

Shore, to carry the line to deep water on the St. Lawrence, which had not even been commenced. European troubles had affected the money market, and the Treasurer had just opened his eyes to the unpleasant certainty that his much-boasted-of power to borrow twenty millions on the credit of the Province was a myth, an idle dream, which had haunted his wakeful hours, it is true, and which he had carefully communicated to the world as a solemn and unquestionable reality, but which never had existed except in the workings of his over-excited brain. The Merchants Bank had found it impossible to place on the English market even one-half of the new loan, and he found himself in pressing need of the money to be realized by the sale of the \$3,000,000 of railway bonds. Under the circumstances, he had been notified, that any attempt to place this new loan upon the market would inevitably result in damning both it and the previous one. Mr. Church was pleased to lend a willing ear to the representation so made, especially as he knew that the shameful, not to say dishonest, manner in which the capitalists who had made advances to the Levis and Kennebec Railway Company had been treated, both by the contractors and the Government, had rendered it hopeless to expect assistance in England for any more Quebec railway enterprises. Under the circumstances, the Treasurer, carefully choosing the moment when money would be most scarce, had, as has been before said, closed with the Montreal Bank for a loan at seven per cent. As the provincial bonds bear five per cent. interest, the effect of such a step can be readily imagined on the value of the bonds. The last provincial loan not having been absorbed, and railway bonds in consequence of past misdeeds being known to be unnegotiable, Mr. Church did not quite see his way to obtaining the monies of which he felt so pressing a need, when he suddenly bethought himself of the various sums voted by the municipalities in aid of the enterprise, when the building of the Q. M. & O. R. R. was a private scheme, and sought some means to secure these bonds as soon as possible. Though he cannot but have felt that the credit of the Province as a whole being exhausted, but little confidence would be likely to be placed on any attempt at pledging it piecemeal, still, to the municipalities at all events, no stain attached of want of faith and rank dishonesty. Whatever Mr. Reed, the duped creditor of the Levis and Kennebec, might say of the Government of the Province of Quebec, whatever character he might give to Messrs. De Boucherville,