

upon which the Government intended to set aside the first \$1,000,000 for the purpose of beginning operations, the work was for the time being postponed. According to further estimates afterwards prepared, the cost of the Ship Canal might have been as high as \$9,000,000, or even \$10,000,000.

The postponement of operations continued until 1880, when Mr. Ketchum, a Canadian civil engineer, placed before the Government proposals for a Ship Railway instead of a Canal, as being a cheaper and better method of supplying the necessary transportation requirements across the Isthmus.

Mr. Ketchum's proposals for a Ship Railway were referred by the Government to the Chief Engineer of the Department, Mr. Collingwood Schrieber, C.M.G., who, after an examination of the proposal, made a report on 4th February, 1882, in which he said, referring to the report of the Royal Commission :

" After a most exhaustive enquiry they reported (vide page 50, letter of Canal Commission) that inseparably connected with the growth of the Intercolonial trade is the construction of the Baie Verte Canal across the Isthmus connecting the Provinces of Nova Scotia and New Brunswick. The advantages that must accrue, not merely to the Dominion as a whole, but to the commerce of the Maritime Provinces, are so clearly pointed out by the Boards of Trade of all the leading cities of Canada and by men interested in our Commercial interests, not simply the merchants of St. John and other places in the locality of the proposed canal, but merchants of Hamilton, Toronto, Ottawa, Montreal and Quebec that it is superfluous for the Commissioners to do more than point briefly to a few salient features of the scheme :—

" On page 51 the Commissioners state the distance from Shediac to St. John by the present route via the Gut of Canso to be 600 miles. This distance would be reduced by the construction of the Baie Verte Canal to about 100 miles and freights would be in their course diminished by 25 per cent., greatly benefitting the coal trade and fisheries and increasing the volume of general business.

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" It is Canadian in design and must prove national in its results.

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" The Commission after a most exhaustive enquiry, appear to have concluded that the passage of ships through the Isthmus of Chignecto, without breaking bulk in their cargoes, is a matter of very great importance. This object Mr. Ketchum proposes to accomplish by a subsidy of \$150,000 a year for 25 years, which, capitalized, is equal to the sum of \$2,343,312."

Mr. Collingwood Schrieber also recommended that if the government assisted the undertaking, it should be by an annual payment commencing with the opening of the Ship Railway for traffic and continuing so long as the railway is efficiently maintained and operated, not exceeding the specified term, and these recommendations were afterwards embodied in the Company's Act.

The foregoing shows that the Royal Commission expressly appointed to enquire into the subject found that a channel for the accommodation of the commerce of the Maritime Provinces across the Isthmus of Chignecto was a pressing necessity, and their conclusions were fortified and sustained by the opinions of independent public men and were consequently adopted by the different governments, both Liberal and Conservative, of that period.