

RAILWAY PAPERS.

From the Halifax British American, Feb. 4.

GOVERNMENT HOUSE.

Fredericton, Jan. 23, 1852.

SIR.—This letter will be delivered to your Excellency, by the Hon. E. B. Chandler, a Member of my Executive Council, who accompanied 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 connection with Canada and Nova Scotia.

I have the honor, &c.,

EDMUND HEAD.

His Excellency Sir John Harvey.

K. C. B., K. C. H.

MEMORANDUM.

The undersigned, Members of the Executive Council of Canada and New Brunswick, having come to Halifax, with a 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 Honorable 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 contributions.—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 deputies 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 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 the portion of the Road which passes over its own territory.” This proposition having been favorably 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 that Province was held with the view of obtaining its concurrence, and the result was the passing 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 Temiscouata, 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 Petitcodiac, 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 Government 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 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 favorable 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 connection 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 breadstuffs 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.

F. HINCKS,
E. P. TACHE,
JOHN YOUNG,
E. B. CHANDLER.

Halifax, January 28, 1852.

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's letter, of the 10th of March, by Earl Grey's Despatches of the 26th November and 9th January,—

And, having considered the written proposition submitted by the Hon. Messrs. Hincks, Tache, 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 between the three provinces represented at Toronto, was based

upon the construction then given to Mr Hawes's letter of the 10th 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 still should 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 Honorable Delegates, would not meet the approval of the Provincial Parliament, even if submitted with the whole influence of the Executive Government.

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

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, 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 favorite 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 Railway communication through a country, which has been well described as a “continued village.” Though their journey was performed at a most unfavorable period of the year, the general appearance of the farm houses, with the excellent barns, and other out buildings, 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 favorable character of the gradients, might be constructed very cheaply and would prove remunerative. It is not unworthy of remark in this place, that in crossing the Portage Road from Riviere du Loup to Lake Temiscouata, 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 Riviere du Loup to the Little Falls, in New Brunswick, a distance of about seventy miles, was 6s. 3d. currency per bbl. 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 bbl. 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 importance to all the Provinces, and that the Railroad between the St. Lawrence and the Atlantic will be the 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 necessary 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 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 favorite one in Canada, as well as in Nova Scotia and New Brun-

wick, 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 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 600 miles. As this line is one of importance to all the Provinces, as well as 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 of the failure of the grand scheme of uniting the British Provinces of North America by a Railway.

F. HINCKS,
E. P. TACHE,
JOHN YOUNG.

DEBATE ON THE CANADIAN PROPOSITION.

Hon. P. Secretary presumed that the duty of opening the debate fell naturally on him. If the Executive Government had had time to mature their views on this correspondence, or if the House had imposed on it the duty of replying to it, he would have come down prepared with a definite proposal. But as the subject had not been treated as one of party, he considered that the most proper course to deal with it was to lay the whole correspondence on the table, and discuss it among all the members of the House in free conference. Rather than Canada and New Brunswick should not have money at 3½ per cent to open up their internal improvements, I would make great sacrifices; and although I am not sure that holes may not be picked in this as in the Portland route, in order to test the question I will move that the proposition of the Canada Delegates be accepted.

Hon. Mr Howe said—I do not deny, Sir that the decision of Earl Grey has placed us in great embarrassment. Our question now is not what we would like to do, but what we can do. I think it due to Canada and New Brunswick to say that I believe their Governments, individually and collectively, did all they could to carry out the Toronto proposition, until we were met by the Despatch of Earl Grey. I believe it fell upon them as well as us like a thunderbolt. If this proposition is carried, it must be by arguments totally different from those used in November. You sweep away all that was then said about opening the commerce of the Gulf ports to Nova Scotia—the advantages of emigration, and the sale of the wild lands in the centre of New Brunswick. The line by the valley of the St. John will be comparatively valueless to us. If that is chosen, St. Andrews and St. John will inevitably become the great Atlantic shipping ports for the produce of the west. But I would rather that friendly cities should enjoy these advantages than cities in a foreign state. If St. John grows larger than Halifax, we can thank God it is a British City and be proud of its prosperity. But if this motion fails, not many days will elapse before I will ask this house to pass a Bill for commencing a railroad at Halifax Harbour to go North—I frankly say I do not like this scheme. As a North American plan I do not think it would be followed by the realisation of our hopes. There will be less pecuniary hazard about it, and any line that will run through Sussex Vale, and up the Valley of the St. John, to bring the produce of Canada into the lumbering districts of New Brunswick, will be popular there—more so than with us. But unless we co-operate with these gentlemen, we must go on dribbling with our own resources. I would rather let them take the responsibility of getting the money on their proposition by our accepting it. If I thought it would subject us to a year's delay, I should certainly let it rest. The first proposition I felt no difficulty in rejecting; for we could not be expected to do one third of a line by which we would reap far less advantages. I know that I am going very far in moving for the acceptance of the proposition; but taking the whole sub-