by transportation employees were slightly less than the 1939 average and their pay was increased by about 94 p.c. These figures reflect the increases received in the strike settlement in August 1950 and the conversion to the five-day week in 1951.

7.—Steam Railway Employees and Salaries and Wages, 1942-51

Note.—Figures for the years 1912-39 are given in the 1941 Year Book, p. 551; for 1940-41 in the 1951 edition, p. 723. Figures for Newfoundland included from Apr. 1, 1949.

Year	Employees ¹	Total Salaries and Wages ¹	Average Salaries and Wages	Ratio of Operating Salaries and Wages (Chargeable to Operating Expenses) to-	
				Gross Earnings	Operating Expenses
	No.	\$	\$	p.c.	p.c.
1942. 1943. 1944. 1945.	157,740 169,663 175,095 180,603 180,383	291, 416, 755 323, 801, 645 372, 064, 613 ² 371, 814, 379 396, 856, 901	1,847 1,908 2,125 2,059 2,200	39·6 37·8 42·9 43·8 50·2	54·1 52·5 53·8 53·7 57·8
947. 948. 949. 950.	184, 415 189, 963 192, 366 190, 385 204, 025	429, 843, 142 512, 054, 795 523, 453, 375 523, 008, 515 624, 682, 754	2,331 2,696 2,721 2,747 3,062	49·9 53·0 52·9 49·8 52·0	56·7 57·5 56·9 57·2 58·0

¹ Figures include employees or wages for "outside operations" amounting to from 3 p.c. to 6 p.c. of total employees and from 2 p.c. to 5 p.c. of total salaries and wages.

² Includes approximately \$10,000,000 in wages earned in 1943.

Government Aid to Railways.—In order that the private railways of Canada might be constructed in advance of settlement as colonization roads or through sparsely settled districts where little traffic was available, it was necessary for Federal and Provincial Governments and even for 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 were also made other than for right-of-way.

As the country developed, the objections to the land-grant method became more apparent and aid was given more frequently in the form of a cash subsidy per mile of line, a loan or a subscription to the shares of the railway. Guarantees of debenture issues were given in a later period and, since the formation of the Canadian National Railways, all debenture issues of that System, except those for rolling-stock, have been guaranteed by the Federal Government. No new land grants or cash subsidies have been advanced by either the Federal or Provincial Governments since 1939. The situation, as it existed at Dec. 31, 1940, is set out in the 1942 Year Book, pp. 587-588.

During the era of railway expansion before 1918, provincial governments guaranteed the bonds of some railway lines that afterwards were incorporated in the Canadian National Railway System. These bonds as they mature or are called are paid off by the Canadian National Railways, in large measure, through funds raised by the issue of new bonds with Federal Government guarantee. Bonds guaranteed by the Governments of Ontario, Manitoba, Saskatchewan, Alberta and British Columbia have been eliminated in this manner in recent years.