

the line is fully completed in every respect, with the exception of six or eight miles of ballasting and some widening and rock-facing of embankments for a short distance on Kamloops Lake, all of which will soon be done.

The line from Savonas Ferry to Port Moody, 213 miles, was turned over to the Company by the Government last year, in June, and was accepted under protest as in an unfinished and generally unsatisfactory condition. In order to keep it open and safe for traffic the Company has been obliged to expend a considerable amount—about \$80,000—on this section, in removing rock and earth slides, in strengthening bridges, and, generally, in temporarily protecting the line. The rectification and completion of the work on this section has been provided for by an agreement with the Government, and all questions relating to it are to be determined by arbitration. It is expected that the amount expended by the Company in correcting defects and deficiencies up to this time will be recovered, and that provision will be made for all of the work necessary to be done on this section to bring it up to the requirements of the contract between the Government and the Company. The ballasting on this section is completed and the track itself has been put in very good condition.

The extension of the Company's line westward from Port Moody is now fully completed to Vancouver, 12½ miles. The Company's agreement with the Government of British Columbia required this line to be carried to a point on English Bay, about two miles west of the present city of Vancouver. The rails have been laid on this section of two miles, but the ballasting remains to be done. A wharf 1000 feet long has been built by the Company, on the Coal Harbor front of Vancouver, and three large freight sheds have been built thereon. These docks to a considerable extent rest on timber piles, and as these