

MAINE STATE LEGISLATURE

The following document is provided by the
LAW AND LEGISLATIVE DIGITAL LIBRARY
at the Maine State Law and Legislative Reference Library
<http://legislature.maine.gov/lawlib>



Reproduced from scanned originals with text recognition applied
(searchable text may contain some errors and/or omissions)

DOCUMENTS

PRINTED BY ORDER OF

THE LEGISLATURE

OF THE

STATE OF MAINE.

1860.

SIEVENS & SAYWARD, PRINTERS TO THE STATE.

1860.

THIRTY-NINTH LEGISLATURE.

HOUSE.

No. 22.

REPORTS

OF THE

COMMITTEE ON RAILROADS, WAYS & BRIDGES.

THE Committee on Railroads, Ways and Bridges, to which was referred the petition of the European and North American Railway Company, and of Ether Shepley and others, and of the plan of uniting the lines of railway east of Portland, and also of so much of the Governor's Message as refers to the plan of a continuous line of railways through the central portions of Maine to the boundary of New Brunswick, have had the same under consideration, and ask leave to Report, that the petitioners have leave to withdraw.

E. WELLS, *Chairman.*

The undersigned, members of the Committee on Railroads, Ways and Bridges, to whom was referred so much of the Governor's Message as relates to "the plan for a continuous line of railway eastward through the central portions of this State to the boundary of New Brunswick," connecting with a line to St. John and Halifax; also the petition of the European and North American Railway Company, for an enabling act to carry out said line, and for State aid thereto, and for aid to a line to the Aroostook and St. John rivers; also the memorial of Ether Shepley and others, for authority to unite the lines east of Portland into one company, for

such purpose, have had the same under consideration, and ask leave to present this, their Report, with a Bill herewith submitted.

The public welfare will be promoted by such an union of interests as will enable the railroads of this State, east of Portland, to form one company, under the charter of the European and North American Railway Company, to the boundary of New Brunswick, to a point of junction and connection with the European and North American Railway of that Province, with a line to the Aroostook and St. John rivers. The completion of these lines, will connect the northeastern and eastern sections of Maine with the central and western portions of the State, and, in connection with the Grand Trunk Railway of Canada, form a trunk line of railway across the breadth of Maine between the upper and lower British American Provinces.

The territory of Maine is so interposed between the interior and the maritime Provinces of Great Britain, as to afford the most easy and direct communication between them across it. This fact gave rise to the long protracted dispute with Great Britain, as to our northeastern boundary, at one time threatening to interrupt the friendly relations of the two countries, which was finally settled by the Treaty of Washington, in 1842.

The title of Maine to the entire territory claimed by her, was clear and indisputable. The ablest geographers of England admit that the claim of their government was without any real foundation, "that it was impossible to make use of any language that could more distinctly and specifically give the title of the whole territory to Maine, than that used in the Treaty of Peace of 1783."

But, in the war of 1812, the British Government was enabled to send troops from Halifax to Quebec, by the way of the St. John valley, across our State, in mid winter, and oppose superior numbers against our forces on the western frontier. It was thereby enabled to realize the vast importance, in a military point of view, of the route in the St. John valley, between Canada and New Brunswick. She seized upon this territory, held military possession of it, from that time onward, and refused all terms of compromise, or of accommodation, other than those of a surrender to her, of the north bank of the St. John river.

In the Canadian rebellion of 1837, the British troops were landed

at Halifax in winter, pushed into Canada across our territory in the St. John valley, and by this means the outbreak was soon suppressed. So long, therefore, as the British Government held her North American Colonies, she seemed determined to hold this key to their possession.

The Government of the United States fully admitted the justice of our claim, but omitted to protect our possession of it; and when Maine attempted to preserve it from spoliation and to extend her jurisdiction over it, the General Government interposed its paramount authority, forced Maine to abandon her attempt to maintain possession of it, and assumed the duty of protecting it herself. This duty was imperfectly performed, and the country was stripped of its valuable timber, by New Brunswick lumbermen, till finally by the treaty of Washington, in 1842, the United States surrendered to Great Britain the whole territory, on the north bank of the St. John river, containing 5,113 square miles.

Maine submitted to the paramount authority of the National Government, only from necessity, relying on the justice of its claim, for redress; and on the survey and examination of the territory left to us in the basin of the St. John, a district equal to 5,592 miles of territory, found that it had been stripped of its most valuable timber, while under the assumed protection of the General Government. For these depredations on our territory, the State of Maine has a just and valid claim on the Government of the United States. This claim, it is the duty of Maine to assert, by all the legal and constitutional means in her power.

This seizure of our territory, and the strip and waste of its timber, embittered the feelings of our people residing near the border, and practically delayed and retarded the settlement of that portion of it, that was not in controversy,—and for nearly a quarter of a century, the most valuable portions of the State, for agricultural purposes were practically lost to us. The General Government was mainly intent, on securing the good will of England, on any terms, and seemed to regard the territory as of no considerable value, even for military purposes; and when the King of the Netherlands refused to discover the highlands, which form so striking a feature in the geography of North America, in any other place than in the bed of the St. John river, General Jackson, then President of the

United States, urged the acceptance of that award, and treated the question as merely one of dollars and cents. He offered to give Maine as much land somewhere else, as that taken from us by the award. This was refused by Maine, who finally submitted to a superior power, and consented to the conventional line of 1842, expecting justice at the hands of the National Government. This claim has been often urged, and the Legislature of 1852, asked the General Government to grant aid to a line of railway, that should extend to the Eastern Boundary, and enable us to recover some portion of the business and the population that had been lost to us. This claim was not denied and cannot be questioned; and it now demands the united support of our National and State Representatives a direct application to the government for its payment.

The people of Maine had no sooner found themselves relieved of this boundary dispute, than they embarked in efforts to secure the advantages of their position. In 1844, we find on the files of the Legislature, the first movement to extend a line of railway from Portland to Montreal; and in 1845, the adoption of a new line of State policy. His Excellency, Governor Morrill, in his annual message to the Legislature of this year, says :

“ Aware of the important influence of railroad facilities in commercial affairs, and of the natural commercial advantages of our position, a State policy was early indicated by the Legislature which should make Maine in these respects independent of other communities upon the Atlantic coast; and which should eventually afford it equal advantages in securing the trade of the interior—the great producing region of the nation. It was perceived that in any plan for the accomplishment of this object, there were obviously two points of incalculable importance to the growth and development of its material interests and its true commercial independence, namely, the connection by railway, of the seaport towns with the interior of the country and the British Provinces, our neighbors, contiguous to us, whose natural intercommunication is through our territory; and to afford to the trade and travel between Europe and this country, railroad facilities to an extreme eastern port on this side the Atlantic, giving the shortest possible sea voyage between the two continents.

“ The first point in this system has already been secured by the

completion of the Atlantic and St. Lawrence Railroad, connecting as it does, with a continuous line of railway, of surpassing excellence and capacity, which extends westward through Canada, to Detroit; thus making our seaboard accessible to that vast region, the "Great West," and our principal seaport town the Atlantic terminus of a portion of the trade and travel of the great Lakes and their natural outlet.

"The importance of this enterprise is already seen in the rapid growth of our chief commercial city, the facilities opened to our interior towns for direct trade westward, and the amount of transportation that already finds its way from the remote interior, without transshipment, to the Atlantic. Its prospective importance is incalculable, an approximate estimate of which can only be made in connection with the prospective and probable development of the resources, settlement and growth of the vast regions of Canada West; of the great Lakes and the Valley of the Upper Mississippi, the great producing region of the nation, and whose capacities are sufficient for the habitation and sustenance of one hundred millions of people, whose outward market must be sought at the Atlantic seaboard, and who, following the natural channels to the St. Lawrence river, would thence over this line of railway find their shortest practicable route to their ultimate destination."

The line from Portland to the west is but just finished, but the results are already seen, in the vast increase of the commercial importance of Maine thereby, and no portion of the continent is attracting at this time, more notice, both at home and abroad. The statesmen of Canada and of England, have been better able than those of the United States to appreciate the commanding military and commercial position of Maine, and the people of Canada have gladly purchased the Portland and Montreal line, having Portland, in Maine, for their winter seaport. It is creditable to the sagacity of our late Secretary of War, the Hon. Jefferson Davis, that he readily perceived the military advantages of Maine—for on learning the fact of a line of railway connecting Portland with Montreal, he advised the fortification of Portland harbor—for as he says, "the possession of Portland harbor commands the entire territory of Canada above Quebec."

Time and the progress of events have wrought great changes in

the opinions of the statesmen of the United States, and enabled them to perceive the truth of the predictions of those who have heretofore asserted, that Maine had the most commanding position of any section of the Union. Its mathematical and physical geography ensure for it the highest development of which any portion of the continent is susceptible. The finest harbors of the globe, on the Atlantic seaboard of Maine, are the necessary entre ports of the business of the St. Lawrence valley, the Lakes, and of a large portion of the Mississippi basin.

The export trade of Portland this year, shows that the products of the Western States, from the Mississippi river even, find this the cheapest route to Europe. In an able pamphlet recently submitted to the Legislature of New York upon "Legislative restrictions on the carrying trade of the railways of the State of New York, viewed in connection with outside competition," allusion is often made to the advantages of Portland as a commercial depot, and of the influence and value of the Grand Trunk Railway, as an outlet of western trade. It is urged in opposition to the *pro rata* freight bill now pending before her Legislature, that New York requires the cheapest possible rates of transit over her railway lines reaching out, to retain her present trade. After enumerating the competing lines south of New York—the Pennsylvania Central Railroad—the Baltimore and Ohio Railroad—the Norfolk and Louisville line—the Charleston and Ohio route—the Savannah and Memphis road, and others, it refers to the Boston and Ogdensburg line, and then speaks of the Grand Trunk Railway Company, as follows:

"Further north is that immense thoroughfare known as the Grand Trunk Railway. With \$60,000,000 invested in it by English capitalists, including the \$16,000,000 loaned by the Canadian Government, entirely without interest; with the patronage and wealth of Great Britain and her Provinces in its favor; with a continuous track of nearly 1,000 miles from Portland through the Canadas to the Upper Lakes; with a solidity and durability of structure unsurpassed; with an extensive range of docks at Portland, on which its cars are brought alongside of Ocean Steamers; with an equipage corresponding to its length and magnitude; with *exemption from taxation the entire distance from its eastern to its western terminus*; with abundance of cheap fuel at all its stations; with a

system of rail and water connections at the west, leading to all points of the interior, it presents a capacity for competition unequalled by any other road on the American continent.—*p.* 15.

* * * * *

“By comparing the tariff of the Grand Trunk Company with the tariff of the New York Central, it will be seen that the rates from Liverpool are LESS per ton of 2,000 lbs. than from New York to Detroit,

	.	.	.	by \$2.10 per ton.
To Chicago,	.	.	.	7.67 “
To Quincy,	.	.	.	7.02 “
To Galena,	.	.	.	10.00 “
To Milwaukie,	.	.	.	6.45 “
To Dubuque,	.	.	.	11.00 “
To Cincinnati,	.	.	.	5.67 “
To St. Louis,	.	.	.	9.24 “

“Those who have carefully studied the commercial policy of England well know her far-reaching grasp. She procured the construction of this road, not simply nor primarily for the profit which it was expected to yield to its stockholders, but with a view to open a direct trade with our western interior cities. * * * Our people will ere long awake to a realization of the fact that, in one vastly important sense the Grand Trunk does not terminate, nor was it intended to terminate, at Portland, but reaches across the ocean to Liverpool, Glasgow, Sheffield, Manchester, Birmingham, and London. Contracts for the transportation of British manufactures, and merchandise, will include the ocean and the Grand Trunk Railway with its western connections, and a return of the products of the West by the same line. This is the English idea of that mammoth undertaking”—*p.* 19.

These statements fully confirm the opinions expressed by his Excellency, Governor Morrill, and should lead us to carry out his recommendations for extending our line eastward to the Lower British Provinces. The accomplishment of this work is now within our reach, and by its construction we should in part recover the ground lost by Maine in submitting to the Treaty of 1842.

Without a movement on our part, at this juncture, we may find the line connecting Canada with the Atlantic seaboard encircling our State by the St. John valley, and its trade carried off into a

foreign territory. If Maine, to-day, had the power to resume possession of her former territory and preserve her own revenue laws, she could direct the trade of the continent into her own channels of communication, and place our State in the front rank among the commercial States of the confederacy.

Maine has carried forward her public works without any aid from the General Government, and at this time we find in addition to the indifference of our national government to our commercial advantages, we must now encounter the rivalry of hostile or adverse interests, and are in danger of losing the advantages of our present position. The only means of averting it, are the extension of our lines of railway east and north of Bangor to the city of St. John, and to the Aroostook. The completion of a line of railway from Bangor to St. John city would secure at this time the co-operation of the Lower Provinces. But in case of our neglect of this enterprise, the line through British territory from Quebec to St. John, will be pushed through, and drain the business of one-third of our State into a foreign country, and eventually change the present route of transit between Canada and the Atlantic sea shore. At this time, the friends of the Grand Trunk Railway will favor the extension of a line through Maine to New Brunswick, connecting the British Provinces by the most favorable route, over the Grand Trunk line from Montreal to Portland.

To carry out the plan recommended by his Excellency, Governor Morrill, requires a large outlay of capital, and beyond the present means of individuals. We had in Maine, at the close of the year 1859, five hundred and forty-four miles of railroad in operation, costing \$20,708,317. These lines have cost largely in excess of their present market value, from the great sacrifices required, in the raising of the money for their construction. It is now difficult to find capital seeking investment in that direction.

This difficulty in the raising of capital available, for railroad purposes in Maine, has been increased by the evils of unwise and unnecessary competition among existing lines, and the want of harmony of action in the transaction of their business. The evils of rivalry and competition are in danger of being increased by the grant of new charters for this purpose, and all experience shows, that whenever and wherever railway interests come into unnecessary competition,

they fail to satisfy the just wants of the public and check the healthful growth of local and domestic industry. Nothing can be more striking than the evidences, all about us, of the evils of unwise competition. Contrast different sections of the State, and wherever railways are wisely managed, you see evidences of thrift and prosperity; and the absence of all these, where a different policy has continued to prevail.

The three western counties, York, Cumberland and Oxford, are well supplied with railway facilities, and no complaints are made of unjust charges, or of any lack of accommodation. In these counties we find the greatest progress in population and wealth, from 1850 to 1859. Formerly, the principal increase of the population of Maine, was in the middle and eastern counties. Penobscot county gained over 100 per cent. from 1830 to 1840, and in a greater ratio than any other county, from 1840 to 1850. But from 1850 to 1859, the increase of Penobscot was in a less ratio than in Oxford, York or Cumberland. The county of Kennebec increased less from 1850 to 1859, than from 1830 to 1840, though supplied with two rival and competing lines of railway during the last few years.

It is not the fact of the existence of lines of railway that secures prosperity and ensures the production of wealth in any community. The railways must be wisely managed, and the transportation of passengers and freight secured at uniform rates, such as give permanence and stability to industrial pursuits.

To illustrate the effects of railways and to show how far they have operated to increase the business of Maine, we give a table showing the polls in 1850 and 1859, in each county, and the increase of polls and population in each county, from 1850 to 1859:

	Polls—1850.	Polls—1859.	Inc. of polls.	Inc. population.
Androscoggin,	4,447	6,551	2,104	11,635
Aroostook,	743	2,098	1,355	7,493
Cumberland,	11,758	15,246	3,488	20,412
Franklin,	3,605	4,380	775	4,285
Hancock,	6,427	7,810	1,383	7,647
Kennebec,	10,277	11,684	1,407	7,780
Lincoln,	9,044	11,344	2,302	12,730
Oxford,	6,559	8,286	1,727	9,550
Penobscot,	12,695	14,409	1,714	9,478

	Polls—1850.	Polls—1859.	Inc. of polls.	Inc. population.
Piscataquis,	2,822	3,266	444	2,455
Sagadahoc,	4,070	4,660	490	2,709
Somerset,	6,454	7,520	1,066	5,894
Waldo,	8,789	10,497	1,708	9,478
Washington,	7,214	8,342	1,128	6,237
York,	10,509	13,038	2,529	13,985

The population of Maine, in 1850, was 583,190. Polls, 105,411, or 100 polls to 553 persons. In 1859, the polls were 129,031, giving a population of 713,867 persons in May, 1859, a gain of 14,888 persons in each year, equal to 728,755 persons in May, 1860, a gain of 145,239 persons, or 25 per cent. in the ten years from 1850 to 1860.

We give below, a table showing the population of Maine by counties, from 1830 to 1859 :

	1830.	1840.	1850.	1859.
Androscoggin,	19,851	22,532	25,748	37,383
Aroostook,	2,399	7,193	12,529	20,012
Cumberland,	52,429	59,620	68,783	89,271
Franklin,	15,938	20,800	20,027	24,312
Hancock,	22,553	28,646	34,372	42,019
Kennebec,	38,929	51,384	58,018	65,798
Lincoln,	37,654	41,423	47,038	59,768
Oxford,	27,528	32,115	35,463	45,013
Penobscot,	22,963	46,049	63,089	72,567
Piscataquis,	8,499	13,138	14,735	17,190
Sagadahoc,	14,943	17,619	21,669	24,378
Somerset,	29,666	33,912	35,581	41,475
Waldo,	31,584	41,535	47,230	56,575
Washington,	20,140	28,309	38,811	45,043
York,	51,710	54,023	60,098	74,083

The increase of population in Maine from

1820 to 1830,	was at the rate of 33 per cent.
1830 to 1840,	“ “ 26 “
1840 to 1850,	“ “ 16 “
1850 to 1859,	“ “ 23 “

Nothing can be more striking than the above figures, showing the

influence of railways in increasing the population and wealth of those communities, where they are successfully operated, and their benefits enjoyed free from the evils of rivalry and envious competition.

It appeared in evidence before your committee, that the 258 miles of railroad east of Portland, extending to Bangor, with branches to Farmington and Skowhegan, have cost \$8,653,187, without reckoning interest, which would carry their cost up to more than \$12,000,000; that these lines showed an increase of \$639,013 last year, with a net increase of \$291,857. It was proved before your committee, that a saving of from 15 to 20 per cent., might be effected in the working of these lines, under one management, increasing largely the value of the property.

The undersigned, have therefore no doubt, that such an union of these interests would be of great public utility, diminishing the working expenses, and enhancing the value and efficiency of the property. They have also had evidence before them, that from Oldtown north and east, favorable routes can be found to reach the eastern border, in the direction of St. John city, and to the Aroostook and St. John rivers.

By allowing the various interests between Portland and Oldtown to unite their lines, each becomes interested in the proposed extension, and a large capital is thereby secured to this object, and the undersigned believe that this union of interests, would in every way be productive of public good; subjecting the company thus formed, at all times to the general laws of the State, in relation to railroads.

The undersigned believe, that the application of the proceeds of the claims of Maine on the General Government, to such a purpose as that, of extending an international work, like the European and North American Railway, would operate favorably on the minds of members of Congress, and that we should thereby secure greater results therefrom than in any other way, toward the objects proposed.

The undersigned regard the public lands of Maine, as chiefly valuable for the purposes of settlement, and they believe that the present land policy, a wise one, to this end—though yielding no income to the Treasury. But if a portion of these lands are still retained for the benefit of settlers, and part of them set aside to aid the con-

struction of a line of railway to the Aroostook, both objects may be aided thereby. The assurance of a railway extending from Bangor to the Aroostook and ultimately to the northern boundary of the State, would invite and stimulate emigration in that country and in a few years prepare the way for its introduction and future support. They therefore propose to aid, to a moderate extent, the construction of the railway, at the same time that they retain the more valuable lands, for settlement, under the present laws.

The undersigned therefore propose to reserve all townships set apart for settlement, and all the lands in the five eastern ranges west of the east line of the State, for settlers, containing 634,356 acres, which are to remain open for settlement under the existing statutes. They propose to grant a portion of the proceeds of the other lands, lying on the waters of the Penobscot and St. John rivers, to aid the construction of the line from Bangor to Houlton and the Aroostook. They believe that individual proprietors would aid in building this line, and that public and private interests would unite to accomplish this result.

The undersigned do not propose to tie up the public lands, or allow them to go into the hands of any company, or set of men who can speculate on the settlers. The object of the Bill submitted by them, is, to promote their settlements, and they propose that the State shall reserve its control over them for this purpose. And in case the company do not in one year perfect the consolidation of the railway lines, as set forth in this Bill, the grant of the proceeds of the public lands expires by its own limitation.

The undersigned do not propose a donation to aid the lines in question. But to invest the proceeds of the lands in the stock of the company at its equivalent value, which should at all times maintain its par value, allowing the company to purchase it, at that price, in one year from the completion of the line.

The undersigned do not perceive, nor have they heard any suggestion of any other plan, than the one proposed for carrying forward this great work of completing the trunk lines of our railway system; nor can they consent to forego the advantages now offered by the friends of the Grand Trunk Railway and the Provincial authorities, of aid in the work of completing the lines herein proposed.

At no time since the erection of Maine into an independent State,

has its Legislature been called upon to decide upon graver or more important questions than those presented in the propositions before us, to preserve and protect a vast pecuniary interest now suffering from the evils of unwise legislation, and of making this capital active and available for public and private uses, in extending a trunk line of railway across the State and ensuring its construction from Bangor to the boundary of New Brunswick, and to the Aroostook and St. John rivers. The Bill also proposes to extend a branch railroad from some point on their line, through the rich mineral districts of Piscataquis county to the Slate Quarries of Brownville and Williamsburg and the Katahdin Iron Works.

That the passage of the Bill proposed will secure all the objects named, is no longer a matter of doubt, and the undersigned invoke a spirit of harmony among interests, heretofore rival and conflicting, for the sake of accomplishing a great public good. They therefore report the accompanying bill.

JAS. A. BICKNELL,
JOSHUA DUNN.

We concur in the general provisions of the Bill, and its details, except the appropriation of a portion of the public lands.

E. WELLS,
W. BUXTON.

STATE OF MAINE.

IN THE YEAR OF OUR LORD ONE THOUSAND EIGHT HUNDRED
AND SIXTY.

AN ACT to enable certain railroad companies to unite and form a trunk line across the state, and for aiding its construction from Bangor to the eastern border of the state, and to the Aroostook and St. John rivers.

Be it enacted by the Senate and House of Representatives in Legislature assembled, as follows :

SECTION 1. The several railroad corporations in this state, owning lines of railway between Portland and Bangor, with their branches, to wit: the Androscoggin and Kennebec Railroad Company ; the Kennebec and Portland Railroad Company ; the Penobscot and Kennebec Railroad Company ; the Somerset and Kennebec Railroad Company, and the Androscoggin Railroad Company, or the assigns or the trustees holding the legal title to any one or more of the lines of railroad belonging to said corporations, may unite, and form,

11 one corporation, under the charter of the European
12 and North American Railway Company ; and said last
13 named company is hereby authorized, to purchase or
14 lease, the several lines of railway named in this act,
15 and in case of any such purchase, the stock and fran-
16 chise of the companies whose roads shall be so pur-
17 chased, shall be consolidated into, and become part of
18 the stock and franchise of the European and North
19 American Railway Company ; and all the powers and
20 privileges acquired by such purchase, shall be held,
21 and enjoyed, under the charter of said company ; and
22 said company shall be required to perform and discharge
23 all the duties, liabilities and obligations imposed by law,
24 upon the company, whose road shall be so purchased ;
25 *provided, however,* that the company, so formed, shall
26 be at all times subject to such general laws in relation
27 to railways, as have been or shall be passed, by the
28 legislature of this state.

SECT. 2. The European and North American Rail-
2 way Company is hereby authorized to extend its line
3 to the boundary of this state at such point or place as
4 will best connect with the line of the European and
5 North American Railway Company of New Brunswick,
6 with the right to extend a branch line to Houlton and
7 to the St. John river at the boundary.

SECT. 3. It shall be lawful for said European and
2 North American Railway Company to issue stock or
3 bonds with coupons for interest payable in London, or
4 any other place, in, or beyond the limits of this state,
5 and it shall be lawful for said company to extend its
6 line to the village of Woodstock; *provided*, authority
7 therefor be granted by the authorities of said province
8 of New Brunswick.

SECT. 4. The claims of the State of Maine, on the
2 government of the United States, for moneys due to
3 the disputed territory fund, or for timber unlawfully
4 cut, on the territory of Maine, while under the protec-
5 tion of the general government, are hereby assigned
6 and transferred to said European and North American
7 Railway Company to aid the construction of its line
8 from Bangor to the eastern border of the state, said
9 claims and all moneys, received therefor by the state
10 shall be in trust for the uses of said company, and to
11 be paid over to said company under the authority of
12 the governor and council; *provided, however*, that such
13 payments shall only be made *pro rata* as said line is
14 built, and on the completion of said line, to the bound-
15 ary of the state, the amount of such claims shall be
16 paid over to said company, and the faith of the state
17 is pledged to pass from time to time such laws, as may

18 be found necessary to carry into effect the objects and
19 purposes of this act.

SECT. 5. All the public lands of this state lying
2 upon the waters of the Penobscot and St. John rivers
3 or their branches, west of the fifth range of townships
4 lying west of the east line of the state, not already
5 designated under the authority of the land agent for
6 schools, or as soldiers' lands, or applied for by settlers
7 and designated therefor by law, are hereby set apart,
8 to aid the construction of the line or lines of railway
9 between Bangor and the eastern border of the state at
10 Houlton and Woodstock as contemplated in this act.
11 Said lands shall be hereafter managed under the au-
12 thority of the governor and council and land agent, as
13 a board, and sold and conveyed by the land agent,
14 under their direction, in accordance with the provisions
15 of this act. As soon as this act has been accepted by
16 the European and North American Railway Company,
17 and the lines of two, at least, of the railways hereto-
18 fore mentioned, in the first section of this act, have
19 been transferred to said company, and the said com-
20 pany shall certify the fact to the governor and council,
21 it shall be their duty to set aside the proceeds of all
22 sales of lands, thereafter, to the objects and purposes
23 of this act. They shall forthwith cause the lands afore-

24 said to be divided into two classes, settling lands, and
25 timber lands. They shall also forthwith cause all lands
26 designated as settling lands, to be surveyed into lots
27 of one hundred and sixty acres each, and affix to each
28 lot a minimum price not to exceed one dollar per acre,
29 and be so noted on the plan ; any lot so marked shall
30 be forthwith open to settlement, and sale, at the mini-
31 mum price, the purchaser thereof to be required, in
32 addition to the payment of the purchase money, to
33 perform settling duties, to establish his residence on
34 his lot, and within four years from such date to clear
35 on each lot not less than fifteen acres, ten of which
36 shall be laid down to grass, and to build a comfortable
37 dwellinghouse on it ; and if the purchaser fails to per-
38 form any of the foregoing duties required of him, he
39 forfeits all right to the land, and it may be sold to
40 another person. Any person may purchase a lot, pay-
41 ing the full price thereof at the time of the execution
42 of the deed, which conveyance shall require the per-
43 formance of settling duties by the purchaser or his
44 grantee in actual possession thereof ; and all convey-
45 ances made by such purchaser or those claiming under
46 him shall be valid, in case of an actual occupation of
47 the same by the party holding the title and performing
48 the settling duties set forth in said deed. In all other

49 cases, upon every such sale of a settling lot, one-fourth
50 part of the consideration shall be paid at the date of
51 his deed, and the remainder in equal payments, in one,
52 two and three years after the first payment, and all
53 with interest from the date of the deed. Nothing,
54 however, expressed in this act shall have the effect to
55 preclude the land agent from selling and conveying
56 lots to such persons as have applied for them, and have
57 designated the lots in their respective applications,
58 under the law as it existed at the time when their
59 several applications may have been made. The board
60 hereby constituted shall make return of their doings to
61 each regular session of the legislature. The present
62 law shall continue in force, in relation to settling
63 duties, as to all the lands lying in said five eastern
64 ranges of townships.

SECT. 6. The proceeds of the public lands, and of
2 the claims of Maine on the United States government
3 set apart and appointed by the act to aid the construc-
4 tion of the lines of railway, east and north of Bangor,
5 are granted in trust only, for the purposes of this act,
6 to be applied under the authority of the governor and
7 council. And whenever any money shall be paid to
8 said company, from such proceeds as aforesaid, said
9 company shall issue the stock of said company, dollar

10 for dollar, fully paid up, and free of all assessments to
11 the state therefor, to be held and owned as the property
12 of the state. *Provided, however,* that the said company
13 may purchase the same, at any time within one year
14 from the completion of said road, by paying the par
15 value thereof.

SECT. 7. In order to the carrying out of the objects
2 and purposes of this act on equitable terms, in case the
3 parties cannot agree, on request of the European and
4 North American Railway Company setting forth their
5 inability to agree on terms, it shall be the duty of the
6 governor and council, to appoint three or five commis-
7 sioners, to appraise the several railroads mentioned in
8 the first section of this act, and the rights and fran-
9 chise thereto belonging. And the said commissioners
10 shall give reasonable notice to each of said companies
11 of the time and place of their hearing, and thereupon
12 proceed to make such appraisal, and return their doings
13 to the governor and council, who shall make known
14 the said appraisal to each of said companies. And in
15 case any two of said companies shall within six months
16 thereafter accept the same and transfer or lease their
17 road to said European and North American Railway
18 Company, this act shall go into full effect. But in
19 case of the acceptance of this act and of said appraisal

20 by all of said companies, or of any two or more of
21 them, this act shall not go into effect, until the said
22 European and North American Railway Company shall
23 have purchased or leased each and all of said roads,
24 whose companies have accepted this act. And in case
25 of the neglect or refusal of any one or more of said
26 companies to accept of this act, within six months from
27 the return of the appraisal of said commissioners to the
28 governor and council, and notice of the same, then,
29 and in that case the said European and North Ameri-
30 can Railway Company are hereby authorized to locate
31 and construct a line of railway between such points on
32 their line as are not connected by the lines of railway
33 so purchased and transferred.

SECT. 8. The company shall be held to fulfill and
2 perform all the duties now imposed by law on the rail-
3 roads of this state in reference to the transportation of
4 passengers and freight ; and said company shall be
5 further held to receive and transport passengers and
6 freight at such rates as shall secure justice to all par-
7 ties, so that, passengers and freight, shall be allowed
8 a choice of routes where parallel or competing lines
9 now exist, at the same rate of fare ; and no discrimi-
10 nation shall be made for or against any party or cor-
11 poration.

SECT. 9. It shall not be lawful for the corporation
2 formed under this act to discontinue any portion of the
3 railroads aforesaid, now existing, without the consent
4 of the legislature.

SECT. 10. If the European and North American
2 Railway Company shall not complete its line of road
3 on or before the thirty-first day of December, A. D.
4 eighteen hundred sixty-five, then this act shall be null
5 and void, except as to such portions of said line as
6 shall have been at that time completed or consolidated
7 under this act.

SECT. 11. This act shall take effect from and after
2 its approval by the governor, and it shall be lawful for
3 the directors of the said company to accept the same,
4 and to create the securities herein described, and mort-
5 gage the line, and shall thereafter forthwith proceed
6 to put the same in full operation in such manner as to
7 secure the rights of all parties : to this end books of
8 subscription to the capital stock of the company shall
9 be opened at Bangor, Waterville, Augusta, Bath, Lew-
10 iston and Portland, for thirty days, of which public
11 notice shall be given by publishing in two or more
12 papers in this state, one week before the day of the
13 opening of said subscription books. The directors
14 shall be authorized thereafter to call a meeting of the

15 stockholders for the choice of directors, giving two
16 weeks notice thereof by publishing in two or more
17 papers of this state.

SECT. 12. It shall be lawful for said European and
2 North American Railway Company, to issue bonds to
3 the amount of the cost of the five lines of railroad be-
4 longing to the five companies first named in the first
5 section of this act, and of the two lines between Ban-
6 gor and Milford and no more, without the consent of
7 the Legislature, first had and obtained, nor shall any
8 one of the railroad companies mentioned in this act
9 issue or negotiate any bond or bonds without such con-
10 sent of the legislature, in case this act shall go into
11 effect.

SECT. 13. The said European and North American
2 Railway Company may extend a branch railroad from
3 some point on their line to the Katahdin Iron Works,
4 in the county of Piscataquis.

SECT. 14. It is hereby declared to be the true intent
2 and purpose of this act to sell the public lands herein
3 designated in the most judicious method that can be
4 devised, to obtain for them their full value, to promote
5 the settlement of such as are suitable therefor, and
6 after deducting expenses and other sums hereinbefore
7 named, to grant the balance of the proceeds of sales to

8 the use of said company upon the conditions hereinbe-
9 fore specified; and to these ends and no other, the
10 legislature reserves the power to change the provisions
11 of this act relating to the mode of disposition and sales
12 of the public lands, when it may be necessary to cor-
13 rect abuses, or otherwise to promote the declared intent
14 and purpose of this act. And in case the said Euro-
15 pean and North American Railway Company do not,
16 in one year from the time this act goes into effect, per-
17 form the consolidation of the lines of railway as set
18 forth in this act, then and in that case the grant of the
19 proceeds of the public lands to aid the construction of
20 said road, shall expire by limitation; and said lands
21 shall thereafter be subject to the disposal of the leg-
22 islature.

STATE OF MAINE.

HOUSE OF REPRESENTATIVES, }
February 29, 1860. }

On motion of Mr. WELLS of Freeport,
Laid on the table, and 350 copies ordered to be printed together
with the reports accompanying, for the use of the Legislature.

CHARLES A. MILLER, *Clerk.*

A P P E N D I X .

Since the foregoing Report was written we have received a copy of the *Canadian News*, of February 15, 1860, published in London, England, and devoted to British Colonial affairs, which contains data that bears so directly on the question under discussion, that we append the same to our Report :

INTERCOLONIAL RAILWAY.

The completion of the Grand Trunk Railway eastward as far as Trois Pistoles has, we are glad to see, caused an increased amount of attention to be directed to the important subject of intercolonial railway communication, and the extension of the Grand Trunk system to its natural and legitimate terminus on the Atlantic seaboard. The advantages offered by Portland as an Atlantic port, in connection with the railway system of Canada, is no doubt very great; but this admirable harbor has the very serious drawback that it is not upon British territory. It may appear somewhat ungracious, after the efforts which the inhabitants of Portland have made to give accommodation to the Grand Trunk system, to raise this as an objection and found upon it an argument for opening up a competing port in Nova Scotia or New Brunswick. But, anxious as we may be to witness the prosperity of Portland, our American friends will, we are sure, pardon us, and will fully appreciate our motives, when we candidly state that we should greatly prefer to see those magnificent harbors which we possess at St. John or Halifax, busy with the trade which the Grand Trunk Railway has attracted to the State of Maine. We wish to see our own colonies enjoying the full benefits of the trade developed during the times of peace; and not only this, we desire to be provided with a means of reaching Canada when the navigation of the St. Lawrence is closed which will not be under the control of the United States. The citizens of Portland are fully alive to the value of the trade which we wish to concentrate within our own territory, but they will not deny that, in a military point of view, it would be an advantage to Great Britain if she could move her forces, in the event of any possible hostilities, direct to the Canadian frontier without passing through a hostile State. So far back as 1844 the inhabitants were fully alive to the value of making Portland available for the traffic of Canada, for in their petition to the Legislature of that State they say—"By the opening of said road an immense trade and travel would at once flow into our State from the Canadas," and they prayed for aid in carrying out the work. Threatened

with the withdrawal of the traffic which they have now in their hands, the inhabitants have set themselves to the consideration of some mode by which they may retain in their hands this valuable trade. They propose to do this by detaching the lower provincials from the Canadian railway interest, and affording them inducements to unite directly with the railroads of New England. They state that the New Brunswickers are eager to co-operate with them in effecting that connection. They frankly avow that Portland has a deep interest in preventing the Canadian trade seeking any other seaboard than that of Portland, and in securing the business of New Brunswick for herself. The great question of the day in Canada is, how shall she succeed? Shall the trade of Canada and the North-Western States always pass through the State of Maine, or shall British territory have the advantage of that traffic?

The British colonies can only hope to secure this traffic by the continuation of a system of international railways which, starting from Halifax, St. Andrew's, or St. John's, will unite itself with the Grand Trunk line, now extended to Trois Pistoles. The completion of the work is, however, beset with many difficulties, not merely those which would be naturally felt in raising so large a sum as would be necessary for the purpose, but others which arise from the rivalry which exists between Nova Scotia and New Brunswick as to which of these provinces should furnish the Atlantic port, and the proportionate assistance which each of those provinces and the Imperial Government should afford to so great a work. The present position of this question is not very satisfactory. In 1837, when Canada was threatened by the United States and invaded by bands or persons hostile to England, great difficulty was experienced in getting British troops into Canada when the navigation of the St. Lawrence was closed in the winter, as the only way in which they could be introduced was by a long and expensive march from Halifax to Quebec. The British Government, desirous of avoiding the occurrence of like difficulties in future operations of a similar nature, resolved very seriously upon the construction of a military road through the colonies of Nova Scotia and New Brunswick. If such a communication were to be made, it was thought more desirable that it should be a railway than by a common road; and in 1848 the first steps were taken in the matter by Maj. Robinson and some other officers selected by the Imperial authorities, but paid by Colonial Governments, to make the preliminary surveys for the proposed line. The line decided upon was one which was by no means the shortest nor the most useful to the colonies in a commercial point of view, as it followed the east coast of New Brunswick; but it was considered the best military road. For Imperial interests the proposed line was probably the best that could be laid down. The Government of N. Brunswick represented the matter to Lord Grey, the then Colonial Secretary, pointing out that if made in the direction proposed, the traffic would yield no adequate return on the cost of construction. In 1851 Earl Grey agreed on the part of his Government, to guarantee the payment of a specified

rate of interest upon the money to be borrowed by the provinces for making the railway, provided it pass exclusively through British territory, but not objecting to any deviation from Major Robinson's line which might be approved by the Imperial Government.

An arrangement was entered into between the governments of Canada, New Brunswick and Nova Scotia for making the line, and in connection with it, a line running westward through New Brunswick to the adjoining State of Maine. It was found, however, before the legislative authority had been given to this agreement, that the guarantee of the Imperial Government would not be given to the proposed western line, and the colonial agreement fell to the ground. In the next year the question was again discussed, and an arrangement was entered into between Canada, Nova Scotia, and New Brunswick, for carrying out the work, but Sir John Packington, not approving of the proposed deviation, declined to recommend the guarantee to Parliament. Since that time the Governments of the Lower Provinces have proceeded to construct such lines as they considered best adapted to their own purposes. New Brunswick has given assistance to the New Brunswick and Canada Railway and Land Company, which, with the capital of 800,000*l.*, has set about making a western trunk line from St. Andrew's to Quebec, and have completed the first portion of the line of about 90 miles in length to Woodstock. At the cost of about a million, New Brunswick is completing a line from St. John's to Shediac, on the Northumberland Strait. Then there are other lines in progress or completed between Woodstock and Fredericton on the St. John River, and a line from the harbor of St. John to Charlotte, on the St. Andrew's and Quebec line. Nova Scotia has also been showing some activity in the matter, and there we have a line projected from Halifax to Windsor, and thence following the coast line of the Bay of Fundy to Granville on the west coast, immediately opposite the harbor of St. Andrew's, in New Brunswick. It is clear that if Major Robinson's plan is to be carried out, it must be mainly at the cost of the Imperial Government, for the line is not only a circuitous one, but it passes through a district thinly populated, and by no means of so valuable or productive a character as those parts which are already settled, and through which the Governments of the provinces would be desirous of seeing them pass. A memorandum submitted to the British Government in 1858, setting forth the actual position of the proposed line, stated that if they would give an Imperial guarantee to the Boards of Nova Scotia and New Brunswick, these provinces would complete so much of the proposed railways as would leave for completion only 250 miles, which would require a capital of between 2,500,000*l.* and 3,000,000*l.* This sum it was proposed to provide in the following manner:—In the year 1841 Canada obtained from the Imperial Government a loan of a million and a half for the construction of her public works. This matures at a distant period; but, meanwhile, a sinking fund has been formed for its redemption. It was suggested that the amount of this loan, including the sinking fund, be granted in aid of the proposed railway; and that Canada shall

be relieved from its payment in consideration of her expending the whole amount in the construction of the line from Riviere du Loup, in Canada, to Halifax.

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

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

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

Second—The conditional discharge of Canada's debt of 1,500,000*l*.

The proposition was refused by Mr. Labouchere, the then Secretary for the Colonies, and still later by Sir E. L. Bulwer. But there is no reason why the project should not be persevered in, more especially as the completion of the Grand Trunk line from Quebec to Trois Pistoles has supplied another important link. The Imperial Government is bound to render some assistance to this intercolonial railway, which, in order to provide a communication with the Lower Provinces and Quebec entirely in British territory, must make so great a *detour* as that proposed by the plan of Major Robinson. Had the Government of England been sufficiently mindful of the interests of our American colonies, and made a firm stand against the aggressive principles of the United States Government, it would not have been necessary for us to have made so wide a sweep round the State of Maine, as we are now obliged to do, in order to reach Quebec from any of our Atlantic seaports.

Had we preserved the boundary line which was so injudiciously relinquished by Lord Ashburton, the same length of railway which had been constructed from Quebec to Trois Pistoles would have sufficed to have formed a connection with the St. John river, passing entirely through British territory a few miles north of Woodstock, where it might have been continued southward to the New Brunswick ports, or proceeded on by way of Fredericton, if thought desirable to do so, round the head of the Bay of Fundy to Halifax, following in the latter portion the military road proposed by Major Robinson. By ceding to the United States so large a portion of the northern part of the State of Maine as they did, the British Government have greatly increased the difficulties of an intercolonial railway, and it would be not less an act of justice than of sound policy for the Imperial Government to assist in the carrying out of what may be justly called a great Imperial undertaking.