

CHAPTER XIV.

RAILWAYS AND CANALS.

PART I.—RAILWAYS.

809. In India and in all the principal British colonies, with the exception of Canada, the railways have been chiefly, and in some cases entirely, built by the Government with public money, and large portions of the public debts have been incurred for that purpose, but in this country the Government have only built or acquired such lines as were required by public policy, those being the Intercolonial and connections, and Prince Edward Island railways—the first being built in accordance with the wishes of the Imperial Government, and the second having been partly assumed and finally completed in accordance with the agreement made with Prince Edward Island, when that province entered Confederation. The Dominion Government, however, has always been active in encouraging private enterprise, and in that way has expended no less a sum than \$142,934,781 in the shape of bonuses at different times to different railways, which sum represents a considerable portion of the public debt, and which, as previously mentioned, though directly productive to the country at large, brings in no immediate return to the Government. In addition to the above, the Government has at various times made loans to railways, the amount of such loans at present outstanding being \$21,201,314. The Provincial Governments have also contributed aid to the extent of \$29,823,658, and various municipalities to the extent of \$15,855,100.

Government aid to Public railways.

810. In addition to the sums above mentioned as having been paid by the Dominion Government, subsidies of Dominion lands, principally to lines in Manitoba and the North-West Territories, have been granted at various times, amounting altogether to 47,204,319 acres. If these lands are placed at the lowest estimate, viz., \$2 per acre, they represent a sum of money amounting to \$94,408,638; seeing, however, that the average price realized during 1890 and 1891 by the Canadian Pacific Railway was \$4.36 per acre, the money value represented is evidently very much larger. The Provincial Government of Quebec also, in addition to money payments of \$10,879,134, have granted lands to the extent of 13,293,500 acres, part of which has been commuted at 70 cents per acre. Some of the other provinces have also made land

Land subsidies to railways.