

therefor. The latter step we took after consultation with the Messrs. Baring, who thought it would improve our condition in the money market.

I have already stated that we were unable to make any arrangements whilst in England for the construction of the railway to Annapolis. The International Contract Company objected to touch the line at all under existing circumstances. They wished to make a survey of the ground first before entering on any contract for the work. We made, however, all the efforts we could to carry out the desire of the Legislature in respect to this railway, and were placed in communication with several parties on the subject. The papers that will be immediately submitted to you will show that the matter was subsequently placed in a satisfactory position. Two gentlemen came out somewhat recently—Messrs. Harris and Smith, two eminent engineers of London—for the purpose of entering into negotiations for the construction of the railway to Annapolis. Having examined the line they returned and informed us that they were prepared to enter into a contract on behalf of well known railway contractors in England for the construction of the railway. They required that the bridge to be built across the Avon should be owned by themselves, and this we agreed to. The government were, however, enabled to take a step in connection with this concession that will meet with your approval, and that was, that the company should not only build a railway bridge, but one which would be the property of the Province and afford a highway to the people. The toll bridge across the Avon has long been a source of great annoyance to the public, whilst it is not likely to last very long. When these gentlemen stated that they were prepared to enter into a contract for the construction of the work, we carefully considered their proposition. The contract was entered into with Messrs. Smith and Harris, on behalf of George Knight & Co., railway contractors in London. They were known to us as having successfully carried through several most important railway works in Great Britain. The contract, however, made this proviso: that unless George Knight & Co. directly entered into arrangements to the satisfaction of the Governor and Council—showed that they had the disposition and means to carry out the work—by the first of February ensuing, the contract should be declared null and void. I may here observe that one of the engineers in question, when they entered into the contract, showed authority from George Knight & Co. to enter into engagements for the construction of works in this province. However, the House will be glad to learn that by the first day of February Messrs. Smith & Harris returning, bringing full powers of Attorney from George Knight & Co., accompanied by a letter of credit from some of the most eminent capitalists in Great Britain,—Sir John Dalrymple Hay, Bt., Mr. Chapham, Mr. O'Brien, &c.,—stating that they were prepared, on the passage of an act incorporating the Annapolis and Windsor Railway Company, to find the capital necessary to complete the work. Under that authority the contract has been entered into with George Knight & Co., through Messrs Smith & Harris, and an act will be introduced to incorporate the Windsor and

Annapolis Railway Company, under which these eminent capitalists to whom I have referred will be bound. The work is to be commenced in May and finished in two years.

The correspondence with Messrs. Baring will show the success which attended our efforts to secure the funds required to construct the Railway to Pictou. The agreement upon the part of that eminent firm to furnish money as required, in advance of sales, and at a rate which will be equivalent to the sale of bonds at par, must, in the present state of the money market, I conceive, be highly satisfactory.

Only two or three other subjects require mention at my hands. We were enabled to secure the services of a gentleman as Inspector of Mines, whom, after the most careful inquiry, we believe to be well qualified for the performance of that important work. He possesses the strongest recommendations from Thomas E. Foster, Esq., who stands at the head of the mining department in England. After making all the investigation in our power in regard to the subject of Immigration, we arrived at the conclusion that, to effect any considerable results it would be necessary to have an agent or agents to act in London and other places for the Province, and that some means of cheap and direct transportation from emigrant ports to this Province must be provided. Finding an opportunity of obtaining some very superior stud horses and brood mares of the best thorough-bred stock, and some superior Leicester sheep, we assumed the responsibility of acting for the Provincial Board of Agriculture in that matter, and we are gratified to find that our selections have met with their sanction, and are approved by many of the best judges of stock in the Province, including the Central Board of Agriculture.

The honorable gentlemen having concluded introduced a bill "to incorporate the Windsor and Annapolis Railway," embodying the legislation of last winter. He stated it was the intention to pass it with as little delay as possible.

The House then adjourned.

SATURDAY, Feb. 24.

#### COMMITTEES.

Hon. PROV. SECRETARY submitted a report from the Committee appointed to prepare a list of the various Committees of the House, which was laid on the table.

Hon. ATTY. GENERAL gave notice that the Committee on Printing and Reporting would meet on Monday morning at 10 o'clock.

#### COLONIAL NAVAL DEFENCE.

Hon. PROV. SECRETARY, by command of His Excellency, laid on the table of the House a copy of a despatch and enclosures from Right Honorable the Secretary of State for the Colonies in reference to Colonial Naval Defence.

Mr. ANNAND asked whether the Prov. Secretary understood the object in transmitting these papers to be that each Colony was called upon to make provision for local defence, and whether the papers had special reference to the Colonies of British North America?

Hon. PROV. SEC'Y replied that he was inclined to think that the documents had no special reference to the British North American Provinces, but that, on the contrary, the