

Passengers and Freight.—Table 6, giving the statistics of steam railways from 1901 to 1918, shows that in 1918 the steam railways of Canada carried 50,737,294 passengers and 127,543,687 tons of freight, a decrease of 3,012,386 passengers, or 5.6 per cent, and an increase of 5,627,415 tons of freight, or 4.6 per cent, as compared with 1917. The volume of freight traffic in 1918 was again the largest in the history of Canadian railways. The distribution of freight as between different classes of products is shown in Table 15. The proportions per cent are for 1918 as follows: Agriculture, 18.72; animals, 3.34; mines, 36.99; forests, 16.35; manufactures, 17.54; merchandise, 3.96 and miscellaneous, 3.10.

Government Aid to Railways.—The railways of Canada have been built largely under different forms of Government aid. Tables 4 and 9 to 11 show its nature and extent. The principal forms of aid granted have consisted in land grants, cash subsidies, loans, the issue of debentures and the guarantee of bonds or interest. Aid has been granted both by the Dominion and Provincial Governments and also by municipalities. Table 4 shows the areas of the land granted as subsidies to steam railway companies by the Dominion and Provincial Governments, with the names of the companies in the case of the Dominion Government. The total area so granted up to June 30, 1918, extends to 55,740,249 acres.

Canadian Government Railways.—As a condition of Confederation the Government of the Dominion undertook the completion of a line of railway between the old province of Canada and the ice-free Atlantic ports of Nova Scotia and New Brunswick. This railway, known as the Intercolonial, was completed in 1876. In 1903, the Dominion Government undertook the construction of the eastern division of the National Transcontinental Railway from Moncton, N.B., to Winnipeg, to be leased to the Grand Trunk Pacific Railway Company for a period of 50 years. On the failure of the latter company to take over the operation of the road when completed, at an expenditure up to March 31, 1918, of \$164,488,237 (Table 13), the Government itself undertook its operation. The Prince Edward Island railway, opened in April, 1875, is also the property of the Dominion Government. Thus, on March 31, 1918, the Canadian Government railways had a total mileage of 5,150.08, comprising the Intercolonial railway, 2,305.23 miles; St. John and Quebec railway (leased), 127.72 miles; Prince Edward Island railway, 313.82 miles; and National Transcontinental railway, 2,403.31 miles. On June 1, 1918, several short company-owned branch lines in New Brunswick, aggregating 143 miles, were taken over for operation, pending completion of purchase. Further, in pursuance of an Act passed in 1917 (7-8 George V, c. 24), intitled an Act providing for the acquisition by His Majesty of the capital stock of the Canadian Northern Railway Company, and an agreement entered into under the Act, the Government acquired the entire capital stock of the Canadian Northern Railway Company, except five shares issued in exchange for Canadian Northern Railway income charge convertible debenture stock. Having thus acquired control, the Government, in September,