

849. The following statement shows the financial position of each road on the 30th June, 1891 :—

FINANCIAL POSITION OF GOVERNMENT RAILWAYS IN CANADA,
1890-91.

RAILWAYS.	Capital Paid Up.	Earnings.	Expenses.	Profits.	Loss.	Percentage of Expenses to Earnings.
	\$	\$	\$		\$	
Intercolonial	53,627,791	2,977,395	3,662,342	.....	684,946	123·0
*Windsor Branch .....	.....	30,235	28,932	1,303	.....	95·7
P. E. Island	3,741,781	174,258	257,990	.....	83,732	148·1
Total	57,369,572	3,181,888	3,949,264	.....	767,375	124·1

* Maintained only.

Excess of expenditure and causes of same.

850. The expenses exceeded the receipts by \$767,376, being \$125,206 more than the excess of expenditure in 1890. The excess of expenses over receipts on Government lines may be attributed principally to two causes, the first being that the Intercolonial Railway was built from national considerations, and for the advancement of public convenience, and depends largely upon through traffic, since it runs through districts sparsely settled, which will require considerable time for development ; while it will probably be many years before the travel on the Prince Edward Island Railway, which was built for the convenience of the inhabitants of the island, will be sufficient to cover expenses ; and the other being, that while every effort is made to secure economy and profit, the public interests are first considered, and many things are done which, while advantageous to the public, are, to say the least, unremunerative to the Government—as, for instance, the coal from the Nova Scotia mines is, with a view to developing that industry, carried by the Intercolonial Railway at almost an actual loss. The difficulty also of keeping the track of the Intercolonial free from snow during the winter will always be the source of an expense to which other roads are not liable in the same degree. Some 170 miles of new lines were opened during 1891, the traffic on which is not likely to be remunerative for some time, but the lines were built for the convenience of the public, and for the purpose of developing the country and encouraging trade.

Intercolonial Railway.

851. The main line of the Intercolonial Railway runs from Point Lévis, Quebec, to Halifax, a distance of 675 miles, and, in connection with the Canadian Pacific Railway, now forms part of a through route between the Atlantic and Pacific oceans. The extensions consist of 479½ miles, making a total length of 1,154½ miles.