

HOUSE....No. 275.

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, N. S.; 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,"—

R E P O R T :

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.

Commonwealth of Massachusetts.

In the Year One Thousand Eight Hundred and Sixty-Five.

AN ACT

To Aid the Construction of the European and North American Railway.

Be it enacted by the Senate and House of Representatives, in General Court assembled, and by the authority of the same, as follows:—

1 SECT. 1. For the purposes hereinafter set forth,
2 the treasurer and receiver-general is hereby authorized
3 to issue scrip or certificates of indebtedness in the
4 name and on behalf of this Commonwealth, and under
5 his signature and the seal of the Commonwealth to
6 an amount not exceeding seven hundred thousand
7 dollars. Such scrip or certificates shall bear interest
8 not exceeding five per cent per annum, payable at the
9 office of the treasurer and receiver-general, semi-
10 annually, on the first days of January and July in
11 each year, and shall be issued in such pieces and
12 amounts, not exceeding one thousand dollars in any
13 piece, as the governor and council shall direct, and
14 shall be payable at the office aforesaid in twenty years

15 from the first day of January next, and shall be coun-
16 tersigned by the governor, and shall be deemed a
17 pledge of the faith and credit of the Commonwealth.
18 Said scrip shall have coupons of interest, payable as
19 aforesaid, attached thereto, and shall be delivered to
20 the European and North American Railway Company,
21 a corporation established by the state of Maine, to
22 aid said company in the construction of their railroad
23 in the state of Maine, upon the following terms and
24 conditions:

1 SECT. 2. As soon as said company shall have
2 located its entire line of railroad to the line of the
3 province of New Brunswick, and shall have con-
4 structed and completed ten miles of its railroad be-
5 tween Lincoln and the boundary of New Brunswick,
6 and proper evidence thereof is submitted to the gov-
7 ernor and council, and the governor and council shall
8 have satisfactory evidence that lines of railroad have
9 been located in the provinces of Nova Scotia and New
10 Brunswick, from the city of Halifax in Nova Scotia
11 to the line dividing Maine and New Brunswick, there
12 connecting with the aforesaid line of the European
13 and North American Railway Company, so as to form
14 a continuous line of railroad between the state of
15 Maine and Halifax, and shall have satisfactory evi-
16 dence of the progress of the work on said railroads
17 to their completion within a reasonable time, the
18 treasurer and receiver-general shall upon the certifi-
19 cate of the governor, deliver to the treasurer of said
20 company seventy-five thousand dollars of said scrip,
21 and so for each ten miles of railroad upon said line,
22 constructed, completed, proved and certified as afore-

23 said, the treasurer and receiver-general shall deliver
24 to the treasurer of said company seventy-five thousand
25 dollars of said scrip ; and when satisfactory evidence
26 has been submitted to the governor and council that
27 the whole line of said railroad from Lincoln in the
28 state of Maine to the boundary of the province of
29 New Brunswick is completed and in operation, the
30 treasurer and receiver-general shall, upon the certifi-
31 cate of the governor as aforesaid, deliver to the treas-
32 urer of said company the remaining portion of the
33 scrip by the first section of this act authorized to be
34 issued.

1 SECT. 3. The Commonwealth of Massachusetts
2 hereby assigns to the state of Maine, in trust for said
3 company, to aid in the construction of said railroad
4 between Lincoln and New Brunswick, the claims held
5 jointly with said state of Maine against the United
6 States: *provided*, that this act shall be of no effect
7 until said company shall make to the Commonwealth
8 a first mortgage of all its road, property and franchise,
9 in a form satisfactory to the attorney-general, to
10 secure the Commonwealth for the scrip advanced, and
11 the assignment made hereby, and until the state of
12 Maine shall by express legislation authorize such a
13 mortgage and enable said railroad company to make
14 and execute the same, and enable this Commonwealth
15 by a commissioner appointed in its behalf, to foreclose
16 said mortgage, either with or without taking posses-
17 sion of the property and franchise and railroad in it
18 described, for breach of condition, and after six
19 months' notice, to make sale of the same at public
20 auction, to the highest bidder, and convey the same

21 to the purchaser thereof, his associates, successors and
22 assigns, so that they may organize themselves anew
23 as a corporation, by the same or any other name, and
24 be deemed to be lawfully possessed, as of its property,
25 of all the franchises, rights, railroad and property,
26 whatever, of the said European and North American
27 Railway Company.

1 SECT. 4. Said mortgage shall be conditioned for
2 the payment of the interest upon said scrip as it
3 becomes due, and for the redemption of the scrip
4 when it becomes payable, and shall contain such other
5 conditions, and shall be accompanied by such bond,
6 executed by said company, as shall be satisfactory to
7 the attorney-general, and not inconsistent with this act.

1 SECT. 5. Whenever the amount remaining unpaid
2 and the interest thereon, of the bonds of the state of
3 Maine, given in payment for the public lands in
4 Maine, sold by Massachusetts in the year eighteen
5 hundred and fifty-three, shall be paid into the
6 treasury of the Commonwealth, the treasurer and
7 receiver-general shall, under the direction of the gov-
8 ernor and council, surrender said bonds to the state
9 of Maine, or assign them to the European and North
10 American Railway Company, as the governor and
11 council may determine.

1 SECT. 6. This act shall take effect upon its pas-
2 sage, and shall continue in force only two years, unless
3 before that time the bond and mortgage as within
4 required, shall have been executed, and such legisla-
5 tion as herein described, shall have been adopted by
6 the state of Maine.