The Nova Scotia District extends from Painser Junction to Truro, a distance of over 117 miles; it comprises divisions V to Z inclusive; it is under the charge of W. H. Tremaine, Esq.

As all the divisions are not as yet under contract, the permanent appointments are not all filled up. The several engineers who have been engaged on surveys, are understood

to be only temporarily appointed.

I have every reason to be well satisfied with the duties performed by each member of the staff as it now exists; whether on survey or on construction, they have, as a rule, worked most assiduously, and have strained every nerve to carry out instructions in the best manner and in the shortest time. I think the work accomplished affords ample

proof of this.

Members of the staff on construction, have labored most diligently; under the peculiar circumstances of each case they have had a great deal to do. The contractors, during the past summer, generally began at all the light work on their contracts, and thus gave the engineers in charge more trouble in "setting out," than if the workmen had been concentrated on the heavy excavations. Again, when the contracts came to be closed, the labor in measuring up for re-letting, was very great, owing to the ground being disturbed at so many points.

Up to this time, every member of the staff has been fully employed, and it will require every exertion during the remainder of the winter to prepare the plans and

necessary calculations for letting the remaining sections of the line.

I may take this opportunity of stating, that I think the principal engineers on the staff should be placed on a more liberal footing than at present, I am decidedly of opinion it is in the public interest that they should. I refer mainly to the district engineers, although, as far as the payment of necessary travelling expenses on duty is concerned, I allude, also, to those engineers immediately in charge of contracts. It would place them

all in a more independent and altogether more satisfactory position.

With regard to the district engineers, three of them at all events were selected by me and engaged for a considerable time before the appointment of the Commissioners. I led them to expect that their salary would in each case be \$3000 per annum with all necessary and reasonable travelling expenses on duty allowed, and they were actually paid in accordance with this understanding up to the time the Commissioners came into office at the end of 1868. I feel satisfied that this rate of compensation is not by any means too much for the four district engineers, when the onerous professional duties they are required to perform is considered, and I avail myself of this opportunity of again recommending it.

I wrote you on this subject on the 15th of April last year, at the time when I received remonstances from the gentlemen referred to, against a reduction in the rate of salary they were led to expect, and I enclose with this, copies of letters, which, for the purpose of conciliation, I deemed it advisable to write to them soon afterwards.

I may here observe, that owing to the languid progress which has hitherto been made in prosecuting the works, the district engineers' expenses in supervision and travelling from point to point, have not been so great as I anticipated when I wrote you on the subject in April last; but, hereafter, when construction is carried on with vigour, their expenses must necessarily be very considerable, much more than any public officer should be called upon to pay out of his limited salary.

I am, Sir, Your obedient servant, SANDFORD FLEMING, Chief Engineer. Letters Enclosed.

To C. S. Ross, - - April 15th, 1869. ,, A. Hazlewood, - May 31st, " A. L. Light, - June 9th, W. H. Tremaine, June 9th, Marcus Smith, - June 9th,