The balance to be paid on the entire completion of the railway to the Nipissing Road at the south-east corner of Lake Nipissing; Provided that payments may be made upon rails delivered, to the extent of Seventy-five (75) per cent. of the market value thereof—the amount so paid on rails to be deducted from each settlement of ten miles.

All payments to be made on the certificate of the Chief Engineer.

They further recommend that payments be made to the extent of Eighty (80) per cent, of the work actually executed, on the completion of every ten miles, in the proportion which Ten thousand dollars per mile bears to the actual cost of each Section.

The Company, however, to have the option of substituting the payment by the Government of the interest (or part of the interest) on bonds of the Company, running over such term of years as may be hereafter approved by the Governor in Council, in lieu of the mileage subsidy referred to.

The terms and conditions in all other respects to be the same as above provided. The grant to be operative only after the ratification of this Order in Council by resolution of the House of Commons.

Certified.

W. A. Himsworth, Clerk, Privy Council.

Mr. Mackenzie, a Member of the Queen's Privy Council, laid before the House,—Agreement made between the Honorable Alexander Mackenzie, as Minister of Public Works of Canada, and the Moncton Gas Light and Water Company as followeth:—

This Agreement made this Twenty-third day of April, in the year of Our Lord one thousand eight hundred and seventy-eight, between the Honorable Alexander Mackenzie, as Minister of Public Works of Canada, and the Moncton Gas Light and Water Company;

Whereas it is advisable for the better working of the Intercolonial Railway at *Moncton*, to organize a system of Gas and Water Works to supply the Workshops at

Moncton with these articles;

And whereas the *Moncton* Gas Light and Water Company, who are about to establish Gas Works and Water Works at the Town of *Moncton*, in the Province of *New Brunswick*, for the use of that Town, have signified their willingness to supply the Intercolonial Railway at that place with such quantity of gas and water as may be required from their proposed Works;

And whereas, by Order in Council of the 26th March, 1878, the Minister of Public Works of Canada was authorized to enter into an agreement with the Moncton Gas Light and Water Company for the supply of water and gas for the Intercolonial Workshops at Moncton, N.B., in accordance with the conditions hereinafter specified for such a number of years as may be deemed best in the interest of the Railway;

Now, therefore, the said Minister and the Moncton Gas Light and Water Company

do agree as follows:-

## 1st. Water Supply.

1st. The Moncton Gas and Water Company agree to provide a reservoir giving a head of water, at the Railway Works, of about one hundred feet, and that their supply pipes leading to and up to the Railway grounds shall not be less than twelve inches in diameter and one-half inch or nine-sixteenths of an inch in thickness.

2nd. The said Company agree also to supply the Intercolonial Railway with all the water they require for the use of their engines, station, workshops and every purpose within the Railway grounds at *Moncton*, including a full pressure through such hydrants as may now exist, or may hereafter exist for fire purposes.

3rd. The said Company shall give and secure a full supply of pure and whole some water to the Railway for all the purposes it may require, whether specially

stated in the foregoing clause or not.

4th. Should the Company fail to provide a full and regular supply of water, such as may be required at any time, the Government reserves the privilege of refusing