

The extensive experience of Mr. Keith in works of this nature, and his long established reputation for integrity and energy of character, afford the strongest guarantee that the entire work will advance steadily to completion within the time specified in the contract

The first division of the work has been placed in the hands of Mr. Jerome B. Hulbert, of this city, the Contractor and present Lessee of the Gosford Railway, whose large experience upon that and many other railways, both in Canada and in the United States, has established for him an enviable reputation for great energy and perseverance in whatever he undertakes.

It is the intention of the Contractors to commence the laying of the track at Quebec, as early next Spring as the iron rails can be received, and to open the road to Three Rivers as early next season as practicable.

The sum expended by the Contractors, in engineering, right of way, graduation, and contingencies, up to the present time, amounts to \$122,095.93.

This expenditure, according to the terms of the contract, entitles the Contracting Company to a *pro-rata* estimate, payable in the debentures of the Railway Company, and the City of Quebec, in the proportion of each as specified in the contract. But as neither class of these debentures has as yet been prepared and executed, in proper form for delivery, the Contractors have not called for an estimate up to the present time, and as I am informed by Mr. Keith, they will probably not do so before the close of the present month.

VI. GENERAL REMARKS

Having, on the 20th of April last, had the honor of submitting to the President, and Board of Directors, a somewhat lengthy "Report in relation to the past history, present