

	\$578,221
" 15 per cent. ....	86,733
	<u>\$664,954</u>
" And the average per mile. ....	17,497

"The above estimate makes no allowance for ordinary contractor's profit, nor for the cost of railway transportation of rails, material and labour, nor the use of rolling stock, tools, and materials, which would have to be defrayed by a constructing company; the Canadian Pacific Railway Company, in constructing a road themselves, finding their own railway transportation and using their own rolling stock, tools, plant and materials, for which the work is only charged at construction rates."

And again:—

"We inspected the grading over the portion then built as far as Slocan Lake, and found the work decidedly well done, and, as I consider, fully up to the standard required by the specifications of the Dominion Government when inspecting for the purpose of paying the usual subsidy."

And further:—

"The general gradients and curvature of the line as located are, I consider, the best the country will permit."

#### MR. MARPOLE'S STATEMENT.

In the sworn statement of Mr. Marpole, Superintendent of the Pacific Division of the C. P. R., are the following:—

"We found the work of construction, so far as it had progressed, to be well done, and such as would be, in our opinion, acceptable to the Canadian Pacific Railway Company for operation, and up to the standard required by the Dominion Government regulations for a subsidized road in a mineral country. So far as inspected the gradients and curvature are, in my opinion, not excessive, and are the best the country will allow within reasonable limits of expenditure in construction.

"I am familiar with the estimate made by Mr. Duchesnay, and in my opinion the total cost as placed by him at \$664,954 was a moderate estimate even under the favorable conditions which he mentions as influencing him in its preparation.

"I submit, for the purpose of comparison, the relative cost of the Mission Branch of the Canadian Pacific Railway and of the Columbia Kootenay Railway, both of which were constructed by the Canadian Pacific Railway, and under the immediate supervision of the Company's Engineers.

"Attached hereto and marked "A" is a statement of the cost of the mission Branch of the Canadian Pacific Railway, which shows the total cost to have been \$236,157.15, ex-

clusive of the bridge across the Fraser River, and the average cost per mile, \$23,615.72; and also attached hereto and marked "B" is a similar statement of the cost of the Columbia and Kootenay Railway, showing the total cost of that railway to have been \$588,913.11, exclusive of the bridge across the Kootenay River, and the average cost per mile, \$21,183.92.

"The work of construction on the Mission Branch of the Canadian Pacific Railway and on the Columbia and Kootenay Railway was heavier than on the Nakusp and Slocan Railway, and the smaller amount of the estimate for construction was also due to the fact that at the time of construction of the former railways the cost of labor and supplies was higher than it was estimated it would be at the time of the construction of the Nakusp and Slocan Railway; but, even making allowance for these conditions, the estimate of \$17,497 as its probable cost to the Canadian Pacific Railway, in light of the facilities mentioned in Mr. Duchesnay's declaration, is low.

"The rolling stock and equipment which will be placed upon the Nakusp and Slocan Railway when completed will be transferred from the main line of the Canadian Pacific Railway, and will be of the same standard as is now in use on other branches operated by the Company.

"The rails supplied by the Canadian Pacific Railway Company, to the Nakusp and Slocan Company, in pursuance of the agreement of the 9th August, 1893, are ordinary 56 and 60-pound rails, which are being taken off sections of the main line where we have heavy traffic and where large locomotives are in use for the purpose of being replaced by 72-pound rails, and in this matter the Nakusp and Slocan Railway is being treated in an exactly similar manner to the Mission Branch, the Columbia and Kootenay, and the Arrow Lake Branch."

#### COST OF THE MISSION BRANCH.

Clearing, grubbing, grading, trestles and bridges, excluding the bridge across Fraser River .....	\$127,902 15
Track, ballasting, engineering and incidental expenses.....	80,850 21
Right of way.....	8,998 67
Fencing .....	6,622 83
Buildings .....	<u>11,783 29</u>

Total cost of railway ready for traffic, exclusive of bridge across Fraser River, and exclusive of rolling stock.....\$236,157 15

Mileage, 10, equal to a cost of \$23,615.72 per mile, not including rolling stock or the bridge across the Fraser River.

Certified correct.

J. D. TOWNLEY,  
Accountant, Pacific Division, C. P. R'y.