(Copy)—Enclosure No. 1. *Hanwell Park, Middlesex, February 13th, 1857.*

Sir,—The New Brunswick and Canada Railway and Land Company having applied to Parliament for a special Act of Incorporation, with the requisite powers for effecting a compulsory transfer of the lands, rights and expectancies of the Class A Shareholders of the Saint Andrews and Quebec Railroad Company, I have, on behalf of myself and other shareholders in this latter Company, the honor to address you, with the view of bringing our case under your consideration, that Her Majesty's Government may be induced to withhold its consent to the further progress in Parliament of the above Bill, such transfer being directly contrary to our wishes and interests.

We have embarked a very considerable sum of money in the Class A Shareholders of the Saint Andrews and Quebec Railroad Company, and have thereby acquired certain lands, rights and expectancies in the Province of New Brunswick, which have been secured to us by various Acts of the Legislature of New Brunswick, and especially by two Deeds, dated the 6th February 1851, (entered into between the St. Andrews and Quebec Railroad Company and the Class A Shareholders of the St. Andrews and Quebec Railroad Company,) and which Deeds, by the New Brunswick Act of the 13th Vic., Cap. 1, Sec. 12, "are to have as full effect and be as binding and conclusive as if the terms and provisions of such Deeds were by that Act expressly enacted;" and under the 7th clause of this Deed it is agreed, "That any Dividend or part of a Dividend which, except by the fault or omission "of the Class A Shareholders, or the Directors for Class A Shareholders, shall not be paid on the "respective half yearly day for the payment thereof, shall constitute a debt due from the Railroad "Company to the Class A Shareholders, and shall carry interest after the rate of seven pounds per "cent. per annum from such respective half yearly day to the time of the payment or satisfaction of "such debt."

Under this clause of the Deed there is due to us a considerable sum for several years interest, the payment of which is sought to be evaded by the above Bill, which also seeks to deprive us of the security we now hold under the 4th clause of the same Deed for its eventual discharge, the present and future lands, goods, and other property and effects, tolls, income and profits whatsoever of the St. Andrews and Quebec Railroad Company, being liable in perpetuity for the payment of that and the accruing interest on the share capital held by us; this Bill also proposes to take from us a guarantee of six per cent. interest by the Province of New Bruuswick for twenty five years, as well as a considerable portion of the Crown Lands lying contiguous to the St. Andrews and Quebec Railroad to which we have now a legal claim.

It is further necessary I should state that certain Shareholders in the Class A Shareholders of the St. Andrews and Quebec Railroad Company, against our consent, illegally authorized the affixing the Seal of that Company to a Deed transferring its corporate powers and privileges to the New Brunswick and Canada Railway and Land Company, and that this transfer, although perfectly invalid, (the Acts incorporating the Company giving no authority for it), was exhibited to the Lieutenant Governor of New Brunswick in Council as an actual transfer, and he being precluded by the 34th Section of the 13th and 14th Vic., Cap. 106, from objecting, had to accept it as authentic without any further proof, it having been sealed with the Seal of the Company; and we fully believe this Deed was endorsed by the Lieutenant Governor on the assumption that it was a valid, legal document, complete in itself, and requiring no special Act of Parliament to confer the power to transfer, and which, on its very face, shewed had been already exercised.

We feel the New Brunswick Government have not only been unfairly dealt with by the exhibition of this Deed, but also by having been kept in ignorance of the intention of the New Brunswick and Canada Railway and Land Company to apply to the Imperial Parliament for a special Act of Incorporation for a purpose so purely local; that Company being at the time already incorporated under the Joint Stock Companies' Act, 1856, could hardly have been supposed by the Government to require a special Act of Incorporation by the British Parliament, and which, for a Provincial undertaking, (as a letter of the 28th May 1850, addressed to the Duke of Newcastle, now in the Colonial Office, and subsequent correspondence, relative to the British and American Great Railway Land Company, will shew,) has always been regarded by the New Brunswick Government with extreme jealousy, and in the present case this would be much increased, the Province of New Brunswick being interested (under the 11th Vic., Cap. 63) to the extent of £50,000 as a Shareholder in the St. Andrews and Quebec Railroad. The New Brunswick Government would therefore hardly consider as an indifferent matter this attempt to bring the Province under the direct action and control of a special Imperial Act.

I have endeavoured to give an outline of our case, which is also that of many other Shareholders who are equally interested, and I beg to submit it to the favourable consideration of Her Majesty's Government.

I have, &c.

(Signed) B. SHARPE.

And on behalf of, J. Montagu,
G. Wythis,
H. Price.
Holding together 1,207 shares.

The Right Honorable H. Labouchere, &c. &c. &c.