

Cheticamp in the North, via Port Hood, Mabou, Broad Cove and Margaree. The object in view was, it has been stated, to reach the four coal fields already mentioned, besides one in Richmond, with terminal harbours at Cheticamp and Cariboo Cove, the latter being generally, if not always, free from ice in all winters, and coal could, therefore, be shipped from there all the year round. A preliminary survey was made by this company in the summer of 1887. It commenced at the Cape Breton Railway, about two miles from Point Tupper, (the portion south to Cariboo Cove having, apparently, been left in abeyance,) and followed the shore of the straits, past Ports Hawkesbury and Hastings, and the Gulf Coast as far as Port Hood. Here it left the coast and passing into the valley of the South-west Mabou River, crossed the East Mabou River near the mouth of Glendyer Brook, the valley of which it ascended, till it crossed the summit and descended to Lake Ainslie by Black River. Thence it passed down, northerly into the valley of Big River, but left it again before reaching the Broad Cove Mines, and followed very closely the line of country traversed by the present Post Road, by Broad Cove Marsh, to South-west Margaree. Thence, after crossing the South-west Margaree River, it reached Margaree Forks, and crossing the North-east branch, it kept the right bank of the main river to its mouth, opposite the village of Margaree Harbour, where the survey terminated, a total distance of about 85 miles.

Negotiations for aid from Government and Municipality. Estimate of cost.

8. Plans of this survey were prepared and submitted to the Dominion Parliament with a view to obtain a subsidy. An additional reason for this subsidy was urged, that the Dominion Government would be saved the expenditure of about three-fourths of a million dollars for harbours and piers along the coast. A short report was submitted, from the Engineer, in which it was stated that the line would cost, as based on the levels of the survey, \$40,000 per mile. The lengths of seven of the principal trestles and bridges were also given, aggregating 2,400 feet, at an estimated total cost of \$31,500. It was subsequently made known that a mistake had been made in the estimate, which should have been \$20,000 per mile. No details, upon which the estimate might have been based, appear to have been furnished. The Charter included the construction of a "branch" from a point where the line touched Lake Ainslie, to Whycocomagh. No survey has been made by the company of this branch. Owing to non-compliance with the necessary conditions a Dominion Government subsidy was not granted.

A new Company commence construction, having obtained, on conditions, a county bonus of \$100,000

9. There subsequently appears to have been some disorganization and reconstruction of this Company. The representatives of the new Corporation applied to the Municipal Council of Inverness, at its annual meeting in January 1889, for a "Bonus." At a special meeting of Council in May last, a resolution was passed granting a Bonus of