

22.—Analysis of the Increase in the Debt of the Canadian National Railways, calendar years, 1919-1927.

Calendar Years.	Interest accrued during year.	Deficits including accrued interest.	Increase in Principal of Debt.	Debt Increase applied to		
				Interest not paid by operating revenue.	Operating Deficits.	Capital Expenditure. ¹
	\$	\$	\$	\$	\$	\$
1919	38,196,268	55,356,075	102,149,779	38,196,268	17,161,807	-
Deficit of C.G.R.	-	-	7,183,296	-	-	-
			109,283,075	-	-	53,925,000
1920	45,402,150	80,478,828	145,644,048	45,402,150	35,076,678	-
Deficit of C.G.R.	-	-	9,778,070	-	-	-
			155,422,118	-	-	74,943,290
1921	55,442,796	69,866,589	132,921,255	55,442,796	14,423,793	63,054,666
1922	59,565,200	57,960,097	59,327,819	57,960,097	-	1,367,722
1923	65,199,324	51,697,675	116,033,186	51,697,675	-	64,335,511
1924	69,632,747	54,860,419	118,399,186	54,860,419	-	64,033,767
1925	71,888,617	41,444,761	63,630,126	41,444,764	-	22,185,362
1926	71,287,687	29,701,445	31,332,356 ²	29,701,445	-	1,630,911
1927	72,638,923	34,373,027	88,334,478	34,373,027	-	53,961,451
Total (without Eastern Lines)	549,253,712	475,740,919	875,183,599	409,078,641	66,662,378	399,442,690
1927. Eastern Lines	392,407	3,264,695	3,457,533 ²	392,407	2,872,288 ²	192,838
Totals	549,646,119	479,005,614	878,641,132²	409,471,048	69,534,666²	399,635,518

¹ Includes cost of new lines and equipment (other than renewals), additions and betterments, discounts on bonds issued, investments in miscellaneous properties, working capital, etc.

² Allowance is made for deductions of \$14,944,370 capital expenditure on the Hudson Bay railway retransferred to the Government of Canada during construction, \$301,019 deficits of the same railway and repayments by Canadian Government railways to the Dominion Government, also addition for improvements and betterments, etc., making a net deduction of \$16,523,270.

³ Includes a loss in revenues of \$931,810 from reductions ordered by the Maritime Freight Rates Act.

PART III.—ELECTRIC RAILWAYS.

The cheap and reasonably rapid conveyance of human beings is a necessity of modern urban life and is supplied throughout Canada by the electric street railway, generally operated by the development of the water-powers which are so important a feature of Canadian economic life.

Historical.—Replacing the horse car systems, used in Montreal and Toronto as early as 1861, electric street railways were first seen in operation in Canada in 1885, when a successful experimental railway was constructed and operated at the Toronto Exhibition grounds. Before many years their safety and convenience resulted in the discarding of the older system. An electric system 7 miles in length was opened at St. Catharines in 1887, using the double overhead trolley. This was followed by the completion of the Ottawa Electric railway in 1891, and the electrification of the Montreal and Toronto systems in 1892. The street railways of other eastern cities were generally electrified during the 1890's, while in the newer western