The proportion of net revenue to capital cost in Canada is very small, and, with two exceptions, is lower than that of any country or colony named in the following table, which is taken from the Victorian Year Book, 1891-92. The proportion in Canada would be slightly higher if the capital cost of the lines in operation could be ascertained, but, as it is, the figures used include the cost of construction of 300 completed miles not yet in operation, and of 150 miles at present under construction.

PROPORTION OF NET REVENUE TO CAPITAL COST OF RAILWAYS IN VARIOUS COUNTRIES.

Countries.	Per cent.	Countries.	Per cent.
Cape Colony	5·75	Ireland	3·75
Germany	5·40	Scotland	3·68
India	4·96	Australasia	3·15
Belgium	4·55	Sweden	3·24
Argentine Confederation	4·35	New South Wales	3·67
England and Wales	4·32	Holland	3·18
Switzerland	4·21	New Zealand	2·83
United Kingdom	4·21	Italy	2·62
Victoria	2·90	Queensland	1·81
Austria-Hungary	4·10	Canada	1·77
France	3·99	Norway	1·78
South Australia	5·59	Tasmania	0·70
British Dominion	3·93	Western Australia	0·43

926. The cost of a railway, it has been said, should not be more than ten times its annual traffic—that is, that the annual traffic should be 10 per cent of its capital cost. If this standard is applied to Canadian railways, their cost will be found very far to exceed the limit, as in 1893 the gross receipts only amounted to 5·97 per cent of the total capital expenditure, the theoretical cost having been 520,423,970 and the actual cost $872,156,475. In the United Kingdom, France, Belgium and Italy, the cost of railways is above this standard, while in British India, Germany, Russia and the United States it is below it.