

policy of this country, but did they carry the road to Annapolis? They put on the Statute Book an act pledging themselves to carry the road to Victoria Beach, instead of going to the town of Annapolis, to which they now declared it should go. The Government were authorized by the deliberate vote of the house a year ago to carry the road to Troop's Point, if necessary; not a single member then rose to object to such a policy. When the Government came to negotiate this matter, the best terms they could obtain were that they should leave this matter an open question for the contractors to decide. As respects the other matter in question, he would again mention that as the iron bridge would cost a great deal, the company were unable to include the roadway at the same time.

Mr. S. CAMPBELL said that the agreement did not state that the bridge would be of iron.

Hon. PROV. SEC. replied that the agreement provided that the bridge should be constructed in one way or the other. If it was built of wood then the roadway would have to be included. If it was, on the other hand, constructed of iron, the roadway would not be made. By the following letter it would be seen that the company had decided to build the work of iron:—

24 Great George Street,
Westminister, S. W., February 23, 1867.

DEAR SIR,—

"We have very great pleasure in informing you that we have made all arrangements necessary for the due completion of this line.

Our first and most important step, that of providing the capital necessary for the completion and equipment of the line, we have arranged with an eminent city firm; and for the security alike of the Province, the capitalists just alluded to, and ourselves, we have deemed it advisable to let the contract to Mr. Thomas Brassey, who has undertaken the same, and is now incorporated with us in the company established for the purposes of the railway.

We may add, that it is our intention to execute the works in a manner that we believe will give you entire satisfaction, and we have concluded to build the Windsor bridge of iron.

As this latter work will have to be prepared here, we have telegraphed to our agent, Mr. Grant, to come over with the plans of this and the other bridges by the next steamer, that the work may be immediately let; and we have made such arrangements as we believe will enable us to finish the principal bridges during the coming season, and the whole line by the end of the year 1868."

We have, &c.,

W. H. PUNCHARD,
EDWIN CLARK,
FREDERICK BARRY.

To the Hon. CHARLES TUPPER, Provincial Secretary.

Mr. KILLAM said that he thought it unwise to have allowed the contractor to take his choice of two points of termination, or to build the bridge of iron or wood. He was of opinion that the Government should have kept the company to the roadway. What he urged particularly, however, was that the Government should show the House and country what our financial position was likely to be. It was now admitted that

if we exceeded the debt of \$8,000,000, we would have to pay the excess, though the assets would be placed to our credit. The assets, in the case of the present railway, would be nothing, for they belonged to the company. It was the duty of the Government to show how we were to raise the large sum required for the work and at the same time have money enough to provide for other things. When the House was called upon previously to deal with this question, it was under very different circumstances, then we had our revenue to fall back upon, whereas now the largest portion was handed over to Canada. If things remained as they were we could build the railways to Annapolis, to New Brunswick, to Picton, and eventually to Yarmouth—in fact, from one end of the Province to the other. He believed that the terms of the contract were injurious to the best interests of the country. The company were allowed to choose the way through the counties of Annapolis and Kings, besides to obtain gratis all lands required for the railway track and appurtenances. They were to build such a railway as they might think proper—in reality, there was nothing binding on them. They could use a rail that would not weigh much above 30 lbs. to the yard. He calculated the cost for a mile of rails would be \$1320; the cost of sleepers would be about \$400; and the whole cost of a mile of roadway would be \$172. It was quite evident that the company would have to take little or nothing out of their own pockets. He did not like to see the government getting mixed up with private companies. But when they did make a bargain, they should take care that it was a safe one for the Province. If we went on as we are now, and built all the railways ourselves, our debt would reach say \$18,000,000, on which we would have to pay an interest of about \$750,000. Our revenues from excise and customs would amount to at least \$1,250,000. We would, therefore, have \$500,000 independent of this railway interest, with a duty of say 10 per cent. With our revenues under our own control, we could increase them if necessity compelled us. Besides there was no doubt that the railways to Annapolis, Picton and New Brunswick, under proper management, would bring us one or two per cent. Even the present railway, extravagantly as it was worked, had left something above its working expenses. As the trade increased, the different railway lines would become productive, and eventually we would be in a position to build a road to Yarmouth. As it was now, however, no such results could be expected. The revenues were to be taken from under our own control, and we were obliged to get along the best way we could under most adverse circumstances.

Hon. ATTY. GEN. said that it was really most refreshing to hear the hon. member for Yarmouth, who had so frequently urged that the country was not in a condition to build railways, now declaring that we should go into debt to the extent of \$18,000,000 for such public works. It would be remembered that the hon. member had, on a former occasion, even