

20.—Gross Revenues, Operating Expenses, Net Revenues, Interest on Funded Debt and Annual Deficit of the Canadian National Railways and the Central Vermont Railway, for the calendar years 1922-1926.

Items.	1922.	1923.	1924.	1925.	1926.*
Gross Railway Operating Revenues—	\$	\$	\$	\$	\$
Canadian Lines.....	203,062,345	214,787,207	201,224,493	208,218,921	225,547,852
United States Lines.....	30,996,680	38,348,281	34,363,689	36,752,282	40,639,974
Adjustment re Hotels.....	-1,926,644	-	-	-	-
Total.....	232,132,381	253,135,488	235,588,182	244,971,203	266,187,826
Central Vermont.....	7,860,851	8,860,583	8,658,528	8,737,572	9,382,484
Total.....	239,993,232	261,996,071	244,246,710	253,708,775	275,570,310
Railway Operating Expenses—					
Canadian Lines.....	205,572,978	202,936,659	189,460,404	184,373,201	190,173,271
United States Lines.....	25,599,335	29,768,180	28,883,527	28,353,537	29,531,362
Adjustment re Hotels.....	-2,048,558	-	-	-	-
Total.....	229,123,755	232,704,839	218,343,931	212,706,738	219,704,633
Central Vermont.....	6,713,691	7,878,191	7,511,795	7,558,688	7,640,648
Total.....	235,837,446	240,583,030	225,855,726	220,265,426	227,345,281
Net Operating Revenues—					
Canadian Lines.....	-2,510,633	11,850,548	11,764,089	23,845,720	35,374,581
United States Lines.....	5,397,345	8,580,101	5,480,162	8,418,695	11,108,612
Adjustment re Hotels.....	121,914	-	-	-	-
Total.....	3,008,626	20,430,649	17,244,251	32,264,415	46,483,193
Central Vermont.....	1,147,160	982,392	1,146,728	1,178,884	1,741,836
Total.....	4,155,786	21,413,041	18,390,979	33,443,299	48,225,029
Interest—					
Canadian National—On Funded Debt.....	59,565,200	65,199,324	69,632,747	71,888,617	71,287,687 ²
Central Vermont— On Funded Debt ¹	682,377	944,902	1,126,269	1,234,289	1,249,375
On Unfunded Debt.....	167,420	6,834	8,412	7,842	1,824
Deficit—					
Canadian National.....	57,990,097	51,697,675	54,860,419	41,444,764	29,701,445
Central Vermont.....	699,869	1,053,089	836,306	752,900	192,628
Total.....	58,689,966	52,750,764	55,696,725	42,197,664	29,894,073

¹ Includes interest payable to Canadian National Railways.

² 1926 report shows \$71,792,350, including \$504,663 interest on C. V. bonds.

* Exclusive of Hudson Bay railway, which was included in previous years.

The Debt and Interest Charges of the Canadian National Railways.—To define clearly what is included under debt due to Dominion Government in Table 21, the appropriations for the Canadian Government railways have been separated from the loans and advances to the remainder of the system. The capital liability to the Dominion Government includes the investments in the Quebec bridge and in the road and equipment of the Canadian Government railways constructed and purchased by the Government (Port Nelson terminals not included and Hudson Bay railway appropriations deducted for 1926), and the operating deficits of these railways for 1921-1925 inclusive but not for previous years, also working capital. The deficits of the Canadian Government railways for 1919 and 1920, amounting to \$16,911,366, are included in the deficits shown in Table 22, but are not included in Table 21, as they were paid out of the consolidated revenue of Canada. No interest has been charged on appropriations for the Canadian Government railways for any year. Table 21 also includes all loans and advances by the Government to the Canadian National system on notes, bonds and receiver certificates, with accrued simple interest ranging from 3½ p.c. to 6 p.c. These advances have been used to pay operating deficits, interest due to the public, and for construction of new lines, equipment, etc., as shown in Table 22.

In computing the public debt of Canada the Finance Department considers these railway appropriations and advances in the same way as investments in canals, public works, etc., i.e., as "non-active assets", and as such does not subtract them from the gross debt in computing the net debt; similarly, no interest is charged by the Finance Department on the railway advances, although the railways debit their accounts with the accrued interest.