

Table 22 shows the total debt at the end of 1928 to have been \$2,268,105,515, made up of \$977,889,033 owing to the public and \$1,290,216,482 to the Government. In addition to the actual loans and advances by the Government amounting to \$614,912,221, this sum of \$1,290,216,482 includes, not only the unpaid interest of \$258,024,307 already referred to, but \$417,279,954 spent on the construction and purchase of lines forming the original Canadian Government Railways. The aggregate increase in the principal of the debt during the 10 years as shown in Table 22 was \$886,899,270, of which \$204,925,067 was an increase in debt due to the public and \$681,974,203 in that due to the Government.

In Table 23 is presented an analysis of this total increase in capital liability according to the purpose for which the money was used. The accounts for the Eastern Lines, which under the Maritime Freight Rates Act were ordered segregated from those of the remainder of the system, are shown separately since July 1, 1927. In the first column the interest accrued in 1919 and each subsequent year is shown and in the second column the deficit of the system including this interest. The third column gives for each year the increase of the debt of the system, while the two last columns show the proportion of this increase in debt which was required to cover the deficit and the proportion which was devoted to capital expenditure such as new construction, new equipment, additions and betterments, discount on debt, increased working capital, etc. For the purposes of this table, to put these increases in long term debt on the same basis for each year when considered as a charge on the Canadian Government from the operation of the railway, the deficits for the Canadian Government Railways for 1919 and 1920, amounting to \$16,911,366, have been included as separate items. Thus the total increase in the debt during the 10 years 1919 to 1928 as shown in Table 22 amounts to \$886,899,270, which with \$16,911,366 makes up the increase of \$903,810,635 shown in Table 23. Of this total increase in debt, income deficits accounted for \$500,471,329, while \$403,339,306 was capital expenditure. But the total increase in debt included \$258,024,307 accrued interest on loans and advances from the Dominion Government. If this be deducted the remaining increase in debt amounted to \$645,786,328, while the income deficit during the 10 years totalled \$242,447,022.

The figures in Tables 22 and 23 do not include any Central Vermont data. Loans and advances received by the Canadian National Railways from the Dominion Government and advanced by the Canadian National to the Central Vermont are shown as charges against the Canadian National Railways.