

Columbia, the maximum amount that could be judiciously expended during the year 1874, may be set down at \$500,000 or \$600,000. This expenditure might be somewhat increased in 1875 and 1876, and it is believed that a total sum of \$2,000,000 might be expended within three years on these works, so as to result in establishing a Telegraph and Post Road along the Railway line, the whole way from the Waggon Road in British Columbia to the settlements south of Lake Nipissing.

The Railway from Lake Superior to Lake Manitoba would of course cost a large sum. The exact amount it is impossible as yet to estimate, except by the simple rule of proportion and on the assumption that one mile will cost a round sum; in this way, the cost of this Section of the Railway could scarcely be placed at less than, say—\$15,000,000. Of this amount, owing to the peculiar circumstances of the case, it would scarcely be possible to spend advantageously more than \$1,500,000 during the first year; however, in subsequent years, the annual expenditure might be largely increased, and it would be quite possible to lay the rails throughout in four years.

According to the above an appropriation of \$2,000,000, for the year 1874, would not only be sufficient to begin operations generally, but it is probably the maximum amount, that could be judiciously expended on construction during the first season. By the end of 1874, the Surveys in British Columbia will it is believed be so complete as to enable the Government to decide on the route through the Cascade range and allow construction to be commenced from the Coast towards the interior. The progress made too during the year in other Sections