

EXHIBIT REFERRED TO IN MINUTES OF EVIDENCE.

EXHIBIT.

OTTAWA, 4th August, 1891.

MY DEAR BOWELL,—The application of the Tobique Valley Railway Company for a subsidy of \$3,200 per mile for the three last miles of the twenty-eight originally subsidized is, I think, entitled to your most favourable consideration.

The original subsidy granted by the Dominion was for \$3,200 per mile for twenty-eight miles, the distance between Perth Station, on the New Brunswick Railway, and Plaster Rock, on the T. V. R., the principal object being to reach said Plaster Rock, where an inexhaustible supply of gypsum is to be found. The Local Government having failed to provide a provincial subsidy, the Dominion subsidy for the twenty-eight miles was made applicable to the first fourteen miles, and a contract was entered into covering that distance. Last session the ordinary subsidy of \$3,200 per mile was asked for the upper fourteen miles, and was granted to the extent of eleven miles, leaving the last three miles unprovided for. The first fourteen miles are now nearly completed. The New Brunswick Government, at last session, voted \$70,000 to secure the completion of the road to Plaster Rock, but of course will not give any portion of that subsidy unless the road be completed to the Rock, as originally intended.

You will, therefore, easily see how important it is that the Dominion should grant the subsidy for the last three miles, as without this the local subsidy of \$70,000 will not be available, and the fourteen miles, constructed at considerable cost, will be of little or no value, while the granting of the small subsidy will ensure the completion of the whole twenty-eight miles, and make that immense gypsum deposit accessible, which was the original object in subsidizing that railway.

Yours very truly,

JOHN COSTIGAN.

Hon. M. BOWELL,
Acting Minister of Railways,
Ottawa.