For the private informatios: of the Directors.

CANADIAN PACIFIC RAILWAY CO.,

MONTREAL, 6th September, 1887

TO THE DIRECTORS,

In company with the the President and Sir Donald A. Smith, I have, since the 12th ultimo, made a careful inspection of the railway from Montreal to Vancouver and I am gratified at being able to report that the entire main line is in good working order and that nearly all of it is in excellent condition.

The older portion of the line from Montreal to Mattawa, 318 miles, may be said to be fully completed.

Between Mattawa and Fort William, 382 miles, there were, at the beginning of this season, numerous low places in the roadway, resulting from the shrinkage of embankments and settlement of material incident to all newly built lines. There were, also, a number of short sections where the final ballasting had not been done, or where it had been found insufficient; also numerous places where the earth slopes were found to be exposed to the action of the water during certain seasons and these required more or less rock-facing. All these defects and deficiencies are being made good and within a few weeks the whole of this section will be in such permanent good condition that it may be kept up by a comparatively light force of trackmen, and the work will, I think, be completed within the appropriations already approved by the Board for the purpose. A considerable number of the