

	1908.	1909.	Increase miles.
Second track	1,211	1,464	253
Yard and siding tracks..	4,546	4,761	215

This growth of second track and yard and siding track has a direct bearing on transportation facilities. Adding together the first, second and yard and siding tracks a total of 30,330 miles is obtained. With the exception of less than 100 miles all tracks in the Dominion are laid with steel rails.

It is instructive to compare the railway mileage of Canada with that of other countries. Following are the figures:

Countries.	Miles.	Miles of line per 100 sq. miles.	Inhabitants per mile of line.
United States	229,300	6.4	365
Germany	35,652	17.1	1,587
Gt. Britain and Ireland	23,063	19.0	1,912
France	29,293	14.2	1,333
New Zealand	2,519	2.4	330
Victoria	3,428	3.9	350
New South Wales	3,472	1.1	440
Canada	24,104	0.6	300

The above statistics, which in each case are the latest available, show that the Dominion of Canada has the largest railway mileage in proportion to population of any country in the world, while in relation to area it has the smallest.

Railway Capital

During the year, \$69,186,403 was added to the total capital liability of railways in Canada.

	1908.	1909.	Increase.
Stocks	\$ 607,425,349	\$ 647,534,647	\$40,109,298
Funded debt ..	631,869,664	660,946,769	29,077,105
Total	\$1,239,295,013	\$1,308,481,416	\$69,186,403

The capital obligation arising out of these stock and bond issues amounts to \$54,285 per mile of line. But that result is quite misleading, since, before such a calculation can properly be made, certain facts have to be taken into account. For example, the above total of \$1,308,481,416 includes the stock and bond liability of the Grand Trunk Pacific, while the mileage of that line is not embraced in the total of 24,104 miles forming the divisor. On the other hand, the mileage of government owned lines in Canada forms a part of the 24,104, against which there is not any issue of either stock or bonds. In analytical form the capital obligation may be set down as follows:—

Per mile—stocks	\$28,345
—bonds	27,293
Total	\$55,638

Aid to Railways

The subsidies paid to railways during the year 1909 amounted to \$3,291,601, made up as follows:—

By the Dominion	\$2,500,612
By the provinces	397,111
By municipalities	393,878

An analysis of the financial aid given to railways since 1873 discloses the following facts:—

	Dominion
Cash subsidies	\$77,028,080 58
Loans	15,576,533 33
Paid to Quebec Government	5,160,053 83
Cost of lines handed over to C.P.R.	37,785,319 97
Total	\$135,549,987 71

Provinces

Cash subsidies	\$32,538,496 15
Loans	2,750,030 00
Subscription to shares	300,000 00

Total

Municipalities

Cash subsidies	\$12,580,824 98
Loans	2,404,498 62
Subscriptions to shares	2,839,500 00

Total

Public Service of Railways

The railways of Canada carried 32,683,309 passengers and 66,842,258 tons of freight in 1909, a decrease of 1,361,683 in the number of passengers, and an increase of 3,771,091 in the freight tonnage, as compared with 1908.

In only four preceding years since 1875 did a decline in passenger traffic occur—1880, 1885, 1895 and 1901.

Passenger Traffic

The number of passengers carried one mile was 2,633,001,225, as compared with 2,081,960,864 in 1908—a decrease for the year of 48,959,639.

The number of passengers carried one mile per mile of road was 84,342. This was an actual decrease in the density of passenger traffic of 6,312, as compared with the preceding year.

The average receipts per passenger per mile were 19.21 cents, or within .001 of the rate established by the figures for 1908.

The average number of passengers in each train was 51, a decline of 3 as compared with 1908.

The average passenger journey was 62 miles, or one mile more than for the preceding year.

The sum of the foregoing facts is, that while the railways had an increased passenger train mileage in 1909 over 1908, they carried fewer passengers, in the aggregate, fewer passengers per train, and earned less money from ticket sales. Taking into account the total earnings from the running of passenger trains—that is, from ticket sales, mails and express, baggage, &c.—which amounted to \$45,282,326.27 in 1909 as compared with \$46,854,158.97 in 1908, there was a decrease in the gross earnings per passenger train mile of .077 cent. The figures in that regard are as follow:—

Earnings per passenger train mile, 1908	\$1.227
“ “ 1909	1.150
Decrease077

Earnings and Operating Expenses

The aggregate earnings of railways for the year 1909 were \$145,056,336.19—a decrease of \$1,861,977.42 as compared with 1908.

The operating expenses were \$104,600,084.43, or \$2,704,058.08 less than for the preceding year.

Earnings

The net revenue for 1909 was \$40,456,251.76, showing a betterment of \$842,080.66 as against 1908.

Net earnings for 1909 were equal to \$1,678.40 per mile of railway. This was \$46.50 less than the result for 1908, showing that railway mileage had increased at a more rapid rate than had net earnings. In other words, the new mileage had not in 1909 attained to the normal earning power of the older mileage, and to that extent represented a diluting agency.