

18—Government Investments in Railways to Mar. 31, 1932—concluded.

(From the Annual Report of the Department of Railways and Canals.)

Account.	Expenditure, Fiscal Year 1932.	Total Expenditure.
CANADIAN GOVERNMENT RAILWAYS—concluded.	\$	\$
<i>B. Roads not entrusted to Canadian National Railways—</i>		
Hudson Bay Railway.....	920,499	31,194,693
Hudson Bay Railway—Nelson Terminal.....	-	6,240,201
Hudson Bay Railway—Churchill Terminal.....	4,316,168	11,606,719
Totals, Roads not Entrusted to C. N. R.	5,265,506	49,040,613
Totals, Canadian Government Railways	6,242,326	49,527,903
OTHER RAILWAYS AND MISCELLANEOUS—		
Annapolis and Digby Railway.....	-	660,683
Central Canada Railway.....	-	175,000
North Railway.....	-	250,000
Governor General's cars.....	-	71,539
Miscellaneous expenditure.....	-	18,000
Yukon Works, Stikine-Teslin Railway (part of item under Schedule "E" of Public Accounts).....	-	283,324
Canadian Pacific Railway.....	-	62,791,433
Grand Trunk Railway—Debenture Account.....	-	15,142,694
Grand Trunk Railway—Interest Account.....	-	10,457,458
Grand Trunk Railway—Special Account.....	-	7,302
Grand Trunk Railway—Preference Stock.....	-	121,740
Canadian Northern Railway—Purchase of Capital Stock.....	-	10,000,000
Loans to Railways—		
Canadian Northern Railway.....	-	255,408,804
Grand Trunk Railway.....	-	118,582,182
Grand Trunk Pacific Railway.....	-	116,006,599
Canadian National Railways.....	-	57,482,653
Loans to Railways—Purchase of equipment.....	-	56,926,001
Total, Other Railways and Miscellaneous	-	704,385,354
Grand Totals, Capital Expenditure	6,242,326	1,144,213,257

The Consolidation and Organization of the Canadian National System.¹

—In pursuance of an Act of 1917 (7-8 Geo. V, c. 24), the Government acquired the capital stock of the Canadian Northern Railways with a mileage of 9,566.5. The insolvency of the Grand Trunk Pacific led to the appointment of the Minister of Railways as receiver on Mar. 9, 1919, and in October, 1920, the road was transferred to the Canadian National Railways. The Grand Trunk Railway was acquired under c. 13 of the second session of 1919, which provided for arbitration as to the considerations to be given to its shareholders. This arbitration finally disposed of, steps were taken to consolidate the various railways under government operation and control. In October, 1922, the Grand Trunk Board and the Canadian Northern Board gave place to a single Canadian National Board, to which the former Canadian Government Railways were turned over for management and operation. The unification of the Grand Trunk and Canadian National Railways was provided for by Order in Council of Jan. 30, 1923, which also brought into effect the Act to incorporate the Canadian National Railway Company and respecting Canadian National Railways (c. 13, 1919). This was followed, on Feb. 5, 1923, by an Order in Council establishing the head office of the Canadian National Railways at Montreal, Que.

Operation of the Canadian National Railways.—The Canadian National system's steam mileage at Dec. 31, 1931, including lines in the United States but exclusive of the Northern Alberta (which is controlled jointly by the Canadian

¹ For further details of the acquisition of the Canadian Northern, Grand Trunk Pacific and Grand Trunk Railways by the Dominion Government, see pp. 602-603 of the 1926 Year Book.