

(1.) A subsidy of \$6,500 per mile to the construction of a line of railway from the Straits of Canso to either of the harbors of Louisburg or Sydney, a distance of about eighty miles.

(2.) A subsidy of \$6,000 per mile for a branch line from said main line northwards to the waters of Whycocomagh Basin, a distance of about miles.

Provided, however, that no subsidy be paid to the said Northern Branch Line until said main line be fully constructed from Canso to either of the said Atlantic seaports of Sydney or Louisburg, or the construction of such main line be fully provided and secured to the satisfaction of the Government of Canada, in which case both lines may be proceeded with simultaneously.

Your Petitioners, as in duty bound, will ever pray, &c.

OTTAWA, 18th April, 1883.

OTTAWA, 11th May, 1883.

Memorandum.

The undersigned has the honor to represent that under date the 16th ultimo the Great American and European Short Line Railway Company have petitioned to the following effect, namely, that they have in view, as an incorporated body under Acts of the Dominion Parliament, and of the Legislature of Newfoundland, the construction of an air line, extending from the termini of the Canadian system at Montreal, through the Provinces of New Brunswick, Nova Scotia and Cape Breton (the Straits of Canso being crossed by a train ferry) and the Island of Newfoundland to a point on the eastern coast of that Island above the limit of fog and ice, thereby affording the shortest and safest transit to Europe.

That the Company do not, they state, propose, at present, to undertake the construction of the Newfoundland line, but to confine their immediate operations to the building or acquisition of an air line between Montreal and Louisburg, C. B.

That the total length of this line they represent to be about 764 miles, of which owned and controlled by separate companies, some 308 miles are in operation, and 109 miles under construction; further, that favorable progress has been made in the way of negotiation for the acquisition and consolidation of these several portions by the Company.

That the petition put forward by the Company contemplates the grant of aid towards the construction of railway for a distance not exceeding 295 miles the sum asked for \$1,200,000 being distributed as follows:

- 1. In the Province of Quebec, between Marieville and Lennoxville, about fifty-five miles, the sum of \$3,200 a mile \$176,000
- 2. In the Province of New Brunswick, between Fredericton and Bay Verte, about 120 miles, the sum of \$3,200 a mile \$384,000
- 3. In the Province of Nova Scotia, between Bay Verte and Pugwash, about 40 miles, the sum of \$3,200 a mile.. \$128,000
- 4. In the Island of Cape Breton, between the Straits of Canso and Sydney or Louisburg, about eighty miles, the sum of \$6,400 a miles (the increase in the cost here being more than double)..... \$512,000

The Company, in addition to the above, ask: 1st, for a postal subsidy for the carriage of mails after the completion of the line to Houlton; 2nd, for free running powers over the Intercolonial Railway between Salisbury and Painsec Junction; and 3rd, a cash subsidy towards the construction of a line from a point either at the Straits of Canso or on its line to Louisburg, in the direction of Whycocomagh and Cape North, not to exceed thirty miles, the sum asked being \$6,400 a mile, or a total of..... \$182,000

That in support of their application the Company submit statements, showing the saving in distance and time which would be practicable through the construction of