BRITISH NORTH AMERICA.

where public roads are made through them, the value immediately increases, and it will not be considered an extravagant estimate to suppose that the land along it, or in the immediate vicinity of the railway, will be worth 1*l.* per acre.

For the construction of the Great St. Lawrence Canal, by which Canada has now the prospect of reaping such immense advantages from the trade of the western country, the Imperial Government guaranteed the interest on a loan of two millions sterling and upwards, at four per cent. This loan was easily raised, and a large premium per cent. was received in addition for it.

There can be little doubt that another loan of three millions sterling at the same rate of four per cent. interest, could be raised upon the credit of the provincial revenues if guaranteed by the mother-country. With this amount of capital and two millions of acres to be reserved and sold from time to time, it is conceived the railway may be made.

Upon the strength of these two millions of acres and the loan as a basis, a large amount of notes might be issued in payment of the wages and salaries of the labourers and other persons employed on the works of the railway. They should be made receivable for taxes and customs duties. The amount authorized to be issued might be limited to the extent of the acres, and as these were sold, an equal amount of the notes should be cancelled.

The issue of a number of notes which would pass current over the three provinces would be conferring a great benefit upon the community at large. The currency is not the same throughout, and persons who travel from one province to another are now put to inconvenience, and have often to pay a discount upon exchanging the notes of one colonial bank for those of another. Advantage might be taken of the measure to assimilate the currency of the colonies to each other, and make it "sterling," the same as in England.

By a little arrangement also, these notes might be made payable at the chief ports of emigration in the United Kingdom; and in that case a very great convenience would be afforded to a large class of persons on both sides of the Atlantic.

To remit small sums now requires the intervention of bankers or agents. This has the effect upon persons resident in the settlements (and no doubt also often in towns) of preventing their sending the assistance which they otherwise would do to friends at home. Many a small note would be put up and sent in a letter, which now is never thought of for want of the convenience.

In remitting sums from Halifax to England, the banks do not like to give bills at less than 60 days' sight. These notes would, therefore, become a great public benefit, and there would be no fear of their being kept in circulation almost to any amount.

Upon the loan of three millions, the interest at four per cent. would amount to 120,000*l.* per annum.

Of this sum it may be fairly assumed that for the conveyance of the mails between Halifax and Quebec, the Post Office department would be willing to pay annually an equal amount to what is now paid for the same service. This has not been officially obtained, but there are good grounds for supposing that it is nearly 20,000*l.*

In the case, then, that beyond this the railway only paid its own working expenses, the sum of 100,000*l.* would have to be made good out of the revenues of the provinces.

The proportion of this, or of whatever sum might be deficient to pay the interest on the loan, would have to be arranged; and it may, for the sake of illustration, be supposed to be as follows:—

Nova Scotia . . .	20,000	. Proportion	·2
New Brunswick . .	20,000	. „	·2
Canada	30,000	. „	·3
The Imperial Government	30,000	. „	·3
Total .	£100,000		·10

For the proportion guaranteed by the provinces, they would receive the benefits conferred by the railway in developing their resources, increasing the value of all property, promoting the sale and settlement of their wild lands, increased population, and increased revenue.

For the proportion guaranteed by the Imperial Government, all Government officers, civil or military, troops, munitions of war, supplies, &c., for the public service, and emigrants should be transported over the line at the cost price.

New Brunswick and Nova Scotia it is understood are most willing to guarantee the interest to the extent of their means, and in a fair proportion.

Canada having done so much already for the communications above Montreal, it is fully expected will not be backward in perfecting those below Quebec.

In the extreme case supposed above, viz., of the railway yielding no returns beyond working expenses, it is not conceived that either one of the provinces or the empire would not receive an equivalent in some other form for its direct contribution to make good the interest.

An account is at present being taken of the existing way traffic between Halifax and Amherst, by the commissioner appointed by Nova Scotia to collect statistics for the railway. The same is being done for that portion of the line along the banks of the St. Lawrence.

There is some reason to believe that these two portions of the line will be found to have sufficient traffic to pay, over and above working expenses, the moderate interest upon capital of 4 per cent.

If such should prove to be correct, then the foregoing statement would be modified and stand thus—