5th October, 1876.

Sir,—In reference to the subject of your letter of the 18th ult., to Mr. Marcus Smith, Deputy Engineer-in-Chief of the Canadian Pacific Railway, I am instructed to inform you, that the Hon. the Minister of Public Works authorizes you to instruct Messrs. Purcell & Ryan; Contractors for works embraced in Contract No. 25, to proceed with the construction of the tunnel and other works on the proposed improved line between Stations 2050 and 2450 on the original located line, whereby the railway will be shortened to the extent of (as stated in your letter) 17 miles, under the following conditions:—

The substituted line is to be adopted without detriment to the contract; the tunnel is to be paid for at the rate of nine dollars (\$9.00) per cubic yard, or one hundred and thi ty-five dollars (\$135.00) for each lineal foot of its length; the various other works are to be paid for at the rates for such works given in the Contract Schedule of Prices, and the condition in the contract which states that the rail track is to be laid through to the navigable waters of Lac des Mille Lacs by the 1st August,

1877, is to be faithfully carried out.

Before commencing the work here referred to, you are to procure from the Con-

ractors their assent in writing to the above conditions.

I have the honor to be, Sir,
Your obedient servant,

(Signed) F. BRAUN, Secretary.

Samuel Hazlewood, Esq., Engineer, C.P. Railway, Prince Arthur's Landing.