Department of Public Works.

annual deficit, the works on the St. Maurice River now bring forth a comfortable net income over all expenditure, the revenue during the last year being the largest received since the inception of the works.

As was foreshadowed in last year's report, an Order in Council was passed on the 5th February, 1896, for the abandonment of the works on the Saguenay River, the maintenance thereof being a somewhat important yearly charge, while for some years past the works had been unproductive.

A disagreement with the lumbermen operating in the Newcastle District as to the rates to be charged, has prevented the collection of revenue on those works for the past three years.

In 1892, Messrs. Mossom Boyd & Co., of Bobcaygeon, declined to pay dues upon a portion of the works, and the case having been carried to the Exchequer Court, it was decided that for the works on the Fenelon River the department was not entitled to collect any dues for any of the years from 1882 to 1892, and the amounts collected previous to the judgment of the court had to be refunded. The complaint of the lumbermen which has not yet been awarded upon, rests upon their plea that certain of the works for the use of which rates are being charged are either useless for the speedy passage of the lumber or render the operation more difficult and more expensive.

An examination has been made of the river and of the works in question, and a report will shortly be submitted which, it is hoped, will remove the difficulty complained of and will permit of the collection of revenue on these works without any danger of friction with the manufacturers of lumber.

Under ordinary normal conditions, it is confidently expected that the revenue of the next fiscal year on the works controlled by this department will exceed that of the past two years.

EXPENDITURE.

The expenditure of the department under the three heads of Harbours & Rivers Public Buildings and Telegraphs, has been controlled in the usual efficient manner by the officers in charge of these various branches, and has, as hereinbefore stated, amounted in the whole to the sum of \$1,583,409.25.

The important works on

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referred to in my last report as being in course of execution have been carried on as fast as the appropriations would permit, including the work at the eastern entrance to the harbour of Toronto, the contract with Messrs. Murray & Cleveland having been completed and closed. Provision has been made in the estimates laid before Parliament for works during the next fiscal year at Goderich, Owen Sound, Collingwood, Kincardine and other important points in Ontario, with a view of enhancing the accommodation required by the shipping and ever increasing commerce of the great western lakes. In the province of Quebec and in the Maritime Provinces, the various wharfs, landing places and breakwaters requiring attention have been repaired and extended.

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