

industry commensurate with Canadian maritime needs". The Commission is authorized to examine into, ascertain and keep records of all phases of ship operation and to "administer, in accordance with regulations of the Governor in Council, any steamship subventions voted by Parliament".

In 1961 a national maritime policy was inaugurated to encourage the construction and operation of ships in Canada and, as well, provide assistance to Canadian fishermen. A federal capital subsidy was authorized, amounting to 35 p.c. of the cost of construction of self-propelled ships in Canadian shipyards, to be increased to 40 p.c. for work done after May 12, 1961 and under any contract entered into and filed with the Commission on or before Mar. 31, 1963. For steel fishing trawlers constructed to replace old vessels withdrawn from service, the assistance is 50 p.c. of the cost. Capital grants toward the construction of small wooden fishing vessels were also increased. Payments of capital subsidy are made under regulations of the Governor in Council; up to Mar. 31, 1963, about \$24,500,000 was expended under the regulations.

Subsidies have been paid by the Federal Government for the maintenance of essential steamship services since the latter part of the nineteenth century; the services subsidized and the amounts paid for the years ended Mar. 31, 1962 and 1963 are given on p. 804.

**The National Energy Board.**—The National Energy Act (SC 1959, c. 46) proclaimed Nov. 1, 1959, provided for the establishment of a five-member Board charged with the duty of assuring the best use of energy resources in Canada. In the performance of this function, the Board is responsible for the regulation of the construction and operation of the oil and gas pipelines that are under the jurisdiction of the Parliament of Canada, the tolls charged for transmission by oil and gas pipeline, the export and import of gas and the export of electric power, and the construction of the lines over which such power is transmitted. The functions and operations of the Board are covered in the Domestic Trade and Prices Chapter of this volume (see Index).

## PART II.—RAIL TRANSPORT\*

### Section 1.—Railways

Since Confederation the railways of Canada have been the principal transport facility throughout, and beyond, the nation. The two great transcontinental systems, supplemented by a major north-south line on the West Coast and a number of regional independent railways, are the only carriers able to transport large volumes of freight at low cost in all weather by continuous passage over Canadian transcontinental routes. Although highway and air competition is increasing, the railways still retain their primary position in the freight transport field.

The two national railway companies control a wide variety of Canadian and international transport and communication services. The government-owned Canadian National Railway System is the country's largest public utility and operates the greatest length of trackage in Canada. In addition, it operates a highway service, a fleet of coastal and ocean-going steamships, a national telecommunications system connecting the principal points of Canada with other parts of the world, an extensive express service in Canada and abroad, a chain of large hotels and resorts, and a scheduled air service connecting all major cities across the country and Canadian with other North American and European points. Its chief competitor, the Canadian Pacific Railway Company, is a joint-stock corporation

\* Revised in the Public Finance and Transportation Division, Dominion Bureau of Statistics; more detailed information is given in the annual reports of the Division.