

loss to the people of Nova Scotia and New Brunswick, and will, therefore, await the decision of the Provincial Government with much anxiety.

3. I observe that, so far as concerns the claims for compensation, &c., preferred by the Company, the decision of the Dominion Government is only general, and at the risk of being deemed troublesome, I venture to ask, if it is intended to repudiate the whole of the claims upon their merits. In order that I may not misunderstand the intention of the Dominion Government on this point, I recapitulate the claims put forward by the Company, which are as follows:—

1. For compensation in respect of loss and damage occasioned by the past refusal of the Dominion Government to allow the Company to exercise the rights and privileges conferred upon them under clause 11 of the Agreement, 22nd of November, 1866.

2. To have refunded to them the duties (together with interest thereon) levied upon certain materials and stores imported by them for the construction and working of the Railway: and to have allowed to them, in terms of clause 9 of the said Agreement, a drawback of all duties upon all stores or materials hereafter to be imported by the Company for either of such purposes.

3. To have paid to them interest upon the principal payments made under clause 6 of the Agreement, as from the dates from which such payments would, if they had been made in Provincial Bonds in terms of such agreement, have carried interest or dividend, until the date of actual payment.

4. To have paid to them all such sums (together with interest thereon as beforementioned) as were deducted by the Government from the par value of such Provincial Bonds.

5. To have conveyed to them, free of charge, in terms of clause 7 of the Agreement, certain lands required for the railway track and stations.

6. To have conveyed them, free of charge, also in terms of clause 7 of the said agreement, a parcel of land, at or near Windsor, and now in the possession of the Dominion Government, and which it was specially agreed with, and enacted by, the Legislature of the Province of Nova Scotia, should be so conveyed to the Company.

7. To be reimbursed all loss and expenses incurred by the Company in respect of the acquisition of the lands required by the Railway, and which were, under clause 7 of the said Agreement, to be conveyed to the Company, free of charge.

8. To be reimbursed all loss, damages, and expenses incurred by the Company in consequence of the Dominion Government charging the Company a higher rate of toll on certain traffic, to wit: on cattle, horses, hay, &c., conveyed over the line between Windsor and Halifax, or some part or parts thereof, than that charged to the general public.

9. To be compensated in respect of direct and incidental damages arising out of the subsidizing of steamers by the Government in contravention of the spirit and intention of the Acts and Agreement forming the basis of the Company's proceedings.

4. As to that portion of your letter which states that the Government have no funds applicable for the purpose of affording redress or relief to the Company, I apprehend that it is not intended, that the Ministers of the Government would, for that reason, decline to acknowledge any just claim upon the State, even though it might be necessary afterwards to obtain a vote from the Legislature for the purpose of discharging it.

5. As the Company must now, of course, proceed to memorialize the Legislature of the Province of Nova Scotia, with whom the contract was originally made, it becomes important that the Company should understand clearly how