

DOCUMENTS

PRINTED BY ORDER OF

THE LEGISLATURE

OF THE

STATE OF MAINE,

DURING ITS SESSION

A. D. 1853.

Augusta: WILLIAM T. JOHNSON, PRINTER TO THE STATE.

1853.

THIRTY-SECOND LEGISLATURE.

HOUSE.]

[No. 1.

PETITION

OF THB

EXECUTIVE COMMITTEE

OF THE

EUROPEAN AND NORTH AMERICAN

RAILWAY COMPANY,

ASKING FOR AN AMENDMENT OF ITS CHARTER, ETC.

Augusta:

WILLIAM T. JOHNSON, PRINTER TO THE STATE.

1853.

STATE OF MAINE.

House of Representatives, January 19, 1853.

ORDERED, That five hundred copies of the within Petition be printed for the use of the Legislature.

A. B. FARWELL, Clerk.

PETITION.

To the Honorable the Senate and House of Representatives of the State of Maine in Legislature assembled :

The undersigned, Executive Committee for the State of Maine, to promote the construction of the European and North American Railway, and Corporators named in the act of the Legislature of said State, approved August 20, 1850, incorporating said company, again approach your honorable body, in behalf of that enterprise, and request such further legislative assistance as will secure, at an early day, the completion of the undertaking.

The records of previous Legislatures of Maine show their appreciation of this scheme from the earliest inception of the undertaking; and its success, so far, must, to a very great extent, be ascribed to the action of the executive and legislative authorities of Maine in its behalf.

Refering to the action of the thirty-first Legislature for a statement of the claims of this enterprise to confidence and support, we are now able to estimate, in some measure, the influence of that action upon the public mind. The circulation in England of the Report of the proceedings of the thirty first Legislature in relation to the European and North American Railway, confirmed, in the minds of capitalists abroad, their impressions of its value, and led, as we are informed, to the adoption, by Congress, of the bill which passed the House at its recent session, and is now pending before the Senate, entitled "An Act making grants of land, to aid in the construction of Railroads and for other purposes."

HOUSE.-NO. 1.

By the above named Bill, it is proposed to grant to each State, an amount equal to one hundred and fifty thousand acres of the public domain, for every member of the thirty-second Congress; assigning to Maine, as her share, an aggregate of one million three hundred and fifty thousand acres for Railroads and other purposes.

In the belief that this Bill would become a law, and that the State of Maine would set aside the land thereby granted, to aid the construction of the European and North American Railway in accordance with its previous policy, as expressed by the Legislature, we have made overtures to eminent English capitalists to embark in the construction of this great line. We are gratified in being able to say, that if the plans above indicated are carried out, the European and North American Railway is secured.

We feel unusual gratification in announcing this result, and to be able to say, that the most ardent hopes of its earliest friends are likely to be fully realized,-not only in the fact of its accomplishment, but in the mode of its execution. The plan proposed at the Portland Convention looked to the carrying out the work by private companies, without any direct action or interference on the part of the government, and after the most thorough discussion, this policy has been thought the most satisfactory of any that could be proposed; and we are now able to congratulate the friends of the enterprise upon its final adoption, in New Brunswick, and the consummation of a contract, under the sanction of both the Colonial and Imperial Governments, with Messrs. Jackson, Brassey, Peto & Betts, for building the line of the European and North American Railway across the entire breadth of New Brunswick, from the frontier of Nova Scotia to that of Maine, a copy of which contract is hereto annexed, marked A. "This body of capitalists, with their associates, form the richest company of Railway contractors in the world."

It may be proper for us to say, that the carrying out of the work in New Brunswick, is of necessity dependent upon the action in Maine toward completing our portion of the work.

To insure for it complete success, the whole line must be constructed,—in subordination to one general plan, though executed in separate sections,—so that an unbroken line of Railway, of uniform gauge, shall extend from Halifax to a point of connection with the lines extending to Portland and to Montreal.

The parties abovenamed have also entered into arrangements for the construction of the Grand Trunk Line of Canada, from Toronto to Montreal, with a branch to Quebec from the line of the Portland Railway at Richmond,—whereby in connection with the lines already built, or in process of construction, an unbroken line of Railway, of uniform gauge, will extend from Detroit to Halifax through Maine, on the completion of the great line East.

The same parties have signified their willingness to build the entire line of the European and North American Railway, and to bring the line from the frontier of New Brunswick, to a point of connection with the roads of the United States and Canada, on terms eminently favorable to Maine. The grant of the lands sought by us, from the United States Government, will bring its accomplishment within our reach.

We cannot doubt that this statement would have excited surprise, if not have been received with a feeling of incredulity, if now made known for the first time. That a work so vast, requiring an outlay of capital so much beyond the ability of the State of Maine and the British Provinces to achieve, should be undertaken by capitalists of England, is a fact calculated to impress all minds with new notions of our commercial importance, and to give increased confidence among all classes of our people, in the truth and correctness of the positions heretofore takens by the friends of the European and North American Railway.

The accomplishment of this work must materially affect the course of trade,—if not work a commercial revolution in the business relations of all North America; and the State of Maine will receive her full share, if not the largest amount of benefit to be derived from its construction.

An unbroken line of Railway from Detroit on the one side, 1* and from Quebec on the other, of a gauge of five-and-a-half feet, uniting at Richmond upon the Portland line, must pour upon that Railway an accumulation of business seeking the Atlantic Ocean, the Lower Provinces and the markets of Europe, beyond our present power of estimation.

And we believe that when all the reasons in favor of the European and North American Railway are carefully considered, all minds will concur in the opinion, that the enterprize is one of the most legitimate of commercial speculations, and that the abundant wealth of England can no where else find a safer outlet for the investment of its surplus capital.

The British islands are supplied with their leading trunk lines. The condition of affairs upon the continent of Europe is not regarded as favorable to the stability of any form of government, and the rights of private property are less secure in France and on the continent of Europe, generally, than with us. The fact is now admitted by the moneyed men of all nations, that popular governments, founded on public freedom, and public virtue, are the most stable of all,—a result eminently favorable to all the business interests of this continent.

The solution of the question of the practicability of navigating the Atlantic ocean by steam power, in 1838, has produced results upon the public mind of Europe, not inferior to those which followed the discovery of America by Columbus.

The rapid development of wealth, population and political power in North America has turned the attention of the capitalists of all Europe, within the last few years, to this continent; and it is now asserted by the highest authority among the business men of England, that a line of Railway connecting New York, Canada, and the West with the nearest port of America to Europe, shortening thereby to its lowest possible limit the transit between New York and London—must become a most profitable investment for capital; with assurances of a perpetual increase of business upon the line. To make these fully understood, it may be proper for us briefly to refer to the political and physical geography of this part of North America.

E. AND N. A. RAILWAY COMPANY.

The continents of Europe and North America are separated by the Atlantic ocean, in a distance of only one thousand six hundred and ninety-four miles, (for we regard the British isles, on the one side, and Newfoundland on the other, as properly belonging to the respective continents, along side which they are found,) and the port of trans-atlantic embarkation on either side, must be that, which by its nearness to the other, having ease of access; and good anchorage, can be reached in the shortest possible time, from one shore of the ocean to the other.

Toward this result all the agencies of commerce, upon both continents, gradually but inevitably converge.

Beyond this general statement, it is not necessary for us now to go. The natural laws of trade will hereafter control the movements of business, and one commercial law govern the civilized world. When this result is reached, the eastern portion of the continent of North America will attain its natural and legitimate position in business and commercial affairs.

The obvious principles of commercial necessity have always pointed with marked significance towards the results we are now striving to reach, and the commercial spirit of all modern discovery has followed in this direction.

It may be proper in this connection to remark, that the earliest maps and charts of North America were projected upon the simplest laws of navigation, in view of the then existing commerce of the world. That portion of this continent which approaches nearest to Europe formed the base line of their calculations, and the distance across the Atlantic shown to be one thousand seven hundred miles and not three thousand miles as is commonly stated in modern geographies. These teach us, that the passage of the Atlantic, is three thousand miles, simply because the common route of travel is between points thus remote —New York and Liverpool.

In our proposal to shorten the transit between New York and London, we are merely reviving and bringing into practical use, ideas clearly entertained by the great navigators of the fifteenth and sixteenth centuries.

HOUSE.-No. 1.

The idea of an Atlantic ferry, according to Lord Bacon, between those points "where the lands did nearest meet" has been a controlling sentiment ever since John and Sebastian Cabot discovered Newfoundland in the reign of Henry VII. of England, sailing due west from Bristol, their port of embarkation, in 1497, months before Columbus came in sight of the main land of the continent. The English claimed all North America by right of discovery and prior dominion from the taking possession of Newfoundland by the Cabots; but the superior sagacity of the French enabled them to contest the claims of England for the Empire of the new world. The fisheries of Newfoundland were entered upon by the hardy navigators of Brittany, only seven years after its discovery by the Cabots, who, calling the first land made, Cape Breton, gave the name of their own home to the territory first occupied by Europeans. In 1598, no less than three hundred and thirty French fishing vessels were found upon the banks of Newfoundland.

In 1531, Jacques Cartier explored the St. Lawrence, and acquired a knowledge of the country as far as Montreal; and he received the title of Governor of New France, in 1540, the name by which Canada was first known to Europeans.

In 1603 the king of France granted to De Monts all that part of North America between the 40th and 46th parallels of latitude, and the whole country east of the Kennebec was ococcupied as French territory. De Monts entertained the idea of a shorter route to Canada than through the St. Lawrence, from accounts obtained of the natives, and sailed south from his head quarters at Port Royal, to the Kennebec for this purpose; but failing to reach Canada through this route, he explored the coast and took possession as far west as Cape Porpoise in the name of the French monarch. Boston was subsequently claimed by French diplomatists, according to Bancroft, as a part of the territory of New France.

While, therefore, the very simple and natural idea of opening a communication between the St. Lawrence and the Atlantic ocean, in the most direct line from Montreal to Europe, was suggested to the philosophical mind of De Monts in 1603, the conflict of races, of rival grants and different nationalities, delayed its execution just two centuries and an half. This great idea seems certain of being realized by the completion of the Portland and Montreal Railway in 1853, two hundred and fifty years from the time of its first suggestion.

We cannot doubt that had the country between Montreal and Casco Bay been under one government, the best means of communication known to that age would have been opened at an early period after its discovery, and the whole history of the continent thereby materially changed.

At the close of the sixteenth century, France and Spain had almost exclusive possession of the new world, and the history of America must be studied in connection with the religious and political history of Europe to fully understand the great events that affected our own country.

King James of England granted all North America between the 34th and 45th parallels of latitude to the colonies of Virginia and Plymouth in 1606, and in the year 1607 the earliest settlement of the English in the new world was made at the mouth of the Kennebec. This settlement was abandoned, however, in 1608, the same year in which Champlain laid the foundations of the city of Quebec, explored the country to the south of the St. Lawrence, and gave his own name to the lake that divides New York from New England.

In the same year in which Champlain laid the foundations of Quebec, the feeble colony at Jamestown was planted by English emigrants.

The settlement of the Pilgrims at Plymouth in 1620, driven thence by persecution, was, however, the great event in the history of America. Upon a barren shore of New England, a company of English Puritans planted free institutions in America, which are destined to overspread the earth.

The English possessions at this time and for more than a century afterwards, were confined to the narrow belt of country

HOUSE.-No. 1

along the Atlantic coast, from Sagadahock to Florida, upon the eastern slope of the Appalachian chain, while the French held the great basins of the St. Lawrence and the Mississippi, from the mouth of each river to its source in the great west, containing as they did, the great granary of the earth.

The English having become permanently established in New England, the French were prevented from extending their settlements along the coast west of the Kennebec River, which became the admitted boundary between Acadia and New England, "not as the line of peace and concord but as the place of future controversies."

Settlements were made by the French in several places in Maine east of Sagadahock; and Frenchman's Bay has always retained the name given to it by the English, as the home of the French emigrant, and the title of Madame De Gregoire to a large tract in the vicinity of. Mount Desert, was confirmed by the legislature of Massachusetts as late as 1786.

The Plymouth company attempted to occupy the territory east of Sagadahock; built a trading house and a fort at Pemaquid in 1625, and at Bagaduce in 1626. These efforts gave rise to fierce and bitter contests, but the English settlers were driven from Acadia. The rivalships of French leaders and the contests of hostile races, in which Indian cruelties bore a conspicuous part, threw a distrust as to their safety, in seeking a home within the territory now held by us, over the minds of European emigrants who sought the New World; to which were added those extravagant accounts of the rigor of the climate, framed by the early settlers at the mouth of the Kennebec as an apology for their desertion, and gave to all that portion of the continent east of Casco Bay a reputation, adverse to its growth, from which it slowly recovered.

The early settlers of Maine were a race of men full of enterprise and daring. The influences of its early history, the extraordinary physical conformation of its extended coast, deeply indented with bays and arms of the sea, with shores as bold and rugged as those of any northern sea of Europe, im-

E. AND N. A. RAILWAY COMPANY.

parted to its earlier population a hardihood and a daring such as no other people of the country possessed; and the intelligent traveler, who now sails along the coast, from Cape Porpoise to the head of the Bay of Fundy, reads in the history of the early voyagers, and of the wars which followed the claims of rival grants, the records of an heroic age.

The philosophical instinct of the Frenchman De Monts, saw in this goodly coast the natural outlet of the products of his beautiful New France, and his followers did not yield, till after years of conflict, so rich a possession. But after alternate conquests by the English and French, the boundaries of New England on the one side, and Acadia on the other, were settled by the peace of Ryswick, in 1697, at the St. Croix.

The title to the soil of the Province of Maine had been ceded to Massachusetts by the heirs of Ferdinando Gorges in 1677, and after the peace of Ryswick the country along the Atlantic coast to the St. Croix, after bitter domestic struggles, passed under the dominion of the Puritans, and Sir William Phipps, a native of Maine, obtained from William and Mary, in 1691, the new charter of "The Province of Massachusetts Bay," by which the "Colony of Plymouth," of "Massachusetts Bay," and the "Province of Maine," were all united, and Sir William Phipps became its first Governor.

The history of the land titles of Maine would require a volume. Scarcely a foot of soil can be found that was not claimed under rival grants from the same English sources, and the whole has at times been claimed by the French; and it was not until within the brief period of the memory of the men of this age, that the title to large portions of Maine have been determined.

The earlier settlers of Maine were members of the Church of England, and the first religious service in Maine was in their form of worship. The history of its religious disputes is as fruitful in suggestion as the political events which marked its subjugation to Massachusetts; but the people of Maine gradually assimilated their notions to the ideas of the Puritans, and

they took a leading part in the expedition by which Louisburgh was first captured in 1743.

The French war, in which the thirteen colonies embarked in 1755, terminated by the taking of Quebec, by Wolfe, 1759; an event which has already exerted and is still destined to exert more influence upon the world than any military engagement of ancient or modern times. The fall of Quebec gave the English race supremacy in the new world, and by the peace of 1763, the French ceded what is now British North America to England.

The magnificent project of a great French empire in America was weakened, if not destroyed, by the surrender of the St. Lawrence and the Eastern ports of Nova Scotia; and the sale of Louisiana, by Napoleon, extinguished the remaining title of France to a territory equal in size to the continent of Europe, and destined hereafter to sustain a population greater than that of the Chinese empire or of India.

The revolutionary troubles gave importance to the Lower Provinces, and the Royalists who peopled Canada, New Brunswick and Nova Scotia, gave a tone of political bitterness to the temper of the population adverse to our form of government, which sixty years did not allay, till the treaty of Washington negotiated by Mr. Webster in 1842, established our North Eastern Boundary, removed the last cause of serious controversy, and laid the foundations of that community of interest, which is gradually drawing the English race upon both continents into commercial and social alliance. The influences resulting from that greatest diplomatic effort of any age, are now seen and felt in the measures in progress toward carrying out by joint exertion, the means of communication between the Provinces and the United States and establishing reciprocal trade upon the continent of North America.

The building of the European and North American Railway in connection with the lines extending to Detroit and Quebec, must work a greater change in the commercial relations of this continent than any event that has yet transpired in its history.

By the accomplishment of this work we shall realize the ideas which animated those whom we may fairly consider as the founders of our State.

While England shall retain her colonies in America, this portion of her dominions, known as British North America, will be an object of more solicitude than any portion of the Empire, and is likely to attract to it more English capital than any other, from the rapid development of its great resources, the increasing energies of its people, and the attractions of its free institutions.

Within the last twenty-five years the application of steam power to the purposes of locomotion, has changed the laws of population and of political economy. The increased capacity for production which the Railway confers, has had the effect in New England to concentrate the population of the country into the manufacturing districts, while the agricultural portions of it, and in fact of all the older States, have fallen behind the average progress of our population. The Railway has been the great agency in working these changes.

The relative growth of Maine and Massachusetts for the last sixty years in comparison with that of the whole country, as exhibited in the following tabular statement, shows the value of the Railway, in the increase of population, bringing in equal or greater measure an increase of wealth, with the introduction of more of the luxuries of civilized life.

	1790.	1800.	1810.	1820.	1830.	1840.	1850.
Maine, Massachusetts, United States,		423,245	472,040		610,408		583,669 994,449 23,191,074

Brogress	of	\mathbf{P}	opulati	on.
	-			

	1800.	1810.	1820.	1830.	1840.	1850.
Maine, Massachusetts, United States,	$57.1 \\ 11.7 \\ 35.01$	$50.7 \\ 11.5 \\ 36.45$	30.4 10.9 33.35	$33.9 \\ 16.6 \\ 33.26$	$26.2 \\ 20.8 \\ 32.67$	16.6 34.8 35.8

Decennial Increase.

HOUSE .-- No. 1.

Up to the year 1835 there was a large immigration into Maine from other portions of New England. From 1835 to 1840 the tide of immigration was turned, and a very large and most valuable portion of our population emigrated between 1840 and 1845. This was clearly the result of Railway improvements in Massachusetts and elsewhere, and the absence of similar exertions in Maine.

The returns of the census of 1850 show that Maine has not even retained for the last ten years the natural increase of its resident population, while the population of Massachusetts has increased far beyond it.

These returns show, that there are, within the United States, an aggregate of 584,310 persons, *natives of Maine*, of whom 517,127 only are residents of the State—while the entire population of Maine was only 583,169 persons, or 1,041 less than its native population. Of this aggregate of population, 31,456 persons are of foreign birth; add these to 584,310 persons residing in the Union born in Maine, and it would give us a population of 615,766, an aggregate less than the estimates made in official tables prior to the taking of the census in 1850, made upon the basis of former calculations, of the growth of population.

The State of Massachusetts had in 1850 a population of 994,499. The population of the United States born within the limits of Massachusetts, was but 894,066 or 100,498 less than its entire population. That increase has been received by Massachusetts over her natural increase by foreign immigration.

The following table shows the losses and gains to our population in the different states of the Union.

States.	Natives of other States resident in Maine.	Natives of Maine resident in other States.	Gain.	Loss.
New Hampshire,	13,509	9,635	3,874	_
Vermont,	1,117	835	342	-
Massachusetts,	16,538	29,507		12,969
Rhode Island,	410	768	-	358
Connecticut,	460	670	_	210
New York,	973	4,509	-	3,536
New Jersey,	134	287	-	153
Pennsylvania,	201	1,157	5	956
Delaware,	36	24	12	-
Maryland,	113	456		343
District of Columbia,	28	87	-	59
Virginia,	94	271		177
North Carolina,	27	68	-	41
South Carolina,	31	68		37
Georgia,	24	178	-	134
Florida,	24	140	-	116
Alabama,	6	215		209
Mississippi,	16	139	-	123
Louisiana,	21	816	-	795
Texas,	9	226	-	217
Arkansas,	6	80		74
Tennessee,	6	97		91
Kentucky,	14	227		213
Ohio,	68	3,314	-	3,246
Michigan,	19	1,117		1,098
Indiana,	5	976	-	971
Illinois,	38	3,693	-	3,655
Missouri,		• 311	-	300
Iowa,	1	713	-	712
Wisconsin,	10	3,252	-	3,242
California, Territories,	24	$2,700 \\ 657$	-	2,698 653
remitories,	*	160	_	000
Aggregates,	34,002	67,102	. 4,228	$37,328 \\ 4,228$
Net loss, .	• • •	••••		33,100

Losses and Gains to our Population.

By the preceding table it will be seen that the balance of emigration is largely against us, and that with the exception of New Hampshire, Vermont and Delaware, every State has gained at our expense. Twenty-five years ago the results of such a census would have shown us a far more flattering picture. We dwell upon these topics not for the purpose of depreciating the advantages of our position, but as a means of showing that higher efforts than have heretofore characterized our policy must be resorted to if we would retain our relative position in the national confederacy. And we believe that the great work toward accomplishing for Maine, results such as are

HOUSE .-- No. 1.

16

shown to have occurred in Massachusetts and other States, is the building of the European and North American Railway.

We desire to receive European intelligence and our supplies of European goods through the easiest and most direct route, rather than purchase them at second hand, subject to increased cost of transportation and commissions. We desire also to forward to the lower Provinces and to Europe, our surplus products at the cheapest rates, receiving our traffic returns at the lowest possible cost. In short, without enlarging upon topics which have been fully presented in previous communications on the subject, we desire to attract across the breadth of our State, and send in return by the same channel, that great stream of travel and traffic already vastly enlarged and rapidly increasing between the millions of Europe and the rapidly increasing millions of America. This natural channel of business formed by the geographical features of the continent so long obstructed by the accidents of fortune and the political agencies of European powers, we desire to see thrown open to the free use of the commerce of the world. The commercial importance of Maine depends more upon the growth of Canada, New Brunswick and Nova Scotia, than upon that of the States of this Union. From its geographical position, Maine must forever separate the Upper and Lower British Provinces, or be the means of uniting them. The possession of the sea coast of Maine has for two centuries and a half controlled the destinies of the new world.

The French first, and the English afterwards, saw the necessity of a connection between New France and Acadia, across the territory of Maine, avoiding the difficult and dangerous navigation of the St. Lawrence to enable either country to realize its proper destiny. Here we find the true solution of the great events of the early history of New France and Acadia, and the real cause of all the disputes as to our North Eastern Boundary, so discreditable to the diplomacy of England.

It is now admitted by every writer of English history, that the language of the treaty of 1783, describing the boundary line, can admit of no other interpretation than that favorable to the claim of Maine, but without a portion of Maine, British North America was completely severed, as far as its commercial intercourse was concerned, which precluded the possibility of a community of interest or of a profitable union.

The laws of commerce in the meantime revolutionized the political opinions of the world, and the adoption of the principles of reciprocal trade must forever put an end to the distinctions of race and of nationality among all who speak a common language in America.

We are already attracting the people of the Provinces to the States. Our census returns of 1850, show 147,700 persons in the United States, natives of British America, and of this number 14,181, or one tenth of the whole, are residents of Maine. As between the United States and British America the balance is largely in our favor.

The census of Canada, for 1851, shows 56,214 persons in Canada, natives of the United States. In New Brunswick, in 1851, there were but 1,344 persons of foreign birth, or born without the limits of the British Empire. The census returns of Nova Scotia, for 1851, do not show the origin of the population, but it is stated by Dr. Gesner in his valuable work on the Industrial Resources of Nova Scotia, that there is a strong tide of emigration towards the United States from all parts of that Province—that 1,040 young men left for the United States in 1847, and that 8,000 persons at least, emigrated from that Province in 1848.

If the opinions expressed in this Memorial can be carried out, the Lower Provinces of Maine will not only retain their natural increase of population, but will attract the best portion of European emigration and retain it within their own borders.

Without enlarging upon topics familiar to every public man in Maine, the undersigned, believing that the building of the European and North American Railway will exert the most favorable influence upon all the great interests of Maine, bringing all parts of it into easy communication with each other,

HOUSE .- NO. 1.

with the continent of Europe and with Canada and the other States of the Union, realizing in our day the glowing anticipations of those who first visited its shores—bringing in its train an increase of comforts and advantages to all who dwell within the borders of our noble State—most earnestly, but respectfully ask of the Legislature of Maine such aid, encouragement and assistance thereto, as will secure at the earliest day the accomplishment of this undertaking.

We ask the Legislature to set aside for the building of this road the lands or other assistance granted by Congress for the aid of Railways in Maine.

We also ask an amendment of the charter allowing the stock and bonds of the company to be issued in sterling currency with a view to their disposal in the English market.

And we further ask permission to extend the said line to a point of junction and connection with the Railways of the United States and Canada on such terms of connection with other roads as will secure an unbroken line of Railway on the broad gauge from Halifax to Portland and to Montreal and by similar connections to New York and Detroit.

> JOHN A. POOR, ELIJAH L. HAMLIN, A. G. CHANDLER.

JANUARY, 1853.

A.

[copy.] AN AGREEMENT

Made and entered into this twenty-ninth day of September, in the year of our Lord one thousand eight hundred and fifty-two, between the " European and North American Railway Company" of the first part, and William Jackson, of Birkenhead and London, Samuel Morton Peto, Thomas Brassey and Edward Ledd Betts, all of London, in Great Britain, Esquires, of the second part : Whereas the said European and North American Railway Company have been incorporated and duly organized, for the purpose of making, constructing and finally completing a Railway from the eastern boundary of this Province of New Brunswick, in the county of Westmorland, so as best to connect with a Railway to be constructed from the City of Bangor, in the United States of America, to the eastern part of the State of Maine, as the Directors of the said Company in the exercise of their best judgment and discretion shall deem most favorable and best calculated to promote the public convenience, and carry into effect the intentions and purposes of the Act of incorporation; and such Branch Railways to every or any part of the Province as the said Company may deem expedient; such lines and branch lines being subject, nevertheless, to the approval of His Excellency the Lieutenant Governor or Administrator of the Government for the time being, in Council : And whereas it has been determined, subject to the provisions and conditions hereinafter expressed, immediately to commence the said work and to construct and equip that portion of the said Road extending from the River Saint John, at the Falls, not including the Bridge over the same, to Shediac, and from some place at or near the Bend of the Petitcodiac to the Nova Scotia Boundary, completing in the first place the line between Shediac and the Bend of the Petitcodiac : And whereas the said parties hereto of the second part, have agreed to construct

HOUSE .-- No. 1.

such portion of said Railway at and after the rate of six thousand five hundred pounds sterling per mile, upon the terms, conditions and stipulations hereinafter set forth : And whereas, for the purpose of facilitating the construction of the said Road, the Government of this Province have agreed to take stock in the said Company to the extent of two hundred and fifty thousand pounds sterling, payable in Provincial Debentures to be issued and payable at the end of twenty years, with interest at the rate of six pounds per centum per annum, payable half yearly in London, and subject to the sanction of the Legislature hereafter to be obtained, to loan to the said Company to the extent of two hundred and twelve thousand pounds sterling in Debentures, to be issued in the like form, with principal and interest, payable in like manner in all respects as the said Stock Debentures are to be payable; repayment of the said last mentioned Debentures and interest being secured to the said Government by a mortgage or first charge on the said Railway as such Debentures shall issue, in the manner and according to the terms of an Act to be passed by the Legislature for that purpose, by which it is contemplated to make the said Loan Debentures and the interest thereon accruing, a primary charge on the said Railway, its Stations, Station Houses and Rolling Stock, as the same may be made and completed, and while in the course of construction : And whereas the said parties hereto of the second part, have agreed to take stock in the said Company to the extent of seven hundred pounds sterling per mile: And whereas the estimated length of that part of the Railway about to be forthwith constructed, is from St. John to Shediac, one hundred and seven miles, and from the point of departure at or near the Bend of the Petitcodiac to the Nova Scotia Boundary, thirty-seven miles, estimated in all about one hundred and forty-four miles; the expense of constructing, finishing and furnishing which, at the rate aforesaid, will amount to nine hundred and thirtysix thousand pounds sterling, or thereabout, according to the exact length of the line:

Now this agreement witnesseth, That the said parties hereto of the second part do hereby undertake and agree to build, construct and equip a first class single track Railway, of five feet six inches gauge, along that portion of the line of the said European and North American Railway, lying between the River Saint John at the Falls and Shediac on the Gulf Shore, and at or near the Bend of the Petitcodiac and the Boundary of the Province of Nova Scotia, completing the road

between Shediac and the Bend of Petitcodiac in the first place; the whole line hereby contracted for to be constructed and equipped in a good, substantial and workmanlike manner, and of the best materials. and in all respects with reference to the Permanent way, Earthworks, Grades, Curves, Bridges, Culverts, Crossings, Terminal Station at Saint John, Road Stations, Rolling Stocks, Sidings, Turn Tables and Fencing where required, as set forth, specified and described in the general specification hereto annexed, marked "A," the same to be finished, furnished and completed to the entire satisfaction of Alvin C. Morton, Esquire, or such other consulting Railway Engineer of eminent standing, as the said Lieutenant Governor or Administrator of the Government for the time being, by and with the advice of the Executive Council, shall from time to time appoint to superintend and inspect the construction and equipping of the said Road; the said consulting Engineer to be paid by the said parties hereto of the first part; and which said Railway, when so completed, is to be delivered to the said parties hereto of the first part, in good working order in every respect, ready for actual traffic and travel without further outlay or expense to the said parties, hereto of the first part, on or before the first day of July, which will be in the year of our Lord one thousand eight hundred and fifty-seven :

And the said parties hereto of the first part do hereby undertake and agree to and with the said parties hereto of the second part, to pay for the said Railway and equipment on and after the rate and price of six thousand five hundred pounds sterling per mile, in manner following, that is to say: when and so soon as the said consulting Engineer for the time being shall certify that work is done, and material on the ground, to the extent of twenty thousand pounds sterling, then payment shall be made to the said parties hereto of the second part to the extent of ninety per cent., or eighteen thousand pounds sterling, twenty-five per cent. in Provincial Debentures to be issued by the Government in payment of their stock; twenty-two per cent. in Provincial Debentures to be loaned by the Government to the said parties hereto of the first part as hereinbefore mentioned; ten per cent. in Stock Certificates of the said Company paid up; and the residue, or forty-three per cent., in Bonds of the said Company bearing interest at the rate of six per cent. per annum, payable in London, in twenty years from the dates they shall be respectively issued, in such sums as shall be required by the said parties hereto of the second part; and so

on, from time to time, as such consulting Engineer shall certify, until the reserves on such sums of twenty thousand pounds sterling shall amount to ten thousand pounds sterling, which shall remain and continue reserved till the whole of the said work hereby contracted for shall be complete, and in the mean time on each Certificate subsequent to such reserve to the extent of the whole of each Certificate of twenty thousand pounds sterling in like proportions as above expressed of Province Debentures, Stock Certificates and Bonds of the Company: And on the said Railway being completely finished and equipped as aforesaid, and certified by such consulting Engineer to be open and ready for traffic, the said reserved sum of ten thousand pounds sterling shall be paid to the said parties hereto of the second part in like manner by a like proportionate quantity of Province Debentures, Stock Certificates and Bonds of the Company : And it is further understood and agreed by and between all the said parties hereto, that all land required for locating the said Railway, and for the construction or use thereof, temporary or permanent, shall be provided by the said parties hereto of the first part, whenever required by the said parties hereto of the second part; and further, that the said parties hereto of the first part shall, from time to time, when required, procure for the said parties hereto of the second part the consent of the Executive Government of this Province to enable them to enter and go on and upon the Crown Lands lying in the route or line of such Railway, and to dig for, take, remove, and use any earth, gravel, stone, timber, wood or other matter necessary for the construction of the said Railway, under, on or from the Crown Lands contiguous to the said Railway, free from any duties or charge therefor : And it is understood and agreed that this Agreement and Contract is based on the supposition and assumption that Iron rails can be purchased in England free on board, at six pounds ten shillings sterling per ton : And it is hereby agreed that should this not be the case, any increase upon this amount will be added to the contract price, and any decrease will be deducted therefrom, and with respect to chains and pins a relative deduction or advance shall be made : And is further agreed that the road bed of the said Railway shall be elevated as much as practicable and necessary above the surface of the ground, to facilitate the removal of snow; and in the event of any alteration being made in the route of the said Railway from the line as at present surveyed, and the same should be carried either by the way of Loch Lomond, or Carruthers' Lake, an

equal number of Stations shall be placed in suitable situations along such altered line: And the said parties hereto of the first part do hereby agree that they will from time to time and at all times during the progress of the said work, when required by the said parties hereto of the second part, by all lawful ways and means enforce the full powers, rights and privileges belonging to them for the benefit and advantage of the said parties hereto of the second part, and for better enabling them to construct and equip the said Road and carry out and fulfill this Agreement.

And it is further agreed, that that portion of the European and North American Railway Line to the westward of St. John, between the City of St. John and the frontier of the State of Maine, but not including the Bridge at St. John, shall be surveyed and the route decided on as soon as conveniently may be by the Engineers of the said parties hereto of the second part; and on the said route being so decided on, the said parties hereto do hereby, on the assent of the Lieutenant Governor or Administrator of the Government for the time being, in Council, being thereunto first had and obtained, mutually contract and agree for the construction of the line to the eastern boundary of the said State of Maine so decided on, and for the construction of an extension of the Trunk Line to Miramichi, in like manner as heretofore specified according to a similar specification, and upon the like terms and conditions, only that the price of such construction shall be dependent on the work on said line or lines when ascertained by actual survey, but the basis on which such prices shall be determined shall be in all respects the same as have been agreed upon for the road hereby contracted for, and payments shall be made for the same in like proportion of Provincial Debentures, Stock Certificates and Bonds of the said Company; provided always, that if the price of the said Roads, or either of them, shall exceed six thousand five hundred pounds sterling per mile, the Government proportion shall in no case extend beyond three thousand pounds sterling per mile in balance of the two hundred and fifty thousand pounds sterling of Stock and Loan Debentures : And it is further agreed, that with reference to all branches to Fredericton, or elsewhere, from the main Trunk Line, the same shall, when mutually determined on, and the assent of the Lieutenant Governor or Administrator of the Government for the time being, in Council, being first had, be constructed on the like basis and terms, and in the same manner in all respects as herein contained for the constructing of the said main Trunk Line, and the said extension

HOUSE .- No. 1.

thereof to Miramichi: And it is hereby further agreed, by and between the said contracting parties, that when and so soon as any part or parts of the said road hereby contracted for shall be made and put in operation, any profit or profits arising from the working of the said road or roads, so made and completed, shall go to and be applied for the benefit of the said parties hereto of the first part, in like manner as if the whole of the said road shall have been made and handed over; provided always, that the said parties hereto of the second part shall be entitled to send all agents, workmen and materials required for the execution of the works over such portion of the said line as may be opened, free of charge : And it is further agreed, by and between the parties hereto, that in the event of any difference or dispute arising between them with reference to this contract, or to any matter or thing arising or growing thereout, or in any way relating thereto, all such matters in difference shall be referred to the award, order, final end and arbitrament of three disinterested arbitrators to be chosen as follows : one by the said parties hereto of the first part and the Executive Government of this Province conjointly, one by the said parties hereto of the second part, and the third by the said two arbitrators so chosen as aforesaid ; the decision and award of whom, or any two of whom, in the premises, shall be final and conclusive between the parties.

In witness whereof, the parties hereto of the first part, have to this Contract executed by both parties in quadruplicate, caused their Common Seal to be affixed and set, and the same to be testified by the signatures of the President and Secretary of the said Company; and the parties hereto of the second part have subscribed their names and affixed their Seals the day and year first above written.

R. JARDINE, <i>President</i> . THOS. B. MILLIDGE, <i>Clerk</i> .	$\left\{ L, S, \right\}$
WM. JACKSON,	[L. S.]
SAMUEL MORTON PETO,	[L. S.]
By his Attorney, Wm. Jackson.	
THOMAS BRASSEY,	[L. S.]
By his Attorney, Wm. Jackson	
EDWARD LEDD BETTS,	[L. S.]
By his Attorney, Wm. Jackson	, – –
Signed, sealed and delivered in the 7	

presence of

John A. Poor, George P. Sancton.

$\mathbf{24}$