

7. That the Company will build, construct and complete the said line of railway and works appertaining thereto in all respects in accordance with the specification hereto annexed, marked "A," and upon a line of location to be approved of by the Governor in Council.

8. That the granting of the said subsidy shall be subject to such conditions for securing such running powers or traffic arrangements and other rights as will afford all reasonable facilities and equal mileage rates to all railways connecting with the said line of railway, as the Governor in Council may determine.

9. And that the said line of railway and works appertaining thereto, together with all the franchises, rights, privileges, property, personal and real, of every character shall, upon completion of the said line of railway and works appertaining thereto, be the property of the Company.

10. And it is hereby specially agreed and understood that the debt due to Her Majesty's Customs Department by the Quebec and Lake St. John Railway Company, shall be repaid to Her said Majesty out of the amount of the subsidy herein mentioned.

In witness whereof the Quebec and Lake St. John Railway Company have caused their corporate seal to be affixed hereto, and these presents to be signed by the President of the said Company, and the Acting Minister of Railways and Canals hath hereunto set his hand and caused the seal of the Department of Railways and Canals to be hereto affixed, and these presents to be countersigned by the Secretary of the said Department.

Signed by the President of the said Company,
the corporate seal of the Company having
been hereunto affixed in the presence of

T. LE DROIT, *President.*

J. G. SCOTT, *Secretary.*

Signed and sealed by the Acting Minister and
the Secretary of the Department of Railways
and Canals, in the presence of

J. H. POPE,
Acting Minister Railways and Canals.

H. A. FISSIAULT.

OTTAWA, 8th October, 1883.

SIR,—I beg to state that in obedience to instructions of 7th ult., I inspected on the 3rd inst., the first ten-miles section, north of St. Raymond, of the Quebec and Lake St. John Railway.

And now have the honor to report that this Section appears to be well located, and the curvature and gradients do not exceed the limits allowed by the specification approved by Order in Council of 18th August, 1883.

Grading.

The embankments are 15 feet in width at formation level, and have been brought up to grade, with some few exceptions at points where temporary trestles are now being filled in. The cuttings are of good width, being generally 24 feet, thus affording ample space for drainage and snow.

Culverts.

There is one cement masonry culvert, and one 3 feet iron pipe laid in concrete with masonry ends, under large embankments. The other culverts are of timber, through light embankments, which will eventually be repaired by masonry.

Bridges.

The bridge over the Ste. Anne River, near St. Raymond, consists of one through span 225 feet clear, superstructure of steel and iron, constructed by the Toronto