

Toronto in 1856, its extension westward to Sarnia in 1859, and eastward to Rivière du Loup in 1860. The Atlantic and St. Lawrence Railway, to Portland, Maine, was leased in 1853 and in 1859, on the completion of the Victoria bridge across the St. Lawrence at Montreal, the Grand Trunk had a through route 800 miles long from Portland to Sarnia. Within the next thirty years many important railways of Ontario, including the Great Western, were acquired and the Grand Trunk lines were extended to Chicago.

**Construction of the Intercolonial.**—An intercolonial railway between the Maritime Provinces and Canada had been proposed as early as the 1830's. In 1844 the Imperial Government made a survey for a military road, and in 1851 agreed to recommend to Parliament either a guarantee of interest or an advance of the sum required to build a railroad. Differences of opinion as to the route resulted in the project being dropped, but in 1853 Nova Scotia undertook to construct by 1862 a trunk line from Halifax to the New Brunswick frontier, with branch lines to Pictou and Victoria Beach. In both Nova Scotia and New Brunswick, however, the scheme of an intercolonial railway broke down for lack of funds, and in 1867 there were only 374 miles of railway in the Maritimes. These, under the B.N.A. Act, passed to the Dominion Government. The latter undertook the completion of the railway, and in 1876 the line was opened to Rivière du Loup. Later on, by acquisition of, lease of, or running rights over, other lines, the Intercolonial was extended to Montreal.

**The First Transcontinental Railway—The C.P.R.**—As early as 1849 a pamphlet published by Major Carmichael-Smyth advocated the construction of a Canadian Pacific railway along a route approximating that later taken. In 1851 a Parliamentary Committee reported against the enterprise at that time. In 1871 the terms under which British Columbia entered Confederation bound the Dominion to commence the Pacific railway within two years and complete it within ten years. The building of the railway as a public work actually commenced in 1874, but was not very rapidly pushed forward. In 1880 the Government entered into a contract with the Canadian Pacific Railway syndicate, granting to the syndicate all portions of the line completed or under construction, a cash subsidy of \$25,000,000, a land grant of 25,000,000 acres, free admission of materials for construction, and protection for 20 years against competing lines. The company on its side agreed to complete the railway to a fixed standard by May 1, 1891, and thereafter to maintain it efficiently. As a matter of fact, the last spike on the main line was driven on Nov. 7, 1885. Like the Grand Trunk, the Canadian Pacific Railway began to acquire branch lines as feeders in the settled parts of the country along its route.

**The Second Transcontinental—The Grand Trunk Pacific.**—About the end of the century the Grand Trunk, which already had a line as far west as Chicago, submitted to the Canadian Government a proposal whereby it might participate in the settlement and development of the West. Lines were to be leased from Chicago *via* Minneapolis to Winnipeg, and thence a new line, subsidized by the Government, would be built to the Pacific coast. The Government raised objections to so much of the line lying in the United States and a second proposal was made for a connecting line with larger subsidies from North Bay to Winnipeg. The Government submitted, in 1903, a counter proposal 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 Pacific for a 50-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