

Debentures to enable them to go on. These were sold here recently. A gentleman of the highest mercantile character thus describes the value, in the London money market, of the credit of the first City in British America, unsupported by the Provincial or Imperial Government: "I understand that the agents of Blackwood & Co. (American Contractors) who accepted as part payment of their work on the St. Lawrence and Atlantic Railroad, £125,000, 6 per cent. City of Montreal Bonds at par, sold them lately in London at the price of £75 per £100. They mature at various dates, averaging, I believe, from 10 to 15 years."

In this case, (and so it will be in all others where haste makes waste, or cupidity outruns resources) it is clear that the Canadians will pay not only high interest upon their Debentures, but will have to redeem them at short periods, at an enormous sacrifice. If, then, the Provinces can, by mutual co-operation, secure funds to complete their great lines at about one half what money has cost in all the adjoining States, and what it must cost them without the aid of the British Government,—and if, while the money is being expended, their population and resources can be increased so as to make the risks they run merely nominal, I am well assured, however timid statesmen may shrink from the responsibility, or interested speculators may advocate a different policy—that sound views will ultimately prevail, and that the sacrifices which precipitancy may occasion to either Province, will ultimately afford instruction to them all.

Nova-Scotia having lead the way to the adoption of an enlarged and enlightened policy, and having discharged towards her Sister Provinces, in a fair and generous spirit the obligations which her prompt adoption of that policy imposed, it did not appear to me that I should leave her dependant upon their appreciation of her exertions, for the easy and successful completion of her internal improvements, in the event of no common action being attainable in respect to national or inter-colonial lines.

Looking to the developement of her internal resources alone, Nova-Scotia must have a common trunk line of Railroad, extending in a northerly direction from her capital, and branching east to the Pictou Coal Mines, and west to her most populous rural districts a large portion of the trade of which now flows across the Bay of Fundy. Her clear interest is to make these lines without delay, should any thing retard an inter-colonial enterprize. She may make fifteen, perhaps thirty miles, and then turn east or west as circumstances may determine; or she may complete the trunk and continue the branches, for the accommodation of her own trade and people, by regular and safe gradations.

Entertaining these opinions, I could not leave England without providing for the independant execution of our own internal improvements, under any and every possible contingency. I shall be prepared, therefor, to submit to his Excellency, propositions by which any amount of funds which we may require can be obtained, on our Provincial credit alone, at 5 and 6 per cent. from Banks, and individuals of the highest respectability, who will dispose of our Debentures on the most favourable terms—and I shall be prepared to submit the offers of capitalists, and contractors, who have made one third of all the Railroads in the United Kingdom, and who will complete working plans at their own expense, lodge Thirty thousand pounds in the Provincial Treasury as a pledge of their good faith, and construct either Nova-Scotia's own lines (should the Provinces not agree) or all the lines contemplated by Mr. Hawes's letter of the 10th of March, on terms much more favorable than any Railroads have been or can be completed with Colonial or American funds.

I have, &c.,

[Signed]

JOSEPH HOWE.

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