

England for the purpose of making known to the Imperial Government the views and feelings of the House of Assembly, and the people of this Province, on the subject of the Resolutions adopted at the Conference of Delegates held at Quebec on the 10th October 1864, on the subject of the Union of the British North American Colonies; and being also charged by Your Excellency with the duty of making known to Her Majesty's Government the wish of the Government of this Province to be consulted with reference to any negotiations with the United States of America in relation to the Reciprocity Treaty; and being also instructed to co-operate with the Delegates to be sent from Nova Scotia with a view of entering into a Contract for the construction of a Railway from Truro in that Province, to intersect the European and North American Railway in this Province; also to make an arrangement with Messieurs Baring Brothers for a standing credit on behalf of the Province;—We have the honor to submit the following Report:—

We left for England on the 20th June, and arrived there on the 3rd July last. Shortly after our arrival we waited upon the Right Honorable Mr. Cardwell, Her Majesty's Principal Secretary of State for the Colonies, and announced to him the object of our Mission. We subsequently had several interviews with him, at which we presented in detail the objections to the scheme, and in the terms of the Resolution authorizing our appointment, informed him of the views and feelings of the House of Assembly and people of the Province on the subject. Mr. Cardwell admitted the force of many of the objections, but stated that the policy of the Imperial Government was in favor of the union of the Colonies.

With regard to that part of our duty relating to the Reciprocity Treaty with the United States, we have to report that Mr. Cardwell informed us that the government of this Province should participate in any negotiations in relation to the subject, and that he would take the necessary steps for that purpose.

We have further to report to Your Excellency that, in conjunction with the Honorable Dr. Tupper, and the Honorable W. A. Henry, the Delegates from Nova Scotia, we had several meetings with the International Contract Company of London, with the view of entering into contracts for the construction of a line of Railway from Truro in Nova Scotia, to intersect the European and North American Railway in this Province; the result of which was that the Delegates of Nova Scotia, on behalf of the Government of that Province, entered into a contract with the Company for the construction of that portion of the road from Truro to the boundary line of this Province; and we, on behalf of this Government, and in accordance with the provisions of the Act of Assembly passed in the 27th year of Her Majesty's Reign, to aid in the construction of Railways, made a contract with the same Company for the construction of that portion of the road from the boundary line to the European and North American Railway, at some point between Moncton and Point du Chene; a copy of the contract is hereto annexed.

We have lastly to report that we entered into an arrangement with Messrs. Baring Brothers of London, for a standing credit to the Province for £25,000 sterling. A copy of our correspondence with Messrs. Baring, in reference to this matter, accompanies this Report.

Respectfully submitted.

(Signed)

A. J. SMITH,

JOHN C. ALLEN.

*Fredericton, September 30, 1865.*

Messieurs Baring Brothers to the Delegates.

*London, August 2, 1865.*

GENTLEMEN,—We have the honor to acknowledge the receipt of your letter of yesterday's date, enquiring on what terms we would undertake to dispose of the Debentures to be issued by the Province of New Brunswick, and if it would suit us to grant the Province a cash credit for a period of five years, any amount advanced to be reimbursed within a year.

It would not be in accordance with our practice to open a credit for five years, but we are willing to allow the Province a credit of £25,000 (twenty five thousand pounds,) for one year, to continue after that period, subject to be revoked by our giving six months previous notice, and we trust this arrangement will meet your views.