

The Debt and Interest Charges of the Canadian National Railways.—Table 15 analyses the increase in the debt and interest charges of the system, including both Canadian and United States lines. To define clearly what is included under debt due to the Dominion Government in Table 15, the appropriations for the Canadian Government Railways have been separated from the loans and advances to the remainder of the system. The Canadian Government Railways include the Intercolonial, National Transcontinental, Prince Edward Island and several other smaller railways in the eastern provinces, together with the Quebec Bridge. The Hudson Bay Railway was included in the Canadian Government Railways until 1926, when it was transferred back to the Department of Railways and Canals for completion, and appropriations on its account were deducted. These Canadian Government Railways appropriations do not include the operating deficits of the Canadian Government Railways for 1919 and subsequent years nor the deficits of other portions of the Eastern Lines* since July 1, 1927, but include investments for construction, purchase and working capital of the Canadian Government Railways. As the book value of these properties is included on the assets side of the balance sheet, the cost of these roads to the Dominion is included in the liabilities of the system as an offset. The construction or purchase of these roads was financed by the Dominion from the Consolidated Revenue Fund, and consequently no interest on such expenditures is allowed for in the railway accounts.

*Canadian National lines east of Lévis and Diamond Junction, Que.

15.—Long-Term Debt¹ of Canadian National Railways (Including Appropriations for Canadian Government Railways), Showing Principal Outstanding at ends of calendar years 1922-35.

Year.	DUE TO DOMINION GOVERNMENT.			
	Appropriations for Canadian Government Railways. ²	Loans and Advances. ^{2,9}	Unpaid Accrued Interest on Government Loans.	Total.
	\$	\$	\$	\$
4	404,272,030 ⁵	115,607,457	4,443,386 ¹¹	524,322,873 ¹²
1922	442,062,571	506,945,969	69,328,803	1,018,337,343
1923	447,643,526	571,406,082	98,669,270	1,117,718,878
1924	451,712,485	581,406,082	130,157,992	1,163,276,559
1925	453,935,303	581,406,082	161,861,503	1,197,202,888
1926	437,412,033	601,406,082	193,951,356	1,232,769,471
1927	436,416,387	601,406,082 ⁷	226,142,006 ⁷	1,263,964,475
1928	417,279,953	601,406,082	258,024,308	1,276,710,343
1929	417,150,141	601,406,082	290,088,439	1,308,644,662
1930	403,443,935	604,406,239	322,155,902	1,330,006,076
1931	405,209,240	604,406,239	354,173,113	1,363,788,592
1932	405,170,073	653,604,794	388,930,381	1,447,705,248
1933	404,378,682	661,832,895	424,338,109	1,490,549,686
1934	404,279,909	672,580,943	459,486,187	1,536,347,039
1935	405,062,275	754,600,910 ¹¹	495,030,137	1,654,693,322
Increases, 1922-35	Cr. 37,000,296	247,654,941	425,701,334	636,355,979
Plus C.G.R. credits				42,760,428 ⁸
Less interest on Government loans (unpaid)				425,701,334
Net Increase in New Funds				253,415,073

For footnotes see end of table, p. 648.