

352. Thus brought to a stand still, the agitation of an intercolonial railway ceased. Each province began to build after its own plans. In September, 1852, New Brunswick entered into a contract with Messrs. Peto, Betts, Jackson and Brassey for the construction of a railway from the western side of New Brunswick easterly to the Nova Scotia boundary.

In 1852 the Province of Canada provided for the construction of a line to Trois Pistoles, 153 miles east of Quebec, part of which was built.

About 288 miles of railway were thus built without aid from the Imperial Government.

In 1854 Nova Scotia passed a Railway Act, and the first sod was turned at Richmond, near Halifax, 13th June, 1854.

In 1858 the several legislatures passed resolutions setting forth that the national importance of the railway called for the interposition of the Home Government. Each province sent delegates to England. The result was another refusal of the assistance asked for. The provinces, however, still adhering to their determination to secure the Intercolonial Railway, sent a joint despatch to the Imperial Government in 1861, conveying resolutions agreed to by fifteen delegates from the several provinces met in council in Quebec. Hon. P. M. Vankoughnet for Canada, Hon. Joseph Howe for Nova Scotia, and Hon. S. L. Tilley for New Brunswick, went as delegates to England. While they were in London the "Trent affair" occurred, and this gave a valuable impulse to their mission, and the delegates were not slow to take advantage of it. In order to meet the yearly interest on the estimated cost of three million pounds sterling, they proposed that if the Imperial Government would raise the sum of £60,000 a year the provinces would raise the other £60,000, the Imperial Government to have mails, troops and munitions of war carried free. This proposal the Imperial Government declined to accept, but proposed, instead, the offer of a guarantee as proposed by Earl Grey in 1851.

In March, 1862, delegates from the provinces met in Quebec and came to the resolution to accept the proposal of the Imperial guarantee of interest on the loans to be made. A delegation composed of Hon. W. P. Howland and Hon. J. B. Sicotte for Canada, Hon. Joseph Howe for Nova Scotia and Hon. S. L. Tilley for New Brunswick, accordingly went to England. Difficulties arose over the proposal of a sinking fund, the Canadian part of the delegation objecting to it.

353. The legislatures of Nova Scotia and New Brunswick, confident that the difficulty would be removed, passed bills authorizing loans for the construction of the railway. The Canadian Government held that the failure of the negotiations left matters where they had been, and took no steps of a legislative character. They passed, however, an Order in Council in February, 1863, based upon the conclusions of the home government that it should not be asked to guarantee the three million pounds until surveys had been made, the line approved by the Imperial authorities and satisfactory proof submitted that the railway could be put in operation without application for a further Imperial guarantee. It was further asked that the survey should be carried on by three engineers, one of whom should be appointed by the Imperial Government.