

THE CHIGNECTO SHIP RAILWAY,

Estimates of Traffic.

800,000 tons freight at an average of 50 cents per ton,	\$400,000 00
800,000 tons vessels' hulls at an average of 12½ cents per ton,	100,000 00
Estimated Receipts,	\$500,000 00
Working expenses and administration as per estimate of Sir B. Baker, being 30 per cent. of the receipts,	150,000 00
Net Revenue,	<u>\$350,000 00</u>

Another estimate.

Setting apart the subsidy to provide interest on the bonds for 20 years, a traffic of only 320,000 tons at the above rates, would provide 7 per cent. on the preferred share capital, and 7 per cent. on the ordinary share capital, thus:

320,000 tons at the average rate of 50 cents per ton,	\$160,000 00
320,000 tons vessels' hulls at the average rate of 12½ cents per ton,	40,000 00
Receipts,	\$200,000 00
Working expenses, 30 per cent.,	60,000 00
Net Revenue,	<u>\$140,000 00</u>
7 per cent. on \$1,500,000, preferred shares,	\$105,000 00
7 per cent. on \$500,000, ordinary shares,	35,000 00
Total dividend,	<u>\$140,000 00</u>

Working Expenses.

The working expenses of the Ship Railway, as compared with a railway of the ordinary type, should be very small indeed. The line is perfectly straight. One-half of it is absolutely level. The other half has gradients not exceeding 10 feet to the mile. The works are solidly built, the rails heavy; the sleepers of unusual size; the ballast, broken rock; it is believed the cost of maintenance of way will be reduced to a minimum. It may be considered a freight line, without the usual terminal expenses. The freight, that is the vessel with its cargo, loads and unloads itself automatically on and off the railway. The speed will be slow, not exceeding ten miles an hour. Fuel is cheap in the coal producing county of Cumberland, Nova Scotia. Besides the cost of lifting vessels to the level of the railway and depositing them afterwards into the sea, which is very small, the principal cost will be the locomotive power, which on ordinary railways bears the proportion of about 17½ per cent. to the gross earnings. It is believed therefore that the estimate of 30 per cent. for working expenses is full. The estimate of working expenses was based on the usual cost of maintenance and repairs on a double track railway for the whole year. Without any especial effort to economize, the Ship Railway might be worked for \$50,000 per annum, which would, of course, permit of the same profits with very much less tonnage. A regular daily line of steamers between St. John and Charlottetown over the line of Ship Railway would contribute largely to the business expected. The Chignecto Steamship Company has been formed in London, with a capital of £60,000, for this purpose; the untoward financial crisis so far has prevented this object from being consummated, but it is steadily kept in view.

Fuel cheap.

A line of steamers in connexion with Ship Railway.

The tolls.

The tolls to be charged on the Ship Railway must be sanctioned by the Governor General in Council before being levied and collected by the Company.

Average rate on cargo.

The estimated average rate of fifty cents per ton is therefore only suggested as the probable rate that the Government would be inclined to sanction for the freight carried, for it is,