

MEMORIAL

OF

The European & North-American

RAILWAY COMPANY,

OF MAINE,

To the Legislature of Massachusetts,

FOR

STATE AID,

JANUARY 15, 1866,

WITH ACCOMPANYING DOCUMENTS.

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BOSTON:

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1866.



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L O S T O N

# SENATE . . . . No. 9.

## Commonwealth of Massachusetts.

*To the Honorable Senate and the House of Representatives  
of the Commonwealth of Massachusetts, in General Court  
assembled.*

The European and North American Railway Company of Maine, respectfully asks such other and further aid, assistance and encouragement to said undertaking, as the political and commercial importance of the enterprise, and a proper regard to the honor and dignity of the Commonwealth of Massachusetts, may seem justly to demand.

The presentation of the claims of the State of Maine on the Commonwealth of Massachusetts, by Resolutions of that State, of March 25th, 1864, with the accompanying message of its governor, hereto annexed, marked (A,) followed by the labors of three distinguished commissioners who presented the same to a joint select committee of the general court of that year; and by the memorial of the railway company, to the general court of Massachusetts in 1865, met an intelligent response from the very able Joint Standing Committee on Railways and Canals, whose unanimous report of May 4th, 1865, with the memorial of the company, are appended hereto, as a part of the present application, marked (B.)

Their recommendation of the grant to the said company of the claims held jointly with Maine against the United States,

3 Jeos Taylor 1.00

PR 2686

received the approval of the legislature, and it became a law, by the Act of May 16th, 1865, entitled, "An Act to aid the construction of the European and North American Railway."

The legislature withheld the loan of the State credit proposed by said committee to the amount of \$700,000, and the release of the debt of Maine as asked by the railway company, until the necessary plans of the company should be more fully worked out and perfected. All the measures called for by the opponents of the loan of the State credit in 1865, have since been consummated.

Since the passage of the Act of May 16th, 1865, there has been no opportunity to test the feeling of Congress on the question of aiding the extension of this international line of railway, admitted, on all hands, to be a work of national and international importance second to no other public enterprise of the country.

The government of Maine having appropriated its public lands to aid the construction of the European and North American Railway, the company, on the 18th day of July, A. D. 1865, voted to place all the timber and lands granted by the State of Maine, in the hands of Franklin Haven, Hannibal Hamlin and Henry V. Poor, trustees, and to issue construction mortgage land bonds, to the amount of one million of dollars; said bonds being secured, by a *first* mortgage on the line of its railway from Bangor to New Brunswick, subject only to a prior lien of the city of Bangor on that section of the road that extends from Bangor to Lincoln and Winn, a distance of less than sixty miles; and a *first* and *only* lien on the public lands granted by Maine to said company.

On the 29th day of July, 1865, the company made application to the governor and council of Massachusetts, to invest in their construction land bonds aforesaid, the moneys to be paid into the treasury of the Commonwealth, in discharge of the debt of Maine, a copy of which application and of the doings of the governor and council thereon are appended hereto, as part of this Memorial, marked (C.)

In again appealing to the general court of Massachusetts for aid to this enterprise, so important to the social, political and commercial interests of the United States and the maritime

Provinces of British North America, some facts and suggestions as to the influence and value of this international railway, may not be out of place in this connection.

As the leading State of New England in commerce, wealth and population, Massachusetts must be forward in all efforts at developing the region of the continent over which she assumes to exercise metropolitan sway, or she will be stripped of commercial influence and power, by the inevitable laws of self-interest and self-defence.

The peninsular region, of which Massachusetts is a part, lying south of the St. Lawrence and east of Lake Champlain and the Hudson, has from the first discovery of the continent by the European races, been the theatre of the principal events in the early history of the new world. To-day it occupies a conspicuous position in the commercial and political movements of both continents.

The contests of race, religion and nationality, that for centuries engaged the people of France and England, were transferred to this portion of the new world, and were here revived and renewed, with all the fierceness which an enlargement of their object heightened and increased; and the world looks with wonder and admiration on the magnificent triumphs of England over France in the conquest of the continent of North America over superior resources. The people of other lands rejoice at the rise of an empire in the new world, that must in time, by force of inevitable necessity, overshadow the nationalities of the old.

The names of NEW FRANCE and NEW ENGLAND, affixed to this region by their respective claimants, when placed in contrast, revive the recollections of a century and a half of struggle, for everything that was dear to humanity, and with a feeling of subdued exultation we now point to that small section that still retains the name of NEW ENGLAND, as a type of national character, while the proud name of New France is lost forever from the record of existing things,—lives only in the obscure annals of the past, or as revived and reproduced in the pages of romance and poetry.

The idea that first strikes the mind in studying the mathematical and physical geography of this eastern projection of the

continent included in the Acadian Peninsula is, that this whole region ought to be under one government, or at any rate, subject to one commercial law. This was the feeling, if not the belief, of the early French and English colonists, and while struggling to hold it, as against each other, for their own people, they sought as early as 1650, to establish friendly relations, and permit free trade with each other. Divided between the two great nations of Europe, in hostility for 150 years after its first settlement, the territory of the Acadian Peninsula grew into different and separate communities, which have since assumed the forms of States and Provinces, under ten distinct governments. These facts are best shown in the following table:—

	Square Miles.	Population in 1860.
Maine, . . . . .	31,766	628,276
New Hampshire, . . . . .	9,280	326,072
Vermont, . . . . .	10,212	315,116
Massachusetts, . . . . .	7,800	1,231,065
Rhode Island, . . . . .	1,306	174,621
Connecticut, . . . . .	4,750	460,151
New England proper, . . . . .	65,114	3,135,301
Part of New York, . . . . .	3,596	357,882
Total in United States, . . . . .	68,710	3,493,183
		In 1861.
Nova Scotia, (including Cape Breton), . . . . .	18,746	330,699
New Brunswick, . . . . .	27,704	252,047
Prince Edward's Island, . . . . .	2,134	80,648
Part of Canada, (31 counties), . . . . .	32,782	478,666
Total in Provinces, . . . . .	81,366	1,142,060
Grand Total, . . . . .	150,076	4,635,257

The Commonwealth of Massachusetts, with only about ( $\frac{1}{20}$ ) one-twentieth of its territory, has over one-fourth of the population of this great section of the continent. This superiority in point of numbers is mainly due to the accidents of history, rather than to any superiority in the natural resources of the State of Massachusetts. A knowledge of the political history of each State and Province that fills up this territory is needed, to a proper understanding of their present relative development,

their commercial importance, and the necessary measures required for their material advancement in the future.

The New England Company who claimed this entire region as far north as the 48th parallel of latitude, whose charter of Nov. 3d, 1620, gave them the continent from the 40th to the 48th degree of latitude, and from ocean to ocean, selected in 1622, a site on the Sagadahoc, as the seat of their metropolitan city, nearly in the geographical centre of this peninsular region on its ocean front; and, but for the accidents of history the wisdom of their choice would have been confirmed and realized. The French, more far-seeing, and generally more prompt in execution, held possession of the country claiming title from the 40th to the 46th parallel, under the charter of Henry IV., of France, of Nov. 8, 1603. Defeated in 1607, in their attempt to hold the Atlantic front, and the country as far south as the 40th degree of latitude, by the withdrawal of the charter of Du Monts of Nov. 8, 1603, and the occupation of the country, under the charter of April 10th, 1606, by the English under Popham in 1607, the French held on to the country east of the Sagadahoc, in spite of the English possession of 1607-8, and swept a line of possessions from 1608 to 1620, round into Lake Champlain, while the Dutch pushed up the Hudson, northward, till their possessions met those of France, confining New England, on the west, to its present limits.

The English held New England west of the Sagadahoc at the north, as far west as the Green Mountain ridge, and to the 45th parallel of latitude; and Virginia at the south, with New Netherlands between them, till the conquest of the latter by England, in 1664. The English possessions were confined to a narrow strip along the Atlantic slope, while France, holding the mouths of the St. Lawrence and Mississippi, claimed the vast basins of these rivers, embracing nineteen-twentieths of what is now in possession of the English-speaking people of the continent, till dispossessed at the time of the conquest of Canada, in 1759.

The relinquishment of New France, by the treaty of Paris, 1763, according to the opinions of the leading statesmen of France of that day, laid the foundation of an empire and a power in America, that should in time, assert its independence, and humble the pride and power of their great rival across the channel.

Viewing the Acadian Peninsula as one country, open to occupancy by one race, its metropolitan city would naturally be at Sagadahoc, the river best known and most valued for its fish, of any one inside the Gulf of Maine.

Yielding all east of the Sagadahoc to the French, Boston was naturally its commercial and geographical centre. The superiority of its harbor over any one between it and the Piscataqua, and its deeper indentation into the interior, gave Boston an early, if not its first start in the race, which it has always maintained since the days of Pemaquid.

Looking beyond New England, or the limits of the Acadian Peninsula, Boston fails to enjoy any natural advantages for becoming metropolitan in character. The great Gulf of Maine, lying inside Cape Cod and Cape Sable, reaches further inland towards the navigable waters of the St. Lawrence, at Portland, by nearly a hundred miles of distance, than at Boston, and at the city of Bangor the tide penetrates still further inland, with a deep, navigable channel, on a river greater in its flow of water than the Hudson, while St. John City is at the mouth of the greatest river between the St. Lawrence and the Mississippi, which drains a country twice in extent that of any river east of the Potomac.

The Sagadahoc affords no harbor so accessible from the interior as that of Portland at the head of Casco Bay, where its navigable waters reach within two hundred miles of the navigable waters of the St. Lawrence, opposite Montreal; so that Portland has the most favorable position for a commercial emporium, of any city between Boston and Bangor. Portland, Bangor, and St. John, are, therefore, the natural competitors of Boston for commercial supremacy. Boston is inferior to either in natural resources, with no river of magnitude to bring to it the trade of the interior, and owes her present supremacy to the circumstances that have surrounded the past history of the country.

New York is at the foot of that long level that extends from Lake Erie to the ocean, over which the products of the great Northwest, which can be water-borne on the upper lakes, must find an easier and cheaper route to the open sea at the mouth of the Hudson, than by any route from the valley of that river to Boston.



Portland is the nearest good harbor to Montreal—(open at all seasons of the year)—the great depot of the St. Lawrence basin, where the sea-going ships must always meet to exchange cargoes with the crafts that navigate the canals and lakes above. What can be taken off in summer by the St. Lawrence flows down to Quebec, the nearest American ocean port to Europe, at the foot of the great Mediterranean sea of North America,—which, but for the closing of the St. Lawrence in winter, would become the great shipping port of the continent. Whatever is left over in Montreal, or can flow there in winter by rail, comes to Portland for export or distribution. This is the natural route to Boston for Western produce.

All attempts of Boston to compete for Western trade in the direction of the Hudson, have been comparative failures; for beyond the supply of the local markets, breadstuffs and provisions do not come by this route to Boston for export.

These results, obvious to all, not necessary to enlarge upon, are due to physical laws. Two ranges of hills lie in parallel lines between the Valley of the Hudson and Boston, on each side the Connecticut River, across which lines of railway already connect the seaboard of New England with the West; but the heavy transportation flows down the Hudson River to its mouth, in spite of all attractions this way, in less distance than to Massachusetts Bay.

An examination of the commonest principles of physical geography must convince any one that Boston has not advantages for commerce equal to New York or Portland. She can maintain her relative commercial position in no other way than by a wise exercise of her realized capital—shaping the direction of trade and developing the resources that lie beyond dispute within her grasp.

The railway has done much to overcome natural obstacles, and aid the exertions of her people in securing the progress of Massachusetts, by the cheapening of the transit of commodities and productions, and giving employment to a large population; but the railway cannot entirely overcome the force of natural advantages. Cheapness of transit is the governing law of commerce, modified by facilities for manufactures. Capital can, for awhile, influence, if not control, the location of workshops

and manufactories—but it gradually yields to the laws of climate and physical advantage. Water-power must in the end determine the location of workshops and factories, influenced to some extent by the cheapness of food, and the easy supply, at cheap rates, of materials for building.

From her favorable position in a limited range of territory, as a centre of trade, Boston thrived rapidly by the growth of manufactures, and, while constructing her lines of railway, connecting her with the surrounding country. But the vast increase of the wealth and population of Massachusetts, for the thirty years from 1830 to 1860, was due to the fact of the withdrawal of its population, and that of other portions of New England, from the pursuits of agriculture into manufactures, and the rapid development of mechanical and manufacturing industry. From 610,408 in 1830, she increased to 1,231,065 in 1860—doubling her population in less than thirty years—showing an increase of 20.8 per cent. from 1830 to 1840; of 34.8 per cent. from 1840 to 1850; of 24 per cent. from 1850 to 1860.

In forty years, from 1790 to 1830, the population of Massachusetts increased from 378,717 to 610,408 in 1830—at the rate of 11.7 per cent. from 1790 to 1800; 11.5 per cent. from 1800 to 1810; 10.9 per cent. from 1810 to 1820; and 16.6 per cent. from 1820 to 1830.

From 1860 to 1865, the increase of population in Massachusetts has been but 36,263, or less than 3 per cent. in five years. This increase is in Boston and in ten other cities of the Commonwealth, where there has been an increase of 45,230, and a falling off of 8,736 in four other cities—Lowell, New Bedford, Salem, and Newburyport.

The greatest relative increase has been in Springfield, traceable to the additional labors in the armory, supplying muskets for the war.

These facts show, that the elements of prosperity upon which Massachusetts grew so rapidly from 1830 to 1860, has caused her so to increase her wealth, that it has forced her to overgrow her own territory. Her available water-power is already in requisition, and cannot be much increased. Her lands capable of cultivation are in use, and there are 17,208 acres less of

land in farms in 1860 than in 1850—a condition of things unknown in any other State of the Union, except Rhode Island, where the same influences have controlled the labors of industry as in Massachusetts. Of the 4,992,000 acres of land in Massachusetts, 3,338,816 were included in farm limits in 1860. Her capital is now seeking investment beyond her own borders.

There is still opportunity for Massachusetts capital within the limits of New England. Of the 20,330,242 acres of land in Maine, 17,653,106 acres remain without cultivation; and the 14,624,567 acres not included within the limits of farms, are, on an average, of better quality than those of the Commonwealth.

Alongside navigable waters, and on the lines of its railways in Maine, water-power runs to waste in unmeasured abundance, and building material, brick, lumber, granite, lime and slate, are cheaper there than in any part of the country.

Boston capitalists, therefore, if they seek the growth of their city and State, must develop the country that lies to the north and east of it, now waiting the advent of the railway and the factory. Population follows capital easily into healthy localities, and the success of Lewiston and Biddeford is only a type of what shall be witnessed in other places in Maine. The profit of whatever industry is planted north and east of Massachusetts, flows back by a natural law into the coffers of those investing it, while the enlargement of trade adds in the same proportion to the growth of Boston.

A new era of manufacturing industry is opened up to New England, not unlike that forty years ago.

She has the climate and the water-power; she has also the capital and the skill, beyond what she ever before had, to meet this great opportunity. The National Government must retain a high tariff, and thereby keep out foreign fabrics and manufactures for years to come, and competition, skill, and capital, will enable our manufacturers at the end of a second decade, to enter the markets of the world, side by side with those of Britain, France, or Germany.

Capital planted on the Saco, the Androscoggin, the Kennebec and the Penobscot, yields the same profit to the owner as if it was located on the Merrimac or Piscataqua, while the

capital planted on the lower Connecticut waters with no more profit, sends off its business to New York.

All that portion of the Acadian Peninsula that slopes toward the Gulf of Maine, naturally seeks Boston for its market, and this region exceeds in extent all New England. What falls off into the Hudson, Lake Champlain, or Long Island Sound, belongs naturally to other marts of trade outside New England.

Boston should seek to throw Western trade upon the St. Lawrence and as far east as possible, not short of Montreal; so that in its struggle to reach New York, to which it is drawn by the laws of commercial gravitation, Boston may interpose the superior attractions of a better market. What fails to reach the ocean by water from Montreal, comes southward to the open sea in winter.

The railway from Montreal to Portland, the great enterprise of its day for Massachusetts as well as for Maine and New England, built without the aid of Massachusetts capital, since expanded into the Grand Trunk Railway of Canada, ought, with the support of Boston capital, to extend its line to a point of junction and connection with the Northern Pacific Railroad of the United States, while it unites with that of Portland in bringing everything possible from the West to the open sea at that harbor, holding the great line from St. John and Halifax to Boston as near as possible to the seaboard, by the shortest route. Throwing its line to the Pacific, north of Lake Huron, the shores of the Mediterranean sea of North America, will in time become as densely peopled as those of the ancient sea of the old world: and, while made navigable for its entire length for ocean vessels in summer, the outlets of trade in winter at Portland, Bangor, and St. John, by lines of railway, and by others to be still further extended, will cause all these commercial points at the East to thrive and increase in population and wealth in proportion to the growth and development of business in their respective regions, while Boston, with her greater capital, will secure its share of its trade. Every new clearing in the valleys of the Penobscot or St. John creates a market for the manufactures of Massachusetts; and every cargo of lumber or produce sent here to market adds to the business of the metropolis of New England. Double the population of Maine

and New Brunswick, and Boston is increased in the same proportion.

If Boston fails to participate in the present movement for developing the business of the great region east, other places will become markets for their business, and St. John, Bangor and Portland intercept the trade that now seeks connection with the larger markets of Boston and New York.

The railway from Boston to Halifax, connecting all the commercial cities east by one arterial line, unites the fortunes of all this region with Massachusetts and Boston. Refuse to unite in this movement, and Montreal, Portland, Bangor, St. John and Halifax, united in one common undertaking, will force Boston to find new fields for conquest and cultivation.

The region of country which before the advent of railways was naturally connected with Boston and Massachusetts, commercially by water, and with still greater intimacy since the reciprocity treaty has been in force, and which, from the indifference of Massachusetts, would naturally fall into other associations, and over which Massachusetts will, if it is overlooked, gradually lose its hold, embraces the northern portions of Vermont and New Hampshire, almost the entire State of Maine, and the British maritime Provinces of New Brunswick, Nova Scotia and Prince Edward's Island.

Statistics showing the present trade, revenue and resources of this eastern world are worthy of notice in this connection, though from the necessity of the case, fragmentary and imperfect.

*Maine.*—Area, 31,776 square miles, 20,330,242 acres; population in 1860, 628,276; ships built in 1860, 57,866 tons; ships owned, 801,941 tons; valuation, \$190,211,600; acres in farms, 5,700,676; acres under cultivation, 2,677,136; value of farms in 1850, \$54,861,748; in 1860, \$78,688,525.

For the year ending June 30, 1865, the imports into Portland, Maine, were, \$7,261,324, against \$339,791 in 1845. For the calendar year 1865 the exports from Portland were, \$8,260,463, against \$251,097 in 1845. In 1863 the exports from Portland were, \$5,018,365; and in 1864, \$5,491,735.

[The imports into Boston in 1854 were \$45,998,545; in 1863, \$27,083,272; in 1864, \$32,064,678; and in 1865, \$29,296,136. For the calendar year ending June 30, 1865, the

imports into Boston were \$24,131,460, against \$7,261,324, entered at Portland. In 1854 goods for Canada valued at \$5,178,911 were entered at the Boston custom-house; in 1863 the amount had fallen to \$340,216. These goods now pass by the way of Portland.]

*New Brunswick.*—Population in 1861, 252,047; area, 27,704 square miles; acres, 17,730,560; acres cultivated, 885,108; bushels of wheat raised, 279,775; potatoes, 4,591,447; oats, 2,656,883; showing a greater yield of products per acre than in any State of New England. In 1861 New Brunswick owned 227,718 tons of ships; built 48,719 tons in 1862; 85,250 tons in 1863. Her revenue in 1863, \$889,991, and \$980,000 in 1864. Her exports in 1863 were, \$8,964,784; imports, \$7,764,824. 1,491,781 tons of ships were built in New Brunswick from 1825 to 1863.

*Nova Scotia.*—Population in 1861, 330,699; square miles, 18,746; ships built in 1862, 39,383 tons; in 1863, 67,202 tons; ships owned in 1863, 309,554 tons; exports in 1865, \$8,830,033; revenue in 1865, \$1,206,571; coals raised and shipped in 1865, 651,256 tons, against 392,631 tons in 1862, and 429,351 tons in 1863. Gold to the amount of \$497,520 was taken out of her mines in 1865, yielding \$2.13 per day for labor in mining it.

In 1865 the receipts of the Nova Scotia Railway were \$183,060, against \$168,796 in 1864.

*Prince Edward's Island.*—Area, 2,134 square miles; population in 1861, 80,648; exports in 1863, \$1,627,540; imports, \$1,428,028; revenue in 1863, \$197,384; expenditures, \$171,718; ships built in 1863, 24,991 tons. \$517,265 of her exports came to the United States in 1863.

This great region, including Maine, New Brunswick, Nova Scotia and Prince Edward's Island, containing 80,350 square miles of territory, had a population in 1861 of only 1,291,670 persons; while Massachusetts, with only 7,800 square miles of territory, had in 1860 1,231,065 population—with inferior advantages and resources—or, 157 persons to the square mile. The same ratio of population to territory in this eastern region would give them over *twelve millions* of people, whose business—if railway facilities are afforded—would as naturally fall into

Boston as that of the county of Middlesex in Massachusetts, of Rockingham in New Hampshire, or York County in Maine.

While English capitalists, under the lead of Sir Morton Peto, propose to construct a double track line on the *six feet gauge*, in extension of the Atlantic and Great Western Railway to New York City, by an independent route, they also propose further to extend a branch of the same gauge to Chicago, so that, with their present line to St. Louis, and their new line to Chicago, they design to reduce the cost of transit from these great Western cities, St. Louis and Chicago, to tide water at New York Harbor, to the lowest point of land carriage, at all seasons of the year;—the plans of the Grand Trunk Railway Company of Canada as now developed, contemplate a direct broad gauge line from the foot of Lake Huron to Chicago by way of Lansing, the capital of Michigan, securing an uninterrupted line to the Atlantic seaboard of Portland.

In 1865, no less than 857,963 barrels of flour and 2,120,550 bushels of grain came to Portland by the Grand Trunk Railway, rendering the people of Maine independent of other routes for their breadstuffs.

A change of gauge from Portland to Boston may become a necessity, unless Boston is to be insulated, in reference to the great movements for Western trade. Produce that starts from Chicago by rail to go south of Lake Erie, must and will continue to flow down to New York City more cheaply than to Boston. Produce that follows down the north shore of Lake Ontario by rail, or by water to Montreal, will find a cheaper route to the sea, than by a rail to Boston. Lowell, Lawrence and intermediate places will get their supplies of food, by way of Portland. By uniting with these great interests at the north and east, instead of inventing new and rival schemes that must encounter intense competition, Massachusetts may continue to be, for years to come, the centre, not only of a vast manufacturing, but of a great commercial community holding the same relation to New England, that London does to the British Isles. The vast domain lying at the north and east, will most profitably of any section of the continent, employ her realized wealth, her active capital and her surplus population.

If our theory is correct, that passengers, treasure and valuable packages of merchandise, will seek the railway from Halifax to

Portland, Montreal, Chicago, Boston and New York, in preference to the slower and less certain voyage of the ocean steamer, the influence of this new direction of capital and trade, in increasing the commercial importance of New England, are beyond our ability to foretell or even to conceive,—and the profitableness of the line will exceed that of any railway of the country. The way business of the provincial lines is already in excess of the cost of running trains. Add twenty *through* passengers daily each way, to and from Halifax and Bangor, and it is a paying line at once.

In 1864, 135,307 persons crossed the Atlantic Ocean by steamers, and in 1865, a still greater number. All ocean steamers, it is admitted, will touch at Halifax to receive and land passengers, as soon as this line runs *through*. If *one-tenth* of the ocean passengers only, took the land route, instead of *one-half*, the usual estimate, of the number, a paying line is secured. This would give twenty-two passengers daily each way, or forty-four *through* passengers daily from Bangor to Halifax on the travel of 1864, a number sufficient to insure a paying business for the entire route.

The European and North American Railway Company therefore, respectfully asks the general court of the Commonwealth of Massachusetts to aid said company as purposed by the Act of 1864, by authorizing the governor and council to invest in the permanent school fund the amount of its *five per cent.* debt due from the State of Maine, in their *six per cent.* land bonds, enabling the company to realize the grant of the public lands of Maine; and the Commonwealth to loan its credit to said company, on the security of the railway, and the public lands granted it by Maine, to the amount of its land bonds as aforesaid, on the assurance that such aid will secure the completion of the entire line from Boston to Halifax, as proposed, and bring in its train an enlargement and development of the population, wealth and moral power of the Commonwealth of Massachusetts, in common with that of the States and Provinces thereby made one, in interest, and in commercial enterprise.

By order of the directors.

JOHN A. POOR,

*Pres't of the E. & N. A. Railway Co.*

BOSTON, January 15, 1866.



## APPENDIX.

[A.]

## State of Maine.

EXECUTIVE DEPARTMENT, AUGUSTA, April 1, 1864.

To His Excellency JOHN A. ANDREW, *Governor Commonwealth of Massachusetts:*

SIR,—I have the honor herewith to transmit to your Excellency a copy of Resolves passed by the legislature of Maine, March 25, 1864, “inviting the Commonwealth of Massachusetts to coöperate with Maine in extending aid to a military road from Bangor to St. John River,” and to inform you that, in compliance therewith, I have appointed, as commissioners, Honorables Edward Kent, John Hubbard, and Israel Washburn, Jr.

I am, Sir, most respectfully, your obedient servant,  
SAM'L CONY, *Governor of Maine.*

## STATE OF MAINE.

RESOLVE, inviting the Commonwealth of Massachusetts to coöperate with Maine, in extending aid to a Military Road from Bangor to the St. John River.

*Whereas*, By the act of separation of Maine from Massachusetts, approved June nineteenth, in the year of our Lord eighteen hundred and nineteen, the Commonwealth of Massachusetts retained one-half of all the public lands lying within the then District of Maine—which had merely a nominal value at the time Maine became an independent State—which lands, from the care, oversight and guardianship of the

same by the State of Maine, became of great value, from the proceeds of the sales of which, to individual purchasers, large sums of money accrued to the treasury of Massachusetts, before the sale of her interests therein to the State of Maine; and

*Whereas*, The State of Maine did, on the fifth day of October, in the year of our Lord eighteen hundred and fifty-three, purchase all the remaining rights of the State of Massachusetts, in and to the lands, to her belonging, lying in the State of Maine, for the sum of one hundred and twelve thousand five hundred dollars in money, and two hundred and fifty thousand dollars in five per cent. bonds of the State of Maine; and

*Whereas*, The people of the Commonwealth of Massachusetts, especially those of the eastern part of said State, and of the city of Boston, have a great, if not an equal interest, with the people of Maine, in the settlement of the northern and north-eastern sections of Maine, and in the growth and prosperity of this State, and will be directly benefited by the extension of railways to the north-eastern frontier and to the British Provinces; and

*Whereas*, The people of Maine are desirous of securing a military railroad from the city of Bangor to the north-eastern boundary; and of obtaining aid from Congress toward the accomplishment of said undertaking; and the State of Maine proposes to grant all the aid in its power to the parties who shall carry out said work, and assign to the European and North American Railway Company, all its claim on the United States Government, which occurred prior to the year of our Lord eighteen hundred and sixty; and

*Whereas*, These claims are of little or no value in the present aspect of public affairs, but may be made useful as an inducement to aid a work of military necessity; and

*Whereas*, The military necessities of the country now call for a railroad from Bangor to the St. John River, and the general government, through the officer in charge of the military department of the east, has expressed an earnest opinion in favor of this measure. Therefore—

*Resolved*, That the Commonwealth of Massachusetts be respectfully invited to cooperate with Maine in its efforts to construct said railroad; and, for this purpose, to assign and transfer the claims jointly held by her with Maine on the government of the United States, to aid the construction of the European and North American Railway, from the city of Bangor to the St. John River, and to the boundary of New Brunswick, and also the unpaid balance of the bonds or certificates of indebtedness given by the State of Maine as the consideration of the purchase of said lands, dated October fifth, eighteen hundred and fifty-three, now

amounting to two hundred and twenty-five thousand dollars, and interest.

*Resolved*, That the Governor be authorized and requested to appoint three commissioners for this State, to present this application to the authorities of Massachusetts.

*Resolved*, That a copy of the foregoing preamble and resolutions be transmitted by His Excellency the Governor of Maine to the Governor of the Commonwealth of Massachusetts.

In the House of Representatives, March 25, 1864. Read and passed.

NELSON DINGLEY, JR., *Speaker*.

In Senate, March 25, 1864. Read and passed.

GEORGE B. BARROWS, *President*.

March 25, 1864, Approved.

SAML CONY.

### STATE OF MAINE.

OFFICE OF SECRETARY OF STATE, }  
AUGUSTA, April 1, 1864. }

I hereby certify that the foregoing is a true copy of the original, as deposited in this office.

In testimony whereof, I have hereunto set my hand, and affixed the seal of the State, at Augusta, this first day of April, in the year of our Lord, one thousand eight hundred and sixty-four, and of the Independence of the United States the eighty-eighth.

JAMES H. COCHRANE,

*Deputy Secretary of State.*

[B.]

## COMMONWEALTH OF MASSACHUSETTS.

## MEMORIAL.

*To the Honorable the Senate and House of Representatives of the Commonwealth of Massachusetts, in Legislature assembled.*

The European and North American Railway Company, a corporation established by the laws of the State of Maine, respectfully requests such aid, assistance and encouragement from the Commonwealth of Massachusetts, towards the completion of a line of railway from the city of Boston to the city of Halifax, Nova Scotia, as the importance of the enterprise to the Commonwealth of Massachusetts, and the obligation of the Commonwealth to the State of Maine, growing out of their common ownership of public lands lying in Maine, may seem fairly to demand.

The European and North American Railway, when constructed, will complete the chain of railroads, from the city of Boston through the States of New Hampshire and Maine, and the Provinces of New Brunswick and Nova Scotia to the city of Halifax, a distance of 706 miles. The line is now completed as far east as Bangor, a distance of 248 miles; from thence to the city of St. John, in New Brunswick,—the distance of 196 miles,—remains unfinished; although a large portion of the means for its construction is already provided,—for the completion of which, the aid of the Commonwealth is invoked.

From the city of St. John east towards Halifax, 101 miles in New Brunswick are already constructed, and 61 miles in Nova Scotia,—from Halifax to Truro,—leaving one hundred miles to be built, between Halifax and St. John, to complete the link between the two cities.

Arrangements have been consummated by the governments of New Brunswick and Nova Scotia, with a company of English capitalists, to build this 100 miles,—69 miles of which are in the Province of Nova Scotia, and 31 miles in the Province of New Brunswick;—so that the means are provided for completing the entire chain of railways between Boston and Halifax, with the simple exception of the section between Bangor and St. John,—88 miles of it lying in New Brunswick, and 108 miles in Maine.

From the reports of the surveys now in progress, a comparatively favorable route has been ascertained and adopted, passing from Bangor up the Penobscot River to the valley of the Mattawamkeag River crossing the boundary below the Cheputnecook Lakes, on the St. Croix, and north of Oromocto Lake, in New Brunswick, through the Douglas Valley, to the Suspension Bridge at St. John city.

The Province of New Brunswick granted a charter April 13, 1864, for the extension of this line from St. John city to the boundary of Maine, and the company thus incorporated proposes to raise \$400,000 in subscriptions to its stock. The government of the Province has granted aid to said company at the rate of \$10,000 per mile, as a gift, on which neither principal nor interest is to be returned,—payable as the work progresses.

The State of Maine, by an Act approved March 24, 1864, donated the timber on ten (10) townships of her public lands, and all her claims against the United States government which accrued prior to 1860, to aid the construction of this line, and the extension of a branch line to the St. John River at the north-eastern frontier of the United States.

The claims of this enterprise were presented to Congress, and an able committee of the House of Representatives, on the 20th of June, 1864, reported unanimously a Bill designed to satisfy the claims of Maine, with an elaborate statement of the facts of the case,—proposing a contribution of \$10,000 per mile to aid the construction of the European and North American Railway,—which Bill is now pending before Congress.

The limited amount of capital applicable to the construction of railways in the eastern part of Maine, and the constitutional inhibition upon the use of the credit of the State,—many years since established,—have rendered it impossible to carry the work beyond Bangor. Two attempts to construct this line beyond Bangor have failed of success. But the capital expended has not been entirely lost. The Penobscot Railroad Company partially completed the line from Bangor to Milford, and the Oldtown and Lincoln Railroad Company expended a considerable amount in extension of the line from Milford to Mattawamkeag. A transfer has been made of all the rights of these two companies to the European and North American Railway Company, under authority of an Act of the legislature of Maine; so that this company is now in possession of property costing over \$350,000, at the prices of former years,—worth at this time more than that amount, from the favorable terms on which the right of way was secured, and the substantial character of the work of construction.

The city of Bangor, under authority of an Act approved March 25, 1864, authorizing a loan of its credit to aid the construction of this line,

has, by unanimous vote of both branches of the city council and by vote of the citizens, in the proportion of 1,730 to 112, authorized a loan of its credit to the amount of \$500,000, payable on the completion of the line from Bangor to Lincoln.

Resolutions were adopted by the Maine legislature of 1864, inviting the Commonwealth of Massachusetts to co-operate with Maine in extending aid to this railway, and in full expectation thereof, Maine made a further grant of all its residuary interest in its public lands on the waters of the Penobscot and St. John, to aid the construction of this railway, on condition that Massachusetts would discharge her debt against Maine, and assign the claims against the United States government, held by her, jointly with Maine, to the same purpose.

The Governor of Maine, in his recent address to the legislature of that State, makes use of the following language :

“ Until it is settled whether the European and North American Railway Company shall so far comply with the conditions of the Resolves in favor of that corporation, sales of lands or timber will be necessarily held in abeyance. In compliance with certain Resolves invoking the aid of the Commonwealth of Massachusetts, in behalf of this important enterprise, Honorable Messrs. Kent, Hubbard, and Washburn, were appointed commissioners to present the subject to the government of our parent Commonwealth. They will make a report of their doings which will be laid before you in due season.

“ The application was not successful, and one very strong ground of objection was the alleged unfriendly action of the legislature of this State some years since, and still unrepealed, in regard to connections with railroads west of Portland, having their termini at Boston. I would respectfully call your attention to this subject for the purpose of ascertaining whether the supposed exigency, which called for this legislation, exists at this time. In the early history of railroads in this State, certain policies were regarded as indispensable, the wisdom of which has hardly been justified by experience. That the legislation referred to belongs to that class, is more than probable. A neighboring State can hardly be expected to contribute in aid of an enterprise, in the benefits of which it is not to be allowed to participate. It is only upon the ground of a common interest to be promoted by the freest intercommunication that any such claim for co-operation can be asked with prospect of success. In addition to a common interest believed to exist, there are considerations connected with the past history of the public lands of Maine, forming the joint property of Massachusetts and our own State, which may fairly be urged as a reason for seeking assistance from the Commonwealth in aid of the European and North

American Railway Company. Many years since arrangements were entered into between the two States for the management of their common domain, and among other stipulations was one for the expenditure of the proceeds of the sales of the land and timber, to the extent of not more than ten per cent., in making improvements through these lands by the construction of roads, and rendering the water-courses navigable. But a very small part of this sum was expended, as it is well known to every person at all conversant with the history of our public lands."

It cannot be doubted that the interests of the State of Maine, and more especially those of the city of Portland, will be promoted by the extension of a line of railway on the road gauge, between Portland and Boston, securing the transit of produce, goods and merchandise, without transshipment, between Boston and Canada by this channel, which would otherwise seek other routes,—connecting at Portland with the Grand Trunk Railway of Canada, and with the railways on the same gauge, extending through Maine to the lower British Provinces,—and by increasing the business of the Grand Trunk Railway and the connecting lines east of Portland, cheapen the cost of transit over the railways of Maine;—and it can hardly be doubted, that all laws in restraint of such an arrangement, will be repealed in accordance with the suggestion of the governor of Maine.

The application of last year to the legislature of Massachusetts, in behalf of this enterprise, was urged, more upon grounds of public policy than by an assertion of the claims of Maine, growing out of the joint ownership of their large public domain. The former intimate political relations of the two States, the fidelity of Maine to her obligations under the Act of separation, and the equitable claims of Maine upon the Commonwealth of Massachusetts, justify a reference to their past history.

*The New England Company*, whose charter from King James, of November 3d, 1620, gave them a territory extending from the fortieth to the forty-eighth parallel of north latitude, and from ocean to ocean, granted that portion of New England, from the Merrimac to the Sagadahoc, to Sir Ferdinando Gorges and John Mason, under the name of "*the Province of Maine*," August 10th, 1622. The Piscataqua became the boundary between these grantees, and the title of Gorges to Maine was confirmed by the crown, extending one hundred and twenty miles inland, from the Piscataqua to the Sagadahoc. "*Masonia*," or New Hampshire, fell to John Mason in the division. The company of Massachusetts Bay, whose charter was dated March 19th, 1629, subse-

quently set up a claim to a large portion of Maine, running a line due east from a point three miles north of the head or source of the Merri-mac River.

By a system of intimidation at one time, and by a course of cajolery at another, the government of Maine was weakened, so that during the reign of the Puritans, in the times of the Commonwealth, the Massachusetts colony acquired a show of submission to her authority from the people of Maine. But being finally defeated in these attempts to override the grant of August 10th, 1622, to Gorges and Mason, they purchased from Gorges' heirs their title to Maine for £1,250, March 13th, 1678. On the vacation of Massachusetts charter on *quo warranto*, October 13th, 1684, her title to Maine was relaxed; but the charter of William and Mary, of October 7th, 1691, united the Colony of Massachusetts Bay, the Colony of Plymouth, "the Province of Maine," the country of Acadia, and all the territory lying between Acadia, or Nova Scotia, and Maine, called the territory of Sagadahoc, into a single government, called "the Province of Massachusetts Bay," and Sir William Phipps, a native of Maine, was appointed governor.

In this way, Massachusetts acquired her title to this public domain of more than 20,000,000 of acres. With these lands, Massachusetts endowed her public institutions, and from the sale of portions of them, amounting to millions of acres, made to William Bingham and others, she realized large sums of money to her treasury towards paying off the debt of the Revolution.

By the Act of separation—reluctantly granted in the year 1819—the Commonwealth of Massachusetts retained one-half of the unsold lands lying in Maine, amounting at that time to 11,824,438 acres. Of this amount, 3,207,680 acres were subsequently, for the sake of peace, surrendered up, or ceded to the United States government by the treaty of Washington, leaving 8,616,758 acres, one-half of which, 4,388,379 acres, fell to Massachusetts. This land was to be exempt from taxation, while the title remained in the Commonwealth. How faithfully Maine vindicated this principle in spite of all the evasions of the right of taxation, the judicial records of our State will show. At the time of the separation the lands had but little value in cash, but were regarded as of great importance for settling, and as a means of increasing the wealth and political power of the country. Proposals of sale were interchanged. Massachusetts would have transferred her interest to Maine for \$150,000. Maine offered \$100,000, and the negotiations were dropped, most unfortunately for Maine.

Portions of the lands were afterwards divided by alternate townships, and up to 1832, Massachusetts received into her treasury \$122,465.94, as proceeds of sales of lands and timber in Maine. In 1832, an



agreement of the land agents of the two States for a system of management and joint sales, was assented to by the respective legislatures, and in and by this convention, it was agreed that ten per cent. of the gross proceeds of the sales should be expended for improvements in the way of roads, bridges and rendering water-courses navigable for the floating of timber, thereby largely enhancing the value of the remaining unsold lands. From 1832 till 1852, Massachusetts paid out only \$69,939.49 for roads, bridges or other improvements, while she received \$1,927,-719.54 as the proceeds of the sales. Maine paid out from 1832 till 1852, \$183,116.23 for roads and bridges, leaving a deficit due from Massachusetts of \$113,276.74, assuming that the gross amount of sales by the two States was equal. In 1851, Maine became aroused and alarmed at the course pursued by Massachusetts in contravention of the principles of the compact; viz.: granting licenses to cut the timber without limit, or selling the timber and lumber only, retaining the title to the soil, thereby shutting up the lands from settlement, and keeping them from taxation.

Maine remonstrated, but without success, and saw no remedy except that of a purchase from Massachusetts of all her remaining interests in the public lands. On October 5th 1853, she paid in cash and notes \$362,500 for the remnants and residuary interests of Massachusetts, that State having first sold to individuals,—pending the negotiations,—the more valuable portions of the timber lands, for \$283,696.19. Of this sum \$47,120 was subsequently remitted by the legislature.

Massachusetts has received from individual purchases the sum of \$2,164,545.73 after 1832, which makes a total of \$2,532,246.90 of net receipts without interest, including the \$200,000 now due from Maine. In addition to this amount, \$150,000 was paid to Massachusetts by the United States government for one-half of the lands taken from Maine, under the treaty of Washington, showing a total of \$2,682,246.90 received by Massachusetts without interest, since the separation, as the proceeds of sales of land in Maine, drawn from the industry of Maine to aid the school fund of Massachusetts, and to succor, in its hours of difficulty, the drooping fortunes of the Western Railroad.

No adjustment of this claim for deficiency of expenditure for roads, bridges and improvements was attempted at the time of the purchase,—so anxious was Maine to arrest these unfriendly proceedings, and secure complete jurisdiction and control of the lands within her own territory. It would seem as if this statement of facts was sufficient, to insure a concurrence of opinion, that Massachusetts is fairly indebted to Maine in the sum of \$146,515.08, without computing interest thereon; with which, it would largely exceed in amount, the sum now due by Maine to Massachusetts, on account of the purchase.

His Excellency, Governor Cony, in his recent address to the legislature of Maine, in allusion to this matter, says:—

“The State of Maine extinguished the title of Massachusetts in these lands by purchase in 1853. A bargain fairly made is binding upon both parties and not to be complained of; but if the State of Maine ever receives from the land thus purchased, a sum equal to the interest of the principal paid for them, it is as much as those well informed upon the subject ever expected. These considerations may be fairly addressed to Massachusetts, in seeking her aid for this enterprise, and it is for her authorities to determine their weight.”

The enterprise is urged upon the attention of the authorities and people of Massachusetts, upon the broadest grounds of public policy, as a means of increasing the material strength, the political influence, and the moral power of New England.

The New England of the olden time, as mapped out by the sagacious Gorges, in 1620, and described in the charter of November 3d of that year, granted at his request, (according to the recital of the instrument itself,) included the broad belt of eight degrees of latitude, from the Atlantic to the Pacific seas; embracing one-half of what is now New Jersey, the bulk of Pennsylvania, Ohio, Indiana, and Illinois, Northern Missouri, Iowa, and the basin of the great lakes, and a majority of the English-speaking people of the continent. It is now limited to less than seven-fifteenths of the Acadian peninsula, and extends westward only to the valley of Lake Champlain. But its power and influence are greatly in excess of its territorial proportions.

And we recognize the duty—so eloquently set forth in the appeal of His Excellency, Governor Andrew, to the New England Agricultural Society, on Hampden Park, September 9th, 1864—to the sons of New England, to strengthen and adorn it. The value of that appeal would have been more striking and effective had he pointed out to them the broad valleys of the Penobscot and St. John, as portions of New England, the rich soils of the Aroostook and Mattawamkeag, and the still untouched forests of the Allegash as the most inviting fields for New England thrift and industry. Maine, with only one-seventh ( $\frac{1}{7}$ ) of her territory under cultivation, has more good farming lands than are found within the other five States of New England; more good harbors and more available water-power than any other section of the country of equal extent; obvious at once, upon an examination of the configuration of its territory, its physical features, its geographical position and its geological structure, occupying as it does the southern and eastern slopes of the Apalachian chain, known as the Acadian Mountains. Their

axial ridge forms the common water-shed of the Connecticut, the Androscoggin, the Kennebec, the Penobscot, the St. John, the Chaudiere and the St. Francis,—all take their rise in this Alpine region and descend from an elevation of from 2,000 to 3,000 feet, over a succession of terraces, which forms a series of cascades in almost regular gradation to the sea. But a small portion of its soil is granitic, and the country lying north and east of Katahdin is particularly adapted to the raising of wheat, and capable of supporting a population equal to that of Vermont.

Twenty years ago, the people of Massachusetts distrusted the ability of the people of Maine to construct a line of railway from the open harbor of Portland to the boundary of Canada, connecting with a line from thence to Montreal. Unaided by other New England capital, the people of Maine persevered in their efforts, and an unbroken line of railway, from Lake Huron to the ocean, discharges its freight, without transshipment, on board ocean steamers at Portland. A system of railways, embracing a length of 1,396 miles, since finished, is now included in the Grand Trunk Railway of Canada, with scarcely any connection with Boston, or other portions of New England, outside of Maine.

The next twenty years will develop a railway system in Eastern Maine and the lower British Provinces, on the Provincial gauge, to a still greater extent, penetrating the coal-fields of Pictou, and of Eastern Nova Scotia, following along the region of the rich fishing grounds on the shores of the Gulf of St. Lawrence, to the Bay of Chaleur, and connecting the upper and lower British Provinces, through the valley of the upper St. John, developing some of the finest portions of the continent of North America, taking into view their material attractions and natural resources.

It is for the interest of Boston, and of all New England, to directly participate in the material development of this eastern region, so naturally connected with it, by both geographical and commercial laws.

At the recent meeting of the Boston Board of Trade, it was confidently asserted that Boston could secure western connections which should restore to her the trade which had been diverted into other channels; that freight cars, reaching Boston from "St. Louis, Chicago, and other parts of the West, without breaking bulk," should supply produce for export. On the contrary, some believe that beyond the local supply which the Western Railway may bring to the doors of Massachusetts, it is impossible to lift freight over the Berkshire hills, and bring it to Boston for export to Europe. It will follow the water-line of the Hudson to New York, or of the St. Lawrence to its nearest shipping port in

winter, Portland, instead of scaling the ridges that separate the valley of the Hudson from the waters of Massachusetts Bay.

The experience of the last few years has shown that flour and western produce, to some extent already, come to Boston by the way of Portland, and that Eastern Maine is gradually drawing its supplies from the West by the same route. Flour and grain were at one time exports from Boston to Maine, and a change has been effected, by the completion of the railway from Montreal to Portland, and from thence to the Kennebec, and to Bangor.

But Maine is only partially peopled. For nearly one hundred years after the occupation of the country by the European races, it was the battle-ground between the French and the English, and, while other portions of New England grew in wealth and population, without serious embarrassment, from 1620 to 1762, Maine was kept back, till the overthrow of the French power, by the conquest of Quebec in 1759, and the treaty of peace of 1763. Maine, too, was excluded from the New England League of 1643, formed for better protection against savage invasion, because the religion of the mother country was tolerated there, by Gorges, as well as the religion of Rhode Island, Connecticut, and Massachusetts.

If Boston "possesses the wealth, the energy, and the experience to insure for itself every artificial facility which its commerce may require," it cannot fail to see that it must look east as well as west, to secure that trade which is to give "rapidity to its growth." Build up Maine, increase the manufacturing industry of the Saco, the Androscoggin, the Kennebec, and the Penobscot, and the business of Boston will grow with their growth.

The law of commercial gravitation, sweeps the trade of the Connecticut Valley to New York, as inevitably as the same law of trade takes the business of the upper waters of the Piscataqua past Portsmouth and Salem to Boston, over the Boston and Maine Railroad.

An able report to the Senate of Massachusetts, in April, 1852, (Senate Doc. No. 123,) advising the grant of aid to the European and North American Railway, says:—

"Boston is the natural market of the peninsula east of Lake Champlain, between the River St. Lawrence and the Atlantic Ocean; but all that portion of this peninsula which lies within the influence of New York capital is sending annually more and more of its business to that city. The State of Maine, portions of New Hampshire, and Vermont, the lower British Provinces, and a part of Canada East will always find Boston their natural market, and the policy of Boston will be most

wisely directed to aid the growth of business and population in the regions above referred to, in preference to measures calculated to advance the growth of our great commercial rival. The trade of Maine is of vast importance to Massachusetts, and from her geographical position, Maine will naturally be our best customer. If Boston had extended her lines of railway east through Maine to the lower British Provinces, and in connection therewith, to Montreal, instead of expending vast sums in building rival lines across the Connecticut River to Lake Champlain, the commercial position of all New England would have been materially enhanced. The lines of railway extending from Boston across the Connecticut, since the completion of the Western Railroad, are now directing from Boston to New York as much business, perhaps, as we have gained thereby, whereas an extension of railways into Maine adds directly to the business of Boston, without encountering the competition of New York. The true policy of Massachusetts, therefore, will be found in aiding in all possible ways the building of railways east of it, and increasing, in every practicable manner, the means of communication with Maine and the British Provinces."

This reasoning satisfied the Senate of Massachusetts, and a Bill granting aid to the European and North American Railway Company, to the amount of \$500,000, passed that branch of the legislature, after full discussion, but failed to secure the concurrence of the House. The controversy, growing out of the joint ownership of the public lands, postponed, for the time, all further efforts to secure aid from Massachusetts. The commercial revulsion, following the Crimean war, absorbed at home the English capital, which had been pledged for the building of the road, in the lower Provinces. The more recent movements towards constructing the line in New Brunswick and Nova Scotia have been dependent upon the credit and means of the Provinces. Within the last ten years Boston has witnessed the gradual withdrawal of the trade of Maine, and the growth of a commercial town at the east. The valuation of Portland has increased from \$4,634,738 in 1845, to \$26,963,939 in 1864. Her exports to foreign countries from \$251,097 in 1845, to \$4,396,142 in 1864; her imports, from \$339,791 in 1845, to \$13,039,749 in 1864, including goods passing into Canada and the lower Provinces in bond, showing not only a growth of business, but an increase of wealth, unexampled in any other city of New England during the same period.

Draw a line from Boston to the St. Lawrence at Montreal, or from Boston to the head of Lake Champlain, and thence to the foot of Lake

Ontario, and, north and east of this line, will be included all the territory whose business naturally gravitates to Boston. Of this region, the territory of Maine, New Brunswick, Nova Scotia, and Prince Edward's Island, is by far the most valuable in natural resources. And from their geographical position, sloping to the Atlantic seaboard, their business relations, like those of New Hampshire and Northern Vermont are most intimately connected with those of Boston.

Maine has a territory of 31,766 square miles; New Brunswick has 27,704; Nova Scotia has 18,746; Prince Edward's Island has 2,134; a total of 80,350 square miles,—but little less than that of the island of Great Britain, and fully equal to it in natural resources. The population of Maine, in 1860 was 628,600; that of New Brunswick, in 1861, was 252,047; that of Nova Scotia, in 1861, was 330,699; that of Prince Edward's Island, in 1861, was 80,648—a total of 1,291,994; while the population of Great Britain, in 1861, was 20,223,746. It is in the direction, therefore, of this eastern empire, that the surplus capital of New England should be directed. If the capital of Boston, now lying idle for want of opportunities for investment, was employed in the construction of lines of railway to the coal mines, the slate quarries, the iron works, the timber forests, and the tanneries of Eastern Maine, and the lower Provinces, a new impulse would be given to every interest of New England; and the growth of manufactures upon these eastern waters, would make their valleys as populous as those of the Connecticut or the Merrimac, whose trade and business would flow backward to their source, as naturally as the waters of the ocean, after being transported by the law of attraction to the distant mountain summits, and fertilizing the regions upon which they fall, are gathered into streams in the valleys through which they again return to it.

The same law of attraction that holds together the people who dwell in the valley of the Hudson, or the basin of the St. Lawrence, unites those who inhabit the shores of the sea from Cape Cod to Cape Sable. Separated from Canada by the almost inaccessible ridges that divide them, the outlet by railway from Montreal to Portland, affords to Canada in winter, all the access to the open sea that the business of the St. Lawrence Valley at this time demands.

The people of the lower British Provinces, like those of Maine, are lumbermen, and builders and owners of ships; their tastes, habits and pursuits are similar. In 1860, Maine built 57,866 tons of ships, and her people at that time were the owners of 801,941 tons of shipping. In 1861, New Brunswick built 48,719 tons of ships. In 1861, Nova Scotia built 39,383 tons, and Prince Edward's Island 9,006 tons. The tonnage owned in New Brunswick in that year was 227,718 tons, in

Nova Scotia 248,061 tons, in Prince Edward's Island 45,000 tons. As a grazing country it is unsurpassed; its uniform supply of moisture gives facilities for the growth of hay, and the rearing of cattle and sheep, beyond any other section of the country; and the wool crop, in the new era that awaits manufacturing industry, shall, in a few years, contest the dominion of king cotton.

By introducing manufactures and diversifying the industry of this eastern region, so full of raw material and natural resources; by drawing fresh treasures from the forest, the farm, the mine and the sea, would be brought about the steady increase of its wealth, material power and population, so that instead of 1,291,944 persons in Maine and these three maritime Provinces, there would be a population equal to that of Massachusetts per square mile, within the next half century, and 12,614,950 persons would bring their trade thence to your doors. New England, in this way, will become a power in the land, and that energy of character which its bracing climate, its rugged seacoast, and the grandeur of its natural scenery imparts to man, shall quicken ingenuity, enlarge the objects of human pursuit, multiply works of art, and extend the boundaries of commerce, bringing in their train a corresponding civilization, that shall make the dwellers upon this New England seacoast of ours the foremost people of the earth in everything that contributes to the highest welfare of the individual, and to the strength, the power, and the glory of a State.

The Act of the legislature of Maine, approved March 24th, 1864, and to which His Excellency, the Governor of Maine, refers, provides, "in case the Commonwealth of Massachusetts shall assign and transfer to the European and North American Railway Company, or to the State of Maine, in trust for said Company, the claims held by her with Maine, against the general government," "and release and discharge the balance due from the State of Maine, for the purchase of her interests in the public lands lying in Maine," "it shall be lawful for the governor, State treasurer and land agent to transfer to said company all the public lands lying on the waters of the Penobscot and St. John Rivers, for the uses and purposes set forth in this Act."

We therefore respectfully ask the legislature of Massachusetts to assign to said railway company, its claims against the United States government, held jointly with Maine, release and discharge the State of Maine from its certificates of indebtedness due for said purchase of said lands, and to grant a loan of the credit of the State, to the amount of \$500,000, to aid the construction of said railway, and to render such other and further aid, assistance and encouragement thereto, as the

legislature in its wisdom may deem prudent and necessary, in view of the importance of the European and North American Railway.

By order of the Directors.

JOHN A. POOR,

*President of the European and N. American Railway Company.*

BOSTON, January 17, 1865.

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## COMMONWEALTH OF MASSACHUSETTS.

HOUSE OF REPRESENTATIVES, May 4, 1865.

The Committee on Railways and Canals, to whom was referred the Memorial of the European and North American Railway Company, for aid toward completing the chain of railway from Boston to Halifax, Nova Scotia; the Memorial of the Boston Board of Trade; and the Petition of F. W. Lincoln and others, merchants, bankers and business men of Boston, in aid of the same; and also the Message of His Excellency the Governor, enclosing a communication from the Governor of Maine, with a copy of an Act of the legislature of Maine, repealing "an Act to promote safety of travel on railroads,"—

### REPORT.

The importance of an unbroken line of railroad communication from Boston, passing through the States of New Hampshire and Maine, and the British Provinces of New Brunswick and Nova Scotia to Halifax, the nearest convenient port to the eastern hemisphere, is obvious.

From the Memorial of the European and North American Railway Company, it appears that the distance from Boston to Halifax, by the proposed route, is 706 miles. Of this distance, 248 miles, from Boston to Bangor, is traversed by railroads in operation. From Bangor to the line of New Brunswick, the distance is 108 miles. From thence to the city of St. John, in New Brunswick, the distance is 88 miles, making 196 miles of the proposed line, between Bangor and St. John, uncompleted.

From St. John to Halifax, the distance is 262 miles. On this portion of the line 162 miles of the railroad are constructed—101 miles running eastward from St. John towards Halifax, and 61 miles running westward from Halifax to Truro—leaving 100 miles of the distance between St. John and Halifax to be built, and a total of 296 miles unconstructed between Bangor and Halifax.

Of these uncompleted portions, 108 miles are in Maine, and 188 miles are in the British Provinces—119 miles being in New Brunswick and 69 miles in Nova Scotia.



There are between Boston and Halifax, now constructed, .	410 miles.
“ “ “ “ “ “ not constructed, .	296 miles.
	—
Total, . . . . .	706 miles.

The unconstructed portions in New Brunswick and Nova Scotia have been chartered, and liberal grants of pecuniary aid by the governments of those Provinces having been authorized, there is a favorable prospect for their speedy completion, so as to form a continuous line of railroads from Halifax to the eastern boundary of Maine.

The European and North American Railway Company exists under a charter from the legislature of Maine, with authority to construct the portion of the railroad between Bangor and the New Brunswick line, there to connect with the railroad running thence to St. John and Halifax.

The route in Maine is through a region which, though rich in undeveloped mineral, manufacturing and agricultural resources, cannot furnish the present means for constructing the railroad. It must therefore be built principally with means obtained elsewhere. The chief reliance is upon the governments of the United States, and of the States of Maine and Massachusetts, and the city of Bangor.

Aid has been asked of Congress upon the ground that the proposed railroad will be available as a military road, and as an effectual means of defence of the north-eastern frontier, by rapid transportation of troops and munitions of war. A special committee of the last Congress reported in favor of a grant in aid of the railroad, and it is expected that the measure will pass the next Congress.

The city of Bangor, under authority of the legislature of Maine, has voted to loan the company five hundred thousand dollars.

The legislature of Maine has made valuable grants in aid of the railroad, of timber and lands, and of sundry claims upon the United States, some of which are subject to conditions dependent upon the action of Massachusetts.

The question for the legislature to pass upon is, whether Massachusetts will lend her aid to this important enterprise.

In coming to a decision, there should be considered the friendly relations existing between Maine and Massachusetts, and the community of interest which they have in promoting their mutual prosperity and influence; the value of the trade which the construction of this great line of railroad will bring to Massachusetts from the British Provinces and the eastern section of Maine; and the important increase of business to nearly all the railroads of Massachusetts, sure to result from the establishment of a railroad route to the port of departure nearest to

Europe, inevitably drawing travel from all sections of the country, which for the most part will, on its way, pass over the Massachusetts railroads.

The Committee are of the opinion that the interests and welfare of Massachusetts will be sufficiently promoted by the completion of this important line of railroad communication, to warrant the legislature in promptly aiding the speedy construction of that portion of the railroad in the State of Maine.

The company ask for an assignment for their benefit of the claim which Massachusetts has jointly with Maine upon the United States, for interest on the debt of the war of 1812, and the release of the balance of the indebtedness of Maine to Massachusetts, on account of the public lands sold to Maine in 1853, amounting to about two hundred thousand dollars, and also a loan of the credit of the Commonwealth for five hundred thousand dollars.

The assignment of the claims upon the United States, and the release of the indebtedness of Maine, are conditions upon which Maine has granted her unsold public lands to aid the construction of the railroad.

The claim for interest on the old war debt can be made available by the company in negotiating with the United States for an appropriation for the railroad, and the Committee do not hesitate to recommend that it be assigned to aid its construction.

The bonds of the State of Maine, given in payment for the public lands, have been added to the school fund, and the proposition to withdraw them cannot be entertained.

Therefore, the Committee recommend such legislation as will enable the European and North American Railway Company to secure the land-grant of Maine by taking an assignment of the obligations of Maine to Massachusetts upon the payment of the amount remaining unpaid; and they also recommend a loan of the credit of the Commonwealth to aid in the construction of the railroad, with such security as will effectually protect the Commonwealth from any possible loss.

For these purposes, they unanimously report the accompanying Bill.

For the Committee,

JAMES M. STONE.

## [C.]

*To His Excellency, John A. Andrew, Governor of the Commonwealth of Massachusetts, and to the Honorable Council.*

The European and North American Railway Company of Maine, a corporation established by the laws of said State, respectfully represents, that the legislature of said State of Maine, by an Act approved March 25th, 1864, entitled "An Act to provide means for the defence of the North-Eastern Frontier," assigned all its claims against the United States Government which accrued prior to 1860, and the timber on ten townships of its public lands, to aid the construction of the main line and branches of their said railway, as provided in and by said Act.

And it was further provided, in and by the Act aforesaid, that in case the Commonwealth of Massachusetts should assign and transfer to said railway company, or to the State of Maine, in trust for said company, to aid the construction of said railway, its claims against the general government, held jointly with Maine, and further release and discharge the balance of its debt against the State of Maine, created for the purpose of paying for the purchase of the lands of Massachusetts, lying in Maine, under date of October fifth, eighteen hundred and fifty-three;—then, and in that case, the governor, State treasurer, and land agent of Maine were authorized to convey to said railway company, all the unappropriated public lands lying on the waters of the Penobscot and Saint John Rivers, to aid the construction of said railway.

And said railway company further shows, that the legislature of Massachusetts, by an Act approved May 16th, 1865, entitled, "An Act to aid the construction of the European and North American Railway," did transfer to the State of Maine, in trust for said company, its claims against the United States, held jointly with Maine, and did further authorize an assignment of the debt of the State of Maine, as aforesaid, or a surrender thereof, on the payment of the amount thereof, and interest, notwithstanding that the same had not matured, or become payable.

And the said railway company further shows, that the said bonds, of said State of Maine, amounting to the sum of two hundred thousand dollars, are payable in annual instalments of twenty-five thousand dollars each, with interest at the rate of only five per cent. per annum,—

and the same are now a portion of the permanent school fund of the Commonwealth of Massachusetts.

Now, therefore, the said railway company respectfully inform the governor and council that it is now ready to pay to said Commonwealth the amount due to it by the said State of Maine, and take a release or transfer thereof, as is provided by law.

And the said railway company further informs the governor and council of Massachusetts, that the authorities of the State of Maine are now prepared to execute said conveyance, transferring to said railway company the public lands lying on the waters of the Penobscot and Saint John Rivers, amounting by estimation to several hundred thousand acres, and of great value, being principally covered with rich forests of timber.

And said railway company further informs the governor and council of Massachusetts, that to aid the construction of the European and North American Railway, and to provide funds for the completion of the railroad between Bangor and New Brunswick, this company has issued bonds to the amount of one million of dollars, payable in thirty years, with interest semi-annually, at six per cent., secured by a mortgage of the whole line of railroad from Bangor to the New Brunswick line, said mortgage being a *first* mortgage on same excepting the lien of the city of Bangor, upon the road from Bangor to Lincoln,—said bonds of one million of dollars being secured by a first and only lien upon the timber and lands to be conveyed to the said company by the State of Maine, as contemplated by the Act aforesaid, and as provided by the Act of the legislature of Maine, approved March 24th, 1864, entitled, "An Act to provide for the defence of the North-Eastern Frontier."

Now, therefore, to aid the objects and purposes in said Act contemplated, and for the purpose of advantageously investing the said sum of two hundred thousand dollars and interest, paid to the Commonwealth of Massachusetts in discharge of said five per cent. bonds of the State of Maine, as aforesaid, the said railway company asks the governor and council to purchase an equal amount in the six per cent. land bonds of this company, part of the million loan secured by the said mortgage of said railway, and the said lands as additional security therefor.

By order of the Directors.

THE EUROPEAN AND NORTH AMERICAN RAILWAY  
COMPANY OF MAINE,

By JOHN A. POOR, *President.*

BANGOR, July 29th, 1865.

COUNCIL CHAMBER, August 1st., 1865.

Messrs. Poor, Williams, and Millet, were appointed a Committee to examine and report upon the application of the European and North American Railway Company.

SECRETARY'S DEPT., BOSTON, }  
December 18th, 1865. }

A true copy from the Council Records, of the date first above written.

OLIVER WARNER, *Secretary of the Commonwealth.*

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COMMONWEALTH OF MASSACHUSETTS,

COUNCIL CHAMBER, BOSTON.

The Committee of the Council to whom was referred the application of the European and North American Railway Company of Maine, praying for an assignment to said company of the bonds of the State of Maine, dated October 5th 1853, amounting to the sum of two hundred thousand dollars, in pursuance of the authority of an Act of the general court, approved May 16th, 1865, entitled, "An Act to aid the construction of the European and North American Railway," with a further request, to invest the amount to be paid by said company for said assignment, in the six per cent. land bonds, of said railway company; said State of Maine bonds, being held as a portion of the school fund of the Commonwealth; having considered the same, ask leave to

REPORT:

By an Act of the legislature, approved May 16th, 1865, entitled "An Act to aid the construction of the European and North American Railway," it was provided, that, whenever the amount remaining unpaid and the interest thereon, of the bonds of the State of Maine, given in payment for the public lands in Maine, sold by the Commonwealth of Massachusetts in the year eighteen hundred and fifty-three, shall be paid into the treasury of the Commonwealth, the treasurer and receiver-general, shall, under the direction of the governor and council, surrender said bonds to the State of Maine, or assign them to the European and North American Railway Company, as the governor and council may determine.

The said railway company now declare, in their memorial, that they are ready to pay into the treasury the amount as provided in said Act, and they ask that on payment by them of the aforesaid amount, said bonds of the State of Maine may be transferred to them, in accordance

with the provisions of said Act. To this the Committee see no objection, and they would accordingly recommend the passage of an Order instructing the treasurer and receiver-general to transfer to said railway company the said bonds of the State of Maine, whenever full payment of the same with interest is made.

The company further petitions, that the amount thus paid into the treasury may be invested, by direction of the governor and council, in the six per cent. land bonds of said company, now about to be issued. In relation to this branch of the petition, your Committee find in the Acts and Resolves of 1862, chapter 187, it is provided as follows: "All moneys belonging to the funds over which the Commonwealth has exclusive control, shall hereafter be invested in securities of said Commonwealth, or in the notes and bonds of the several counties, cities and towns thereof, or in the scrip or bonds of the several New England States, of the State of New York or of the United States." This limitation of law precludes the governor and council from making any investments in the manner petitioned for, however desirable they might deem it to be, and under the limitation of this Act, the legislature alone has the power to grant the prayer of the petition.

In the examination of the statement of facts, and arguments, presented by the petitioners in this case, which are hereunto appended as part of this report, your Committee have been deeply impressed with the great importance of this enterprise, not only as a measure of military defence on the frontier, but as a great channel of communication between the New England States and the Provinces of New Brunswick and Nova Scotia. This line, when completed, will establish a chain of railway from Boston to Halifax, being over seven hundred miles in length; bringing within easy reach of our metropolis, the immense forests of Maine, and the mines of New Brunswick and Nova Scotia. The resources of a large part of the territory traversed by this projected line of railway, have hitherto remained undeveloped, on account of the restricted means of communication, and as the population is sparse and their means limited, it has been necessary to appeal for aid in the construction of the road to those commercial centres, which are to be largely benefited thereby. Relying upon the enterprise and liberality of Massachusetts, and the great advantages which will be secured to her by the construction of this line of road, the company appealed to her for aid, and in response the legislature of this year, passed an Act in aid of the road, which, while it did not grant all that was desired, gave the full endorsement of the Commonwealth to the enterprise. Your Committee, while they cannot recommend the granting of the petition of the company, so far as regards the investment of money in their bonds, are so strongly impressed with the advantages which will

accrue to Massachusetts in the building of this road, that they cannot forbear expressing the hope that Massachusetts will still further extend toward it her fostering hand, and they cordially commend it to the careful consideration of her executive and legislative departments. In accordance with the above the Committee recommend the adoption of the following Order :

EBEN S. POOR.  
HARTLY WILLIAMS.  
ASA MILLET.

*Ordered,* That the treasurer and receiver-general be instructed to assign to the European and North American Railway Company, the bonds of the State of Maine, now unpaid, which are held by the Commonwealth, for lands sold to the State of Maine, in the year eighteen hundred and fifty-three, whenever the said railway company shall pay into the treasury the amount of said bonds with interest thereon.

Order adopted December 13th, 1865.

OLIVER WARNER, *Secretary.*

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### STATEMENT OF FACTS,

*Submitted by the European and North American Railway Company of Maine, to the Committee of the Council of the Commonwealth of Massachusetts, in support of their application of July 29th, 1865.*

The charter, by-laws, and other papers of the European and North American Railroad Company, showing its legal organization, have been submitted to the law officer of the State of Maine ; and his certificate shows that said railway company has a legal existence, with ample chartered powers to construct and maintain a line of railway, from the city of Bangor to the boundary of Maine, in the direction of the city of St. John, New Brunswick, with the right to purchase the entire chain of railroads between Halifax and Portland ; to construct various branches, and a branch line from their main line to the St. John River at the north-eastern frontier of the United States.

The said railway company, in addition to these ample chartered rights, has acquired the road-bed, right of way, and all the property of the Penobscot Railroad Company, extending from Bangor to Milford, a distance of 13.60 miles—on which line the sum of three hundred and twenty-eight thousand dollars (\$328,000) had been expended prior to 1860 ; it has also the rights and property, road-bed and right of way, of the Oldtown and Lincoln Railroad Company, extending from Milford

to Lincoln, a distance of thirty-two miles, on which line from Milford to Lincoln there had been expended a large amount prior to 1860, estimated at not less than fifty thousand dollars (\$50,000.) Copies of the conveyances from these corporations to the European and North American Railway Company, are submitted as evidence among the other papers in the case.

It appears, also, that authority for these purchases had been granted by the legislature of Maine. The city of Bangor, also, in 1864, granted a loan of its credit to the amount of five hundred thousand dollars, (\$500,000,) to aid the construction of this railway, taking a first lien on the road to Lincoln only, as its security, in accordance with the provisions of an Act to this effect of the Legislature of Maine.

The State of Maine, by the Act approved March 24th, 1864, donated to this company all its claims on the general government, which accrued prior to 1860, in payment of which an able committee of Congress has twice reported a Bill granting ten thousand dollars (\$10,000,) per mile, to aid the construction of this railroad, not to exceed two hundred and thirty miles in all of main line and branches.

The State of Maine, by the Act aforesaid, further granted the timber on ten townships of its public lands, to aid the construction of said road; and further granted all its public lands on the waters of the Penobscot and St. John Rivers, amounting to 794,300 acres for the main line, in case this Commonwealth should grant its claims held jointly with Maine against the general government, to aid its construction, and discharge the debt of two hundred thousand dollars, (\$200,000,) due from the State of Maine on account of the land purchase of 1853, and 78,000 acres applicable to the Piscataqua branch to the Brownsville slate quarries.

These liberal grants on the part of the State of Maine, established confidence in the enterprise. The committee of the legislature of Maine in reporting the Act in question, said: "This line of railway is the greatest possible enterprise for Maine. It will commercially unite the lower Provinces with the United States and Canada, and attract across the breadth of our great State that stream of European travel and traffic that, once set in motion, shall forever increase in volume and value."

In another portion of their report, this committee say: "Maine must herself be ready to do all that is possible towards securing such a result." "We recommend the grant of all the aid the State can reasonably apply to this object."

The legislature of Maine regarded the debt due to Massachusetts in the nature of an equitable lien, or mortgage, on the public domain, and granted all her interests in the public lands, and her claims against the



United States, on condition of a discharge by the railway company of this debt. These various grants are estimated at over three million dollars, (\$3,000,000,) in value by the company, to be applied to the building of the road and its branch lines.

The legislature of Maine of 1864, made an earnest appeal to the general court of the Commonwealth, for aid to said enterprise, for reasons set forth in their Resolutions.

The Act of the legislature of May 16th, 1865, to aid the construction of the European and North American Railway, is the response of Massachusetts to that appeal—an unconditional grant of all her interest in these joint claims on the United States. Congress will, no doubt, increase its grant to this railway company, in consideration of the grant to it from the Commonwealth.

Since the passage of the Act of May 16th, 1865, the railway company has proceeded with energy in its work, entered into contract under date of June 21st, 1865, with the railway company of New Brunswick, authorized to extend its line from the city of St. John westward to the boundary of Maine; for the building of the line from Bangor to St. John as one enterprise, at the joint expense of the two companies—the means, it is understood, are provided for the completion of the line from the city of St. John to the boundary of Maine—a distance of eighty-six miles. A copy of this agreement of union is submitted, to be placed on file as a portion of the evidence in this case.

All the railroads, from Bangor westward to Boston and New York, and the Grand Trunk Railway of Canada, are interested in the completion of this line from Bangor to St. John.

The means already secured for the construction of this line in Maine, amounting to one hundred and eight miles, are as follows:—

Work expended \$378,000, costing the company only	\$200,000 00
Stock to be raised in Maine,	500,000 00
Bangor loan,	500,000 00
Land bonds,	\$1,000,000 00
Less Massachusetts debt,	200,000 00
	800,000 00
United States Guarantee bonds,	1,080,000 00
Massachusetts claims on United States Government,	- -

The necessary legal steps have been taken, and votes have been passed to perfect the several mortgage securities. It is proposed to place in the hands of three trustees, viz.:—Franklin Haven, Hannibal Hamlin, and Henry V. Poor—the entire body of lands conveyed to the company by the State of Maine, as additional collateral security, for

the payment of the interest and the redemption of the principal of this one million dollars, (\$1,000,000,) of land bonds, which are also secured by a first mortgage on the entire line of the railway from Bangor to the boundary of New Brunswick, save only the prior lien of the City of Bangor on the road from Bangor to Lincoln, 45.60 miles.

The second mortgage of the main line and its several branches for the sum of two million three hundred thousand dollars, (\$2,300,000,) is designed to represent the amount proposed by the House Committee of Congress, to be paid to the railway company as the assignee of the State of Maine toward aiding the construction of the railroad. By the payment of this debt of Maine, the United States is enabled to aid and secure probably thereby the most important military work of the country, without encountering any of the constitutional objections that arise to the grant of aid to railways directly by the general government. By this prudential and precautionary step—placing the entire amount of the claims of Maine in the hands of trustees, so that the proceeds can never be diverted from their legitimate purpose, Congress will, as we believe, the more readily recognize the obligation of paying an admitted debt.

On the payment of this debt by Congress, the company will at once discharge that mortgage, so that the whole payment will enure to the benefit of the first mortgage bond-holders. The \$1,000,000 which is believed may be obtained on the Massachusetts claims assigned to the company by the Act of May 16th, 1865, will in like manner further strengthen this mortgage.

It will be regarded as a wise precaution that all the moneys to be received from the sales of timber, and lands, and bonds, and from the claims on the United States are secured to the building of this railway in the hands of trustees.

As the proceeds of all sales of timber and lands are set apart and secured, first for the payment of the interest, and after that of the principal of the one million dollars (\$1,000,000) of land bonds, we cannot fail to recognize the fact that these bonds are *doubly* secured, nor can we entertain a doubt, that the line of railway from Bangor to St. John, will develop a business so as to become a paying one, in a few years after it is opened through, and that, until the business of the line is developed, the interest on the million land bonds will easily be paid, from the proceeds of sales of the lands and timber, if not in fact, the entire amount of principal and interest.

Sales of land and timber will only be required to the amount of annual interest due on bonds issued. Beyond the two hundred thousand (\$200,000) of these bonds purchased for the Massachusetts School Fund, they will be retained in the hands of the trustees and only

gradually put into the market and sold, as the work of constructing the railway is proceeded with.

The withdrawal of the State lands of Maine from the market by this transfer of them to the railway company, will enhance the price of all timber and lands of individual proprietors in that State. Experience has shown that the timber lands of Maine increase in value from year to year, even when an amount of stumpage is annually taken off them equal to the interest on their market value.

Maine, some fifteen years ago, adopted a liberal policy in reference to the settlement of its public lands, and there is still left a portion, if not a very large quantity of farming lands, now open to settlement under existing laws, which will induce further immigration into Aroostook, as soon as the railway shall be found moving in that direction. In addition to the 108 miles of main line to the boundary in the direction of St. John city, the railway company have authority for, and contemplate a branch line to the Aroostook and Upper St. John, a distance of more than one hundred miles from the main line, in the Valley of the Mattawamkeag.

The value of a trunk line of railway to St. John in extension of, and in connection with existing lines from Boston to Halifax is no longer a matter of question or doubt. The public voice and the public interest unite in demanding its early construction. Everything favors the immediate commencement and rapid prosecution of the enterprise to final completion. Maine and Massachusetts are again working in harmony, in efforts to build up and develop that region of "*The Eastern Lands*," which friendly co-operation formerly so important to the settlement of that country was, for a time, interrupted by the adoption of the policy of "timber licenses," by Massachusetts. These matters were heard before the railway committee and the legislature at the late session. That committee unanimously reported a Bill, granting a loan of the State credit. It failed to pass, with that feature in the Bill, from the fact that the strength of the railway company was not sufficiently established. The project itself had the support of the leading capitalists and business men of Boston, and the unanimous endorsement of its Board of Trade.

The friends of this International Railway, believe that no railway of equal length upon the continent holds out surer inducements for the investment of capital than this one from Boston to Halifax, from the favorable character of its line, the agricultural, mineral, and commercial resources and manufacturing facilities on its route. All readily admit its necessity as a means of social progress, by the facilities it will afford for an increased transatlantic travel, as well as a means of material development to New England and her Provincial neighbors.

From Boston to St. John by railway will be 444 miles, and to Halifax 706 miles. Of this distance 401 miles are now in operation, leaving 306 miles of unfinished line; 196 miles of it between Bangor and St. John, and 109 miles from Moncton to Truro, between St. John and Halifax.

The Province of Nova Scotia voted an annual subsidy, in the form of a four per cent. interest on a cost of forty thousand dollars (\$40,000) per mile, for twenty years on the line in that Province. New Brunswick donates ten thousand dollars (\$10,000) per mile for her portion of the line, which is an outright gift to the party constructing it.

For that portion of the line between Bangor and St. John a contract with responsible parties has been made, on conditions that promise its completion within four years. An offer to complete the section from Moncton to Truro was made by the International Contract Company of Great Britain, and the respective heads of the two Provincial Governments proceeded to England in June last, secured the consummation of the contract, so that the completion of the line to Halifax may be looked for within the next four years.

We deem it unnecessary to enlarge upon the importance of this work to Massachusetts and to Boston, as the facts and reasonings presented to the legislature in the memorial of the railway company, covering the whole ground are familiar to all.

The large expenditures toward the construction of this line by the people of Bangor and the Penobscot Valley, before it assumed its present proportions, show how fully they appreciate the importance of this railroad; and though a loss to individual contributors was incurred, the expense itself was not lost to the enterprise. Their interest in the railroad still continues, and the railway company proceed, upon the assurance that a half million of dollars of local subscription is yet to be made to it, before the work of construction is acted upon.

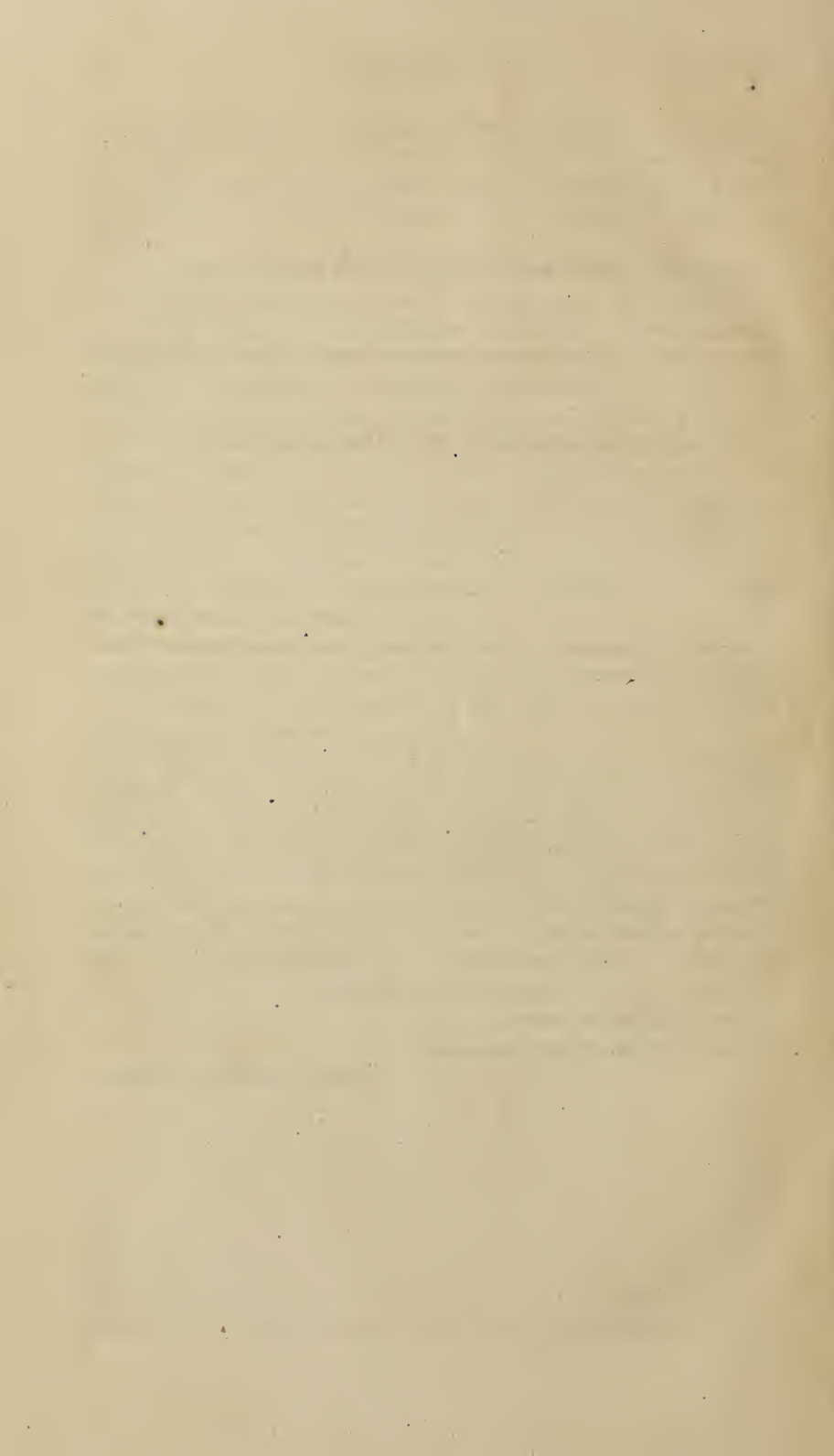
By order of the Directors.

JOHN A POOR,

*President E. & N. A. R. Co. of Maine.*

BANGOR, July 29th, 1865.









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