

## 18.—Government Investments in Railways to Mar. 31, 1935—concluded.

Account.	Expenditure, Fiscal Year 1935.	Total Expenditure.
	\$	\$
<b>Canadian Government Railways—concluded.</b>		
<b>B. ROADS NOT ENTRUSTED TO CANADIAN NATIONAL RAILWAYS—</b>		
Hudson Bay Railway .....	306,826	32,397,403
Hudson Bay Railway—Nelson Terminal.....	-	6,240,201
Hudson Bay Railway—Churchill Terminal.....	125,202	13,025,837
<b>Totals, Roads Not Entrusted to C.N.R.....</b>	<b>432,028</b>	<b>51,663,441</b>
<b>Totals, Canadian Government Railways .....</b>	<b>Cr. 297,765</b>	<b>440,796,896</b>
<b>Other Railways and Miscellaneous.</b>		
Annapolis and Digby Railway.....	-	660,683
Central Canada Railway .....	-	175,000
North Railway.....	-	250,000
Governor General's cars .....	-	71,539
Yukon Works, Stikine-Teslin Railway (part of item under 'Schedule "H" of Public Accounts).....	-	283,324
Canadian Pacific Railway.....	-	62,791,435
Grand Trunk Railway—Debenture Account.....	-	15,142,633
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.....	9,747,974	125,657,283
Loans to Railways—Purchase of equipment.....	-	56,926,001
<b>Totals, Other Railways and Miscellaneous .....</b>	<b>9,747,974</b>	<b>772,541,983</b>
<b>Grand Totals, Capital Expenditure .....</b>	<b>9,456,209</b>	<b>1,213,338,879</b>

**The Consolidation and Organization of the Canadian National System.\***

—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 Statutes of the second session of 1919, providing for arbitration of 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 Co. and respecting Canadian National Railways (c. 13, 1919).

**Operation of the Canadian National Railways.**—The Canadian National system's steam mileage at Dec. 31, 1934, including lines in the United States but exclusive of the Northern Alberta Railways and Toronto Terminals Railway (which

\*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.