretary.

No. 2.

No. 2.

An Act to make provision for the construction of a great trunk line of railway from Halifax to Quebec. [Passed 30th March 1852.]

Preamble.

WHEREAS the formation of a great trunk line of railway from Halifax to Quebec, through British territory, would consolidate and strengthen the provinces of British North America, develop their resources, settle their waste lands, multiply their social and commercial relations, and afford increased facilities for rapid inter-communication with the British islands and with all parts of this continent: and whereas it is anticipated that Her Majesty's Government will advance or guarantee the funds required to construct this work on certain conditions;

Be it enacted by the Lieutenant-Governor, Legislative Council, and Assembly, as follows:

Authority to make arrangements with the Imperial Government, Canada, and Nova Scotia, for the construction of a line of railway from Halifax to Quebec.

1. Whenever the funds necessary for the purpose shall be raised by loan or guarantee under the authority of the Parliament of the United Kingdom, or advanced as a loan to the provinces of Canada, Nova Scotia, and New Brunswick, under such authority, or subscribed or loaned by corporations or individuals as herein-after provided, either wholly or in part, it shall be lawful for the Lieutenant-Governor in Council to enter into such arrangements as may be deemed conducive to the interests of this province with the Government of the United Kingdom, and with the Governments of Canada and Nova Scotia, for the construction of a great trunk line of railway from the harbour of Halifax in Nova Scotia to some point opposite the city of Quebec, to be located on a line commencing at or near Point Levi, opposite Quebec, thence down the Saint Lawrence to or near to the River de Loup or Trois Pistoles, and thence traversing in its main course on British territory watered by the tributaries of the River St. John to the city of Saint John, thence following on or near the proposed route of the European and North American line of railway to the northern boundary of Nova Scotia, on the isthmus between the Bay of Fundy and the Gulf of Saint Lawrence; and thence through Nova Scotia to Halifax, on any line that may be found most eligible.

Proportions of line to be constructed by each of the provinces.

2. The said great trunk line of railway shall be constructed by this province, in conjunction with the provinces of Canada and Nova Scotia, in the following proportions; that is to say, the province of Nova Scotia to make provision for and to contribute to the construction of the whole line three-twelfths; Canada four-twelfths; and this province five-twelfths; each province bearing the hazard and sharing the profits of the whole enterprise in the like proportions.

Title to ungranted lands within five miles of the roads placed at the disposal of the Governor in Council.

3. For facilitating the arrangements, all the right and title of Her Majesty in this province in the ungranted lands within this province lying within five miles of each side of the said great trunk railway are hereby placed at the disposal of the Lieutenant-Governor in Council, to be appropriated, pledged, or otherwise dealt with as may be thought best for the interest of the province with regard to such arrangements as aforesaid; it being understood and hereby declared that the Legislature of this province will confirm and give effect to such further enactments as may be necessary to carry out any arrangements or agreements which may be made by the Lieutenant-Governor in Council in the spirit and for the purpose of this Act.

Commissioners to be appointed to construct the road.

4. Whenever the Governments of Canada, Nova Scotia, and this province shall have determined on and provided for the construction of the work contemplated by this Act, it shall be lawful for the Lieutenant-Governor in Council to appoint so many Commissioners as may fairly and proportionably represent the interest of this Province in such work, with full powers to construct and manage such work, in conjunction with Commissioners to be appointed by the Governments of Canada and Nova Scotia; provided that no member of the Legislature, not being a member of the Executive Government, shall be appointed a Commissioner under this Act.

No member of the Legislature to hold office under the Commissioners.

5. It shall not be lawful for any member of the Legislature to hold or be appointed to any office of emolument under the Commissioners, or be a contractor or party to any contract arising out of the construction, management, or working of the said road, or any part thereof.

6. It shall be lawful for the Lieutenant-Governor, by and with the consent of the Executive Council, by warrants on the Provincial Treasurer, to pay out of the funds to be raised or advanced for the purpose, such sums as may from time to time be required to defray the proportion of expenses of making the said railway to be incurred, by this province under any arrangement as aforesaid, or any other expenses which, under such arrangement are to be borne by this Province.

Authority to draw money from the Treasury to defray expenses.

7. The Commissioners are authorized to enter upon, to survey, and to take possession of any land required for the tract of the railway, or for stations, and they shall lay off the same by metes and bounds, and record a description and plan thereof in the Registry of Deeds for the county in which the lands are situate; and the same shall operate as a dedication to the public of such lands; but the lands so taken shall not be less than four nor more than eight rods in breadth for the tract, nor more than five acres in extent for any station.

Authority to enter on and take possession of lands for the railway.

8. The Commissioners may enter with workmen, carts, carriages, and horses upon any lands necessary for the purposes of this Act; and therefrom, for the making of such railroad, dig up and carry away stones and gravel, and cut down and carry away any trees, bushes, logs, poles, and brushwood.

Authority to enter on lands and take gravel, trees, &c.

9. The Commissioners may make an agreement in writing with the proprietors of the land so taken or entered upon, for damages, and fencing where such fencing shall be considered requisite by the Commissioners, and also for materials for the road taken from any lands.

An agreement may be made for damages.

10. Where no agreement shall be made, one appraiser shall be appointed by the Commissioners, a second by the persons interested in the lands, and on their default, after three days notice by such Commissioners, such two shall choose a third appraiser, and the appraisers shall be sworn before any justice of the peace to the faithful discharge of their duty, and they or any two of them shall make a valuation as to damages for lands, and for fencing when requisite, or materials taken from any land, which valuation shall be in writing, and shall be final.

Where no agreement is made, damages to be appraised.

11. In making such arrangement or appraisal, the benefit likely to be derived by the proprietor from the railway running through his land shall be taken into consideration, and the damage thereby reduced or extinguished.

Railway benefits to go in diminution of damages.

12. The Commissioners, with the consent of the Lieutenant-Governor in Council, shall have power to treat and agree with any corporation or railroad company for the purchase or use of the whole or any part of their respective railroads, rights, and property which it may be found expedient to adopt as part of the said main trunk line of railway, and to pay such sum as may be agreed upon as compensation for any such railroad or portion thereof, rights or property, out of any monies which might be applied to making part of the said main trunk line of railroad at the same place; and the directors of the said companies respectively shall have full power and authority to treat and agree with the said Commissioners for any of the purposes aforesaid, and to receive the compensation that may be agreed upon, and to give a valid discharge for the same, and to surrender and convey to Her Majesty for the public uses of the province such railroad or part thereof, rights or property as aforesaid, which shall thereafter be vested in Her Majesty for the uses aforesaid; provided always, that nothing herein contained shall be construed to affect or impair any right now vested in Her Majesty to take the said railroads, or either of them, or any of the rights or property of the said companies, or either of them, under any Act incorporating such company, or amending the Act incorporating the same.

Authority to purchase rights of other railway companies whose works may be adopted as part of the main line.

13. The Executive Government shall quarterly, or as often as they may deem necessary in each and every year, call upon the Commissioners for detailed accounts of their proceedings, receipts, and disbursements; and they shall annually, and within fifteen days after each meeting of the Legislature, lay before both branches thereof full and detailed accounts of such proceedings, doings, expenditures, receipts, and disbursements for, concerning, or on account of the said work.

Account of receipts and disbursements to be rendered.

14. The Executive Government, in the first instance, to fix the rate of salary for the respective Commissioners appointed for the province, subject to the revision and confirmation of the Legislature at its first session thereafter.

Salaries of the Commissioners.

15. If any corporation or individual shall desire to invest monies in the railway fund applicable to the construction of this work at their own risk, sharing with the Government the hazard and the profit of the enterprise, it shall be lawful for the Provincial Treasurer to issue scrip in sums not less than twenty-five pounds, bearing no interest, but entitling the holder to a share proportioned to his investment in the tolls and revenues of the road.

Investments of money in the railway fund by corporations or individuals.

16. Any person desiring to invest on the credit of the province monies in the railway fund applicable to the construction of this work, may pay any amount not less than twenty-five pounds to the Provincial Treasurer, under the same guards and regulations as now secure the monies invested in the savings banks, provided that the rate of interest to be paid on such instalments shall be the same as the province pays for the loans advanced by Her Majesty's Government.

Investments on the credit of the province.

17. Whenever the railway shall be completed from Halifax to Quebec, it shall be lawful for the Lieutenant-Governor in Council to make, in conjunction with the Governments of Canada and Nova Scotia, such arrangements as may be suitable for working the

After completion, arrangements may be made for a joint management.

NEW BRUNSWICK. railway as one line by a common management; such arrangement to be submitted to both branches of the Legislature at the Session then next ensuing.

Not more than
1,500,000^l. sterling to
be raised.

18. The total sum to be raised for the purposes of this Act upon the credit of the revenues of this Province shall never exceed in the whole the sum of one million five hundred thousand pounds sterling.

No. 3.

No. 3.

An Act for raising, by way of Loan, Funds for the Construction of a great Trunk Line of Railway from Halifax to Quebec.
[Passed 30th March 1852.]

Preamble.

WHEREAS Her Majesty's Government is disposed, on certain conditions, to recommend to Parliament that the credit of the United Kingdom may be made available to enable the Provinces of Canada, New Brunswick, and Nova Scotia to raise, upon advantageous terms, the funds necessary for the construction of a line of railway from Halifax in Nova Scotia, through British territory, to Quebec in the Province of Canada: And whereas the General Assembly of this Province hath, during the present Session, passed an Act for the construction of a certain proportion of said railway, provided the necessary funds shall be raised under the authority and guarantee of the Parliament of the United Kingdom, or advanced as a loan to this Province under such authority:

Be it therefore enacted by the Lieutenant-Governor, Legislative Council and Assembly, as follows:

Money for construct-
ing the railway from
Halifax to Quebec
may be raised under
an Act of the Imperial
Parliament.

1. The sum for defraying the expenses of constructing, building, and completing such proportion of the railway from Halifax to Quebec as will have to be made by this Province under the provisions of an Act passed in the present session, intituled "An Act to make provision for the construction of a great trunk line of railway from Halifax to Quebec," may be raised and borrowed under any Act which may hereafter be passed by the Imperial Parliament, authorizing the advance of moneys to this Province from the Treasury of the United Kingdom, or guaranteeing the repayment of the sums borrowed, with the dividends and interest thereon, or providing in any other way for using the credit of the United Kingdom to raise the necessary funds on advantageous terms for the purposes aforesaid; the sums so raised not to exceed one million five hundred thousand pounds sterling, and to be applied solely to said purpose.

The money may be
borrowed on loan
debentures; dividends
and interest charged
on the profits, and then
on the general revenue
of the province.

2. Such sums may be raised and borrowed under and subject to the provisions of any such Act of the Imperial Parliament, by loan debentures or otherwise, and the dividends and interest thereon are hereby charged, in the first place, on the profits accruing to this Province from such railway, and, in the second place, on the general revenues of this Province, after any previously existing debts of the province, and payments on account of the Civil List settled on Her Majesty by laws now in force.

The profits of the
railway, and proceeds
of lands under 15 Vict.
c. 29., to constitute a
sinking fund.

3. For creating a sinking fund for payment of the loan to this Province, if required by the Imperial Government, the profits of the railway accruing to this Province shall, after deducting interest, repairs, working and incidental expenses, to be allowed as such by Her Majesty's Government, and also the proceeds arising from the sale and leasing of the lands appropriated by the third section of the Act passed at this present Session, intituled "An Act to make provision for the construction of a great trunk line of railway from Halifax to Quebec," shall be set apart and shall form such sinking fund.

Receipt and disburse-
ment of the principal.

4. The principal sums so to be raised and borrowed shall be received by the Province Treasurer, who shall, upon the warrants of the Lieutenant Governor, by and with the advice and consent of the Executive Council, pay out of the same such sums as may from time to time be required for carrying out the Act of this Session herein-before referred to; and such Treasurer shall also, upon the warrants of the Lieutenant-Governor, pay the dividends and interest upon the sums so raised and borrowed; and the sinking fund shall be paid and managed in such manner, for the redemption and liquidation of the principal sums, as shall be agreed upon and negotiated when the principal sums shall be raised and borrowed; or if there be no agreement in that behalf, then in such manner as the Lieutenant-Governor in Council shall from time to time direct and appoint, subject, however, to the provisions of this Act; and it is hereby declared that the Legislature of this Province will confirm and carry out, by such enactments as may be necessary, any arrangement or agreement consistent with the spirit of this Act, and of the Act of this Session herein-before referred to, which may be made or authorized by the Lieutenant-Governor in Council, with regard to the raising and borrowing the sums aforesaid, under the provisions of any Act to be passed by the Imperial Parliament.

Management of the
sinking fund.

Detailed accounts to
be rendered by the
provincial treasurer
for the Legislature.

5. The Province Treasurer shall, before each Session of the Legislature, transmit to the Lieutenant-Governor, for the purpose of being laid before the two Houses of the Legislature, a correct and detailed statement and account of the sums raised under the authority of this Act, and of the debentures and other securities which shall have been issued, and of the dividends and interest paid thereon, and of the sinking fund, and of the redemption of the whole or any part of the principal sum by means of the sinking fund or otherwise, and of the expenses attending the negotiation, management, payment, and redemption of the loan.

6. The due application of the moneys raised under the authority of this Act shall be accounted for to Her Majesty, through the Lords Commissioners of Her Majesty's Treasury for the time being, in such manner and form as Her Majesty shall direct ; and an account thereof shall be laid before both Houses of the Legislature within fifteen days after the opening of the session next after such expenditure.

7. And whereas, for the maintenance of the credit and good faith of this Province, it is indispensable that the annual revenues from all sources should never fall short of the amount collected in the present year, while any portion of the loan contemplated by this Act remains due and unpaid : Until the moneys advanced or guaranteed by the Imperial Government shall have been repaid, or until the railway built with the same shall yield a net income sufficient to pay the interest upon the moneys to be borrowed under the provisions of this Act, the tariff of the year one thousand eight hundred and fifty-one shall form the basis of the revenue laws of this Province, and shall not be varied or changed so as to diminish the amount of security which it is the intention and meaning of this Act should be pledged to Her Majesty's Government ; but nothing herein contained shall be construed to prevent the Legislature from annually revising particular duties comprised in such tariff, or from making regulations in respect to trade and the protection of the revenue, due care being taken that any alterations to be made shall not diminish the net income of the Province below the amount collected in the year one thousand eight hundred and fifty-one ; and changes which may so operate shall, before becoming law, be reported to and approved of by Her Majesty's Government.

NEW BRUNSWICK.

Application of moneys to be accounted for to Her Majesty through the Lords of the Treasury.

The tariff of the year 1851 not to be varied so as to diminish the security granted by this Act.

