

**Government Aid to 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 and Provincial Governments and even the municipalities to extend some form of assistance. The form of aid was generally a bonus of a fixed amount per mile of railway constructed and, in the early days, grants of land other than for right-of-way were also made. Tables 10 and 11 show 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; the former gives the data by type of grant and the latter by railway companies to which the grants were made.

As the country developed, 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 12. Table 13 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.

**10.—Areas of Land Granted to Steam Railways by the Dominion and Provincial Governments to Dec. 31, 1936, by Type of Grant.**

| Government Making Grant. | Bonus Grants.     | Grants for Right-of-Way, Station Grounds and Townsite Purposes. | Total.                 |
|--------------------------|-------------------|---|------------------------|
|                          | acres.            | acres.  | acres.                 |
| Dominion.....            | 31,783,655        | 97,988  | 31,881,643             |
| Nova Scotia.....         | 160,000           | Nil   | 160,000                |
| New Brunswick.....       | 1,788,392         | Nil   | 1,788,392              |
| Quebec.....              | 2,085,710         | Nil   | 2,085,710              |
| Ontario.....             | 3,241,207         | 229,502   | 3,470,709              |
| Manitoba.....            | Nil               | 2,510   | 2,510                  |
| Saskatchewan.....        | Nil               | 4,925   | 4,925                  |
| Alberta.....             | Nil               | 328   | 328                    |
| British Columbia.....    | 8,233,410         | 12,239  | 8,245,649 <sup>1</sup> |
| <b>Totals.....</b>       | <b>47,292,374</b> | <b>347,492</b>  | <b>47,639,866</b>      |

<sup>1</sup> Includes 4,065,076 acres repurchased from B.C. Southern and Columbia and Western Railways.

**11.—Areas of Land Granted to Steam Railways by the Dominion and Provincial Governments to Dec. 31, 1936, by Railway Companies.**

| Item.  | Granted by—       |                   | Total.            |
|--|-------------------|-------------------|-------------------|
|  | Dominion.         | Provinces.        |                   |
|  | acres.            | acres.            | acres.            |
| Canadian National Railways.....              | 5,763,741         | 1,841,061         | 7,604,802         |
| Canadian Pacific and branch lines.....       | 19,861,357        | 6,824             | 19,868,181        |
| Acquired lines.....                          | 3,320,446         | 8,182,588         | 11,503,034        |
| Leased lines—lease based on—                 |                   |                   |                   |
| Interest on bonds or dividends on stock..... | 2,927,185         | 2,657,879         | 5,585,064         |
| Gross earnings.....                          | 55                | Nil               | 55                |
| Totals, Canadian Pacific System.....         | 26,109,043        | 10,847,291        | 36,956,334        |
| Other railways.....                          | 8,859             | 3,069,871         | 3,078,730         |
| <b>Totals, All Railways.....</b>             | <b>31,881,643</b> | <b>15,758,223</b> | <b>47,639,866</b> |