[Enclosure No. 1.]

PROVINCIAL SECRETARY'S OFFICE, Halifax, N. S., 1st September, 1871.

I have it in command to acknowledge the receipt of your communication of the 14th ultimo, and to acquaint you that the Government have taken the subject matter of said communication into consideration, and I am instructed to forward you the enclosed copy of a Minute of Council in reference thereto.

> I am, Sir, Your obedient servant,

(Signed)

H. CROSSKILL,

Deputy Secretary.

J. A. MANN, Esq.

COPY OF A MINUTE OF COUNCIL PASSED ON THE 31ST DAY OF AUGUST, 1871.

"That while the Government fully appreciate the great importance of the Line of Railroad known as the Windsor and Annapolis Railway, with its improved steamboat communication, and feel that to close this important public work would be a serious injury not only to the counties through which it passes, but to the Province generally, tending, as such would necessarily do, to retard railway extension westwardly; they cannot recognize that any legal obligation rests upon them to compensate the Company for any loss or damage they may have sustained by the Acts of the Dominion Government.

"That by the operation of the British North American Act they have been both relieved of the duty, and deprived of the power of redressing the grievances of which Mr. Mann complains, inasmuch as the railway property and railway obligations of the Government of Nova Scotia have been exclusively transferred to the Dominion Government, in whom the Act of Confederation also vested the powers of taxation, by means of which this Province formerly developed its railway policy.

"In reference to the proposition to subsidize the Company in conjunction with the Dominion and New Brunswick Governments, the Executive feel that any action they may be called upon to take must entirely depend, even under the most favorable circumstances, upon the steps that may be entertained by the Legislature of Nova Scotia."

Certified.

(Signed)

W. B. VAIL, Clerk of Council.

[Enclosure No. 2.]

Provincial Secretary's Office, Halifax, N. S., 20th April, 1872.

I have it in command to reply to your communication of the 11th inst, covering the memorial on behalf of the Windsor and Annapolis Railway Company, which, together with all correspondence and papers connected therewith, was, in