communication during the next season—that is in the year following the present—will be complete from this point to the waters of Lake Huron at Algoma Mills, a point 182 miles west of Callander Station. The sixty miles east of Algoma Mills are under contract, and it is expected the track will be laid upon that portion this season, so that the seventy-two miles intervening between Sturgeon River and the portion now under contract to Algoma Mills will be attacked at both ends, and be consequently completed during the year. The main line, as it is now proposed by the Canadian Pacific Railway Company, is intended to run westward from Algoma Mills to within twenty or thirty miles fo Sault Ste. Marie, running through a favorable country. They have made formal application for this change of location. The Government have passed an Order in Council, of which I have just placed a copy in the hands of the leader of the Opposition, agreeing to adopt that location provided it is found upon further survey that they are able to show the plans and profiles of a through line from that point within twenty or thirty miles of Sault Ste. Marie, running nearer to the coast to the head of Lake Superior. Until that plan and location are submitted for the approval of the Governor in Council it is not the intention to pay any portion of the subsidy intended for the Canadian Pacific Railway upon any portion common to that line, and what I call the interior line, running from the north of Lake Superior to a point sixty or seventy miles north-west of Callander Station. I have no doubt myself, after the information I have received from the engineer of the Company, that a very fair line will be obtained in that locality. We have only very recently received information from the able engineer who has been going over the most difficult portion of it, that, although the line will be probably attended with greater cost in construction, it is believed that a very good line, with grades not inferior to those that we would have been obliged to encounter in the interior line in the neighborhood of the upper part of Lake Superior, will be attained. There be very great advantage, as hon, gentlemen will opposite will see, from the adoption of the proposed line. In the first place, I may say that the line is assumed to be no longer, the distance will be no greater in the one ease than in the other; it is about 650 miles, whether you go by the interior line from Callander Station to the head of Lake Superior, or whether you go to within twenty-five or thirty miles of the Sault Sto. Marie line and thence away to the north to Thunder Bay. I may say it will be at once seen that as the line will run in the neighborhood of the waters of Lake Superior, there is much less likelihood of its being