

Government Aid to Private Railways.—In order that the private railways of Canada might be constructed in advance of settlement, as colonization, roads, or through thinly settled districts where little traffic was available, it was necessary for Dominion, Provincial and even municipal governments to extend some form of assistance. In our earlier history, when the governments had plenty of Crown land and little cash, the subsidies granted to railways frequently took the form of land grants, which had the advantage of giving the railway a direct interest in opening up the country, though they sometimes led to the railways holding large tracts of land idle for speculative purposes when intermixed Crown lands had been homesteaded, thus retarding the settlement of agricultural land. Table 13 shows the areas of the land granted as subsidies and for right of way, station grounds and townsite purposes to steam railway companies by the Dominion and Provincial Governments, with the names of the companies in the case of the Dominion Government.

As the country grew wealthier, the objections to the land-grant method became more apparent, and aid was more frequently given in the form of a cash subsidy per mile of line, a loan, or a subscription to the shares of the railway, as shown analytically in Table 14. Table 15 records the details of the most recent type of assistance given to private railways, *viz.*, by the guaranteeing of their bonds or of the interest thereupon. These guarantees enabled the railways receiving them to borrow money at rates of interest considerably lower than would otherwise have had to be paid.

13.—Areas of Land Granted to Steam Railways by the Dominion and Provincial Governments up to Dec. 31, 1934.

Item.	Bonus Grants.	Grants for Right of Way, Station Grounds and Townsite Purposes.	Total.
	acres.	acres.	acres.
GRANTED BY—			
Dominion.....	31,783,654·88	97,987·60	31,881,642·48
Nova Scotia.....	160,000·00	—	160,000·00
New Brunswick.....	1,788,392·00	—	1,788,392·00
Quebec ¹	2,085,710·00	—	2,085,710·00
Ontario.....	3,241,207·01	—	3,241,207·01
Manitoba.....	—	230·02	230·02
Saskatchewan.....	—	5,919·99	5,919·99
Alberta.....	—	480·78	480·78
British Columbia.....	8,233,410·00	9,086·17	8,242,496·17 ²
Totals.....	47,292,373·89	113,704·56	47,406,078·45

For footnotes, see end of table, p. 668.