

of the interest upon the capital together with 3 per cent annually, in liquidation of the principal and the united security of these Colonies, by the establishment of permanent taxes, until the whole debt and interest shall have been paid.

These permanent taxes to pay the annual instalments amounting to upwards of £400,000 currency per annum, will be very distasteful to the Colonies, and place the British Government and themselves in the invidious if not antagonistic position of creditor and debtor to an enormous amount. If ever in these Colonies, faction should prevail and under the influence of Demagogues a morbid desire to start aside from British allegiance should unfortunately gain the ascendancy, the result might be ruinous to our character, the temptation to evade the payment of the debt proving possibly too strong. We might be instigated by the advice and with the assistance of our neighbours to imitate their example; this would stamp an eternal stigma of repudiation upon the infancy of what must become, with honest dealing and the development of our resources, an immense empire.

Let us coolly examine how much the British Government are prepared to sacrifice for the benefit of these Colonies, leaving out of consideration the prospect afforded of a happy home for her surplus population, now maintained in workhouses and poor asylums at an enormous expense. The 3 per cent stocks have for a long time ranged at about 97. It therefore requires but little calculation to find the value of  $3\frac{1}{2}$  per cent stock which may be stated as follows:—If to procure an annuity or dividend of £3, requires £97—how much will be required to purchase a dividend of £3 10s. The answer must be £113, and a fraction, leaving the handsome bonus of 13 per cent brokerage or profit to the British Government.

But the proposition, although accepted by the Hon. Mr. Howe not only for this Province but for New Brunswick and the Canadas, appears likely to encounter many difficulties; the very circumstance of the hasty acceptance of the proposition, without consultation with the able Statesmen of our Sister Colonies and almost ignoring their talents and influence, will probably weaken cordiality of co-operation, if not excite opposition to some important details. Mr. Howe should have known or he will know in the process of the work, that Statesmen representing as great interests as himself, will not consent to play the subordinate part assigned them.

Should the Legislative bodies of these Colonies agree to the proposition and appoint Commissioners to carry the work into effect, their local feelings and desire to promote local interests, and their exertions to obtain too great a share of the power, patronage, and emoluments incident to their office may lead to difficulties in the expeditious and economical prosecution of the work; and the want of a great controlling power to appeal to, would be severely felt, and injuriously retard operations. The proposition that Royal Commissioners should be appointed to superintend the work and expend the money so borrowed can hardly be expected to

meet the approbation of the borrowers.—Surrounded, therefore, as the scheme accepted by Mr. Howe appears to be, with difficulties and dangers, apprehensions may be entertained that much valuable time must elapse before even the commencement of this work, so essential to the interests of all the colonies of British North America, and it is presumed of Great Britain also.

It may, therefore, be desirable that some plan should be prepared, to fall back upon, should Mr. Howe not succeed in the plan, which he has advocated.

Various schemes were brought to the notice of the British Government for the construction of the Railroad. Amongst the earliest, and perhaps the only one which suggested its formation by the British Government, was one submitted to the Right Honorable Earl Grey, through the leader of our Provincial Government, on the 14th of March, 1847, by a person here in private life, but who was desirous of promoting the interests of his native country. He requested the present leader of our Government to place it in the hands of our Colonial Minister, hoping that that distinguished officer would carry out the great object, or at least place it before the British Parliament. This was not done and it was never published.—It seems to possess some merit and consideration even now, and as few objections as most of the others.

In a work of this immense magnitude and of such vast political importance, it seems that the management can only with safety be entrusted to the Supreme Government, or at least to the general legislature of these Colonies, after the establishment of a general confederation of their local Governments.—The destiny of these Colonies can never with safety be committed to the charge of a private company, however numerous, wealthy and loyal, without great restrictions, and conditions, which would paralyze the exertions and perhaps outrage the feelings of many members of the company, but the ownership of a belt of twenty miles of land, along the line, would place the gates and keys of British North America in the hands of the Company, who might perhaps transfer their rights to foreigners; and the copartnership of the three Colonies having distinct and separate Governments with various interests and political views, might not always act harmoniously, and should either legislative member of the copartnership wish to sever the connexion, it might be extremely difficult to coerce continued unity of action.

Under these impressions the writer of the following sketch submitted his suggestion to Earl Grey, more than 4½ years ago, and although much light has been thrown upon the subject and much discussion taken place, and more liberal offers made by the local Governments than were anticipated by the writer, he thinks his views were substantially correct; at any rate, he thinks it but right to submit his statement to public consideration, subject to any modification which so great a lapse of time and change of circumstances may render expedient. Perhaps, the united prayers of the Legislatures might even now induce the Imperial Parliament to