

There is also a branch of ten miles from New Westminster to Burrard's Inlet constructed by Messrs. Moody & Co.

The line on the mainland between Yale and Quesnel, a distance of 326 miles, has been rebuilt.

Five miles and a half of submarine cable have been purchased in England and one mile in San Francisco.

The telegraph scow used in laying cables has been repaired, and the boiler of the donkey engine put in order.

Breaks have occurred in the Rosario Strait cable in November and March; in the Haro Strait cable in March; in May in the cables between James and Sydney Islands and between Henry and San Juan Islands.

The country between Victoria and Nanaimo was examined to determine the best route for a telegraph line. One line was traced to pass by the head of the Saanich Arm—all land line. The other line, to cross that arm with a submerged cable of $2\frac{1}{2}$ miles, at a point 20 miles from its head. The latter 75.27 miles in length, was adopted and placed under contract. The line is completed, but not yet open to the public.

The expenditure during the year has been.....	\$49,067 13
The Revenue.....	5,319 99

(Appendix 13 page 65.)

The service has been completely reorganized, and it is anticipated that a large immediate saving will be gained. (Appendix 16, page 76.)

TELEGRAPH AND SIGNAL SERVICE.

Parliament having granted a subsidy of \$15,000 per annum for the establishment of telegraphic communication between the Island of Anticosti, Magdalen Island, Bird Rocks and the mainland, negotiations are in progress for the construction of the several lines.

A contract has been entered into with the Dominion Telegraph Company for constructing, maintaining and operating a line between Canso and Halifax, to be paid out of the appropriation of \$20,000 obtained at the last session of Parliament.

An arrangement for communication by flags or semaphores has been made whereby passing vessels can communicate with the light-house and Telegraph Stations on the mainland.