

In order therefore to justify so low a rate as 20 cents per ton for this description of traffic, it must be shown that this short traffic can be worked at a less cost per train mile than the general traffic of the railway has been worked at. We believe that this may be effected but only by keeping the speed of the trains below twelve miles per hour, and by insuring a regular volume of freight.

It will be remembered that the Pit mouth of the Acadia Mine is about three miles distant from Coal Mines station, on a branch line constructed by the Pit owners. Some account must therefore be taken of the use of the rolling stock over the branch and if it is stocked and worked by the department, an addition must be made to the above rate proportioned to the distance. The maintenance of the way and works by the Pit owners being not more than an equivalent for the additional cost of working incident to the heavier grades and sharper curves which are met with on the branch.

It has been suggested that the Pit owners may supply the power for working the branch. If they should do so a somewhat lower rate may be accepted on their part of the line, say one cent per ton per mile. A rate based upon the suggestions above offered should only be conceded under the following conditions:—

1st. The quantity of coal carried shall not be less than 200,000 tons per annum.

2nd. The whole quantity carried shall be evenly distributed over each day of the whole period during which it is moved.

3rd. The trains shall be made up at both ends, and all shunting, loading and unloading done by the owners of the coal.

4th. The way and works on the branch shall be maintained in a satisfactory state of repairs by the Pit owners.

Under these conditions we submit that a rate of 20 cents per ton of 2,000 lbs from Coal Mines Station to the wharf may be conceded, and the rates upon this basis will then stand as follows:—

For the eleven miles from the Junction at Coal Mines Station, to the wharf, 20 cents per ton of 2000 lbs; and

Additional on the branch to the Pit mouth, the department finding power and stock $1\frac{8}{1000}$ cents per ton per mile, or:—

Additional on the branch, if the Pit owners find the power, 1 cent per ton per mile.

Until the Pit owners are in a position to accede to the above conditions, we submit that no reduction in the rate now charged ought to be made.

With reference to the coal traffic to Halifax, we are of the opinion that the present rate which is about $1\frac{1}{2}$ cents per ton per mile, should be continued. It is as low as the traffic can be worked for without loss.

It is not probable that any very large quantity of coal will be carried through so long as the cartage from Richmond to Halifax adds so largely to the cost, but whenever the means of delivery at a central place are provided, we have but little doubt that the chief part of the city consumption will be carried over the road.

In our preliminary report we expressed opinions on several matters affecting the general management of the roads. We referred to the necessity of working the freight trains at lower speed, to working the trains on the Windsor branch in common with the trains on the main line as far as the Junction, to the contract with the Telegraph Company, to the necessity of providing machinery for repairing the car stock, to the existing wood contract with Mr. Hyde, and to the provision of additional accommodation in wharfage and freight buildings at Pictou, as also some passenger accommodation at Windsor. We advised the removal of the main offices from the city to the terminus of the railways at Richmond, and we referred to the system of paying by certificates drawn on the Dominion Paymaster.

To what we then advanced, we have now to add that the management has heretofore been deficient in the arrangements made for checking baggage, and the transfer of traffic generally over connecting lines of steamboats, and we suggest that immediate attention should be directed to the improvement of this part of the management.

Since our preliminary report was written, we have examined the ground at the Windsor Junction, and we see no obstruction to the completion of the Y. This, while greatly facilitating the working of the traffic of the branch in connection with the main line, would serve in lieu of a turntable, and we therefore recommend that the proposed alteration be at once effected.

We have extended our enquiries as to the comparative cost of wood and coal as a fuel for the locomotives, and we are fully convinced, that with coal of the quality, and at the