

\$100,000 on condition of the acceptance by the Provincial Government of the necessary security for the grant of a subsidy. The line was to begin at Port Hastings, and to be constructed to Broad Cove, and if not extended to Cheticamp, the half of the Bonus (which could all be drawn by that time) was to remain as the first lien on the Company's property. During last summer, construction was commenced at Port Hastings, and carried on over about 15 miles along the Coast, the work being limited to banks and cuttings, and the Line being "located," apparently, a little in advance of the earthworks, beyond which, it is supposed, no further "location" has been made. The original Company appear to have obtained a grant for the "Right of Way," from the Municipality, whether with or without conditions is not known. Neither the first nor the second Corporation have succeeded in obtaining a subsidy from either Dominion or Provincial Governments. The Municipality appointed an Appraiser, who valued property as it was entered on by the constructors. The work has been stopped since the beginning of winter.

10. That portion of the line between Port Hawkesbury and Hastings will be very costly, if carried along, or near the water's edge. A proposal has been made to take a line at the back of Port Hawkesbury, but, besides being impracticable from the nature of the ground, its situation would be inconvenient. Two trestles, 800 feet and 1000 feet long are estimated at \$18,000. A junction would have to be effected with the Cape Breton Railway, by curving round the head of Ship Harbour. The difficulties over this portion have, so far, had the effect of the company not taking up this part of the line, with the apparent intention of making Port Hastings the Terminal Shipping Port on the Straits of Canso, and depending upon a Ferry Service to making a connection with the Intercolonial Railway across the Straits at Port Mulgrave. As compared with Ship Harbour, (Port Hawkesbury,) the accommodation at Port Hastings for loading and unloading is very small. The triangular Ferry Service existing at present across the Straits will be discontinued on the opening of the Cape Breton Railway which will carry all but the mail to the North. This, with more benefit to the public, can be brought on from Port Hastings to Point Tupper and cross with the other mails.

Description and difficulties of the line between Port Hawkesbury and Port Hastings.

11. From Port Hastings north, along the coast, the construction may prove of a moderately easy nature, though protection will be needed in places, from the sea. There is, however, only a very narrow strip of country between the shore and the foot of the Craguish Hills, where they do not run down directly to it. There is some fishing, but little agriculture. Twenty miles farther to the north, the country widens out more. Port Hood, the county town is about 30 miles from Port Hastings. Here, at one time there was a fine harbour, which was destroyed,

Port Hastings to Port Hood.