

(Copy)—No. 24.

Government House, Fredericton, N. B., May 25th 1857.

SIR,—With reference to your Despatch of the 21st March 1857, No. 19, I have now the honor to forward to you, herein enclosed, the copy of a Report from the Attorney and Solicitor Generals of this Province, on the subject of the Bill relating to the New Brunswick and Canada Railway and Land Company, which Report was approved by me in Council on the 19th instant, as appears from the enclosed Extract of the Minutes of the Council held on that day.

I have, &c.

(Signed)

J. H. T. MANNERS-SUTTON.

Right Hon. H. Labouchere, M. P., &c. &c. &c., Colonial Office.

(Copy)—Enclosure No. 1.

Fredericton, 11th May 1857.

SIR,—We have examined the Bill introduced into the Imperial Parliament "To incorporate the New Brunswick and Canada Railway and Land Company, and for other purposes relating to the Company," together with the correspondence of Mr. B. Sharpe with the Right Honorable the Colonial Secretary thereupon, as per margin,* submitted to us by His Excellency the Lieutenant Governor, and have to report thereon as follows:—

Apart from the general impolicy of legislating on local matters by the Imperial Parliament, there is nothing in the Bill affecting injuriously the rights of the Province; but we cannot too strongly protest against the Imperial Parliament passing any Act affecting other than Imperial Interests in this Province.

When there are two bodies legislating on local matters, irrespective of each other, endless confusion in legislation must prevail, and the local Government is constantly liable to be imposed upon, as alleged by Mr. Sharpe, by parties apparently acting under the sanction of an Imperial Law, or be compelled to require a minuteness and exactitude of proof which would look as if unnecessarily throwing obstructions in the way of those who have rights under such a law, and which would only be proper in a Court where the conduct of the parties was impeached and their acts questioned.

We do not see what the local Government has to do with the Bill affecting the rights of the late St. Andrews and Quebec Railway Company. On the application of that Company, an Act was passed by the General Assembly of this Province (19 Vic. Cap. 70) authorizing the transfer, protecting the rights of the Province and of the Class A Shareholders, and authorizing the Governor in Council, on compliance with certain terms, to assent to a transfer of the undertaking of the St. Andrews and Quebec Railroad Company. The evidence was adduced and the transfer assented to by the Governor in Council.

If there was fraud in the manner of obtaining the concurrence of the Class A Shareholders to the transfer, on that fraud being established before the proper tribunals in England—the parties all being in England, there can be no doubt the passage of the Bill would be stayed. If there was no fraud, the Class A Shareholders must be bound by the act of their Directors to whom they have delegated their powers.

We would suggest some alteration in the eighteenth Section of the Bill, which we think does not sufficiently protect the rights of the Province; some words should be used to preserve the rights and interests of the Province, and the control of the Governor in Council, under the authority of any of the Acts relating to the Saint Andrews and Quebec Railway Company. The eighteenth Section of this Bill declares that nothing therein shall take away, &c. any of the rights, &c. of the Lieutenant Governor, or the Legislative Council, or the Assembly of the Province. But neither the Governor, Legislative Council or Assembly, separately, have any rights or interests in the St. Andrews and Quebec Railway Company.

By the 1st Revised Statutes, Cap. 161, Sec. 18, the term "Governor" is declared to mean the Administrator of the Government for the time being; and "Governor in Council" to mean the act of the Administrator of the Government with the advice and consent of the Executive Council.

Subject to this alteration, we see nothing objectionable in the Bill.

We have the honor to be, Sir,

Your obedient servants,

(Signed)

J. H. GRAY, *Att'y General*,
JOHN C. ALLEN, *Sol. General*.

The Hon. Provincial Secretary, &c. &c. &c.

* B. Sharpe, Esq., to H. Labouchere, dated 2nd Feb. 1857; Do. 13th Feb. 1857. J. Booth to H. Merivale, Esq., 28th Feb., 1857. Col. Secretary to Lieut. Governor, 21st March 1857.

(Copy)—Enclosure No. 2.

In Council, 19th May 1857.

PRESENT.—His Excellency the Lieutenant Governor.

&c. &c. &c.

Read the Report of the Law Officers on the complaint of B. Sharpe, Esquire, relative to the transfer to the New Brunswick and Canada Railway and Land Company.

Ordered, That the Report be approved.

Extract from the Minutes.

F. A. H. STRATON, *Clerk Ex. Council*.