

the Canadian Pacific railway now began to acquire small branch lines as feeders; among them being the North Shore, Quebec, Montreal, Ottawa and Ontario in 1881, the Winnipeg to Manitou line in 1882, the Ontario and Quebec, the Credit Valley and the Toronto, Grey and Bruce in 1883, the St. Lawrence and Ottawa and Manitoba Southwestern, 1884, the North Shore, Nova Scotia, in 1885, the Atlantic and Northwest, 1886, the West Ontario Pacific, 1887, the Sudbury and Sault Ste. Marie, 1888, the New Brunswick railway, the Columbia and Kootenay in 1890, the Montreal and Ottawa and Montreal and Lake Maskinonge in 1892.

The second transcontinental railway, the Canadian Northern, was begun in 1896 with the completion by Mackenzie and Mann of the 125 mile line of the Lake Manitoba Railway and Canal Company, chartered in 1889. Next were acquired the charters of the Winnipeg and Hudson Bay, the Manitoba and Southeastern, the Ontario and Rainy River, and the Port Arthur, Duluth and Western. Assisted by the Manitoba Government, which desired to establish competition with the Canadian Pacific railway, the Canadian Northern next secured the Manitoba lines of the Northern Pacific, and in 1902 completed its line from Winnipeg to Port Arthur. By securing guarantees of bonds from the Dominion and Provincial Governments it was enabled to complete the great scheme of a transcontinental road, opening up in Ontario and in the West large undeveloped areas which are now in process of settlement.

Before the continental ambitions of the Canadian Northern were generally understood, the question came up of building an additional transcontinental line. About the end of the century, the Grand Trunk began to look with envy at the large and increasing revenues drawn by the Canadian Pacific Railway from the great Northwest. In 1902, the Grand Trunk submitted to the Dominion Government a proposition to construct a line from North Bay to the Pacific Coast, provided that a grant of \$6,400 and 5,000 acres of land per mile should be made. The Government in 1903 submitted a counter-proposition that the line, instead of terminating at North Bay, should be continued east to Moncton, New Brunswick, the eastern section from Moncton to Winnipeg to be constructed by the Government and leased to the Grand Trunk for a fifty-year period, the railway paying no rent for the first seven years and 3 p.c. on the cost of the railway for the remaining 43 years. The western half of the railway from Winnipeg to Prince Rupert was to be built by the Grand Trunk, the Government guaranteeing interest on bonds to 75 p.c. of the cost of construction, not exceeding \$13,000 per mile on the prairie section and \$30,000 per mile on the mountain section. This proposition was accepted and construction commenced on the National Transcontinental and the Grand Trunk Pacific.

With two new transcontinental main lines besides branches under construction, Canadian railway mileage was doubled between 1900 and 1915, increasing from 17,657 miles in the former year to 35,582 miles in the latter. The builders of the new lines, as well as the Canadian Government and people, had expected that immigration