

6.—Capital Invested in Road and Equipment of Canadian Steam Railways, calendar years 1931-36.

Investment.	1931.	1932.	1933.	1934.	1935.	1936.
	\$	\$	\$	\$	\$	\$
New Lines—						
Road.....	20,761,545	3,175,095	195,729	10,901	89,713	119,295
Equipment...	632	Nil	12,322	Nil	Nil	Nil
General.....	1,588,103	371,262	620	86	Cr. 56	756
Totals.....	22,350,280	3,546,357	208,671	10,987	89,657	120,051
Additions and Betterments—						
Road.....	18,985,855	3,592,569	3,927,865	Cr. 5,354,703	2,656,051	6,263,284
Equipment...	19,113,108	Cr. 4,090,763	Cr. 3,930,692	Cr. 3,494,711	Cr. 6,519,191	4,376,334
General.....	1,916,857	117,254	17,921	Cr. 2,811	5,641	Cr. 78,387
Undistributed	69,754	Cr. 24,836	92,590	Cr. 163,872	53,862	1,608
Totals.....	40,085,574	Cr. 405,776	107,684	Cr. 9,016,097	Cr. 3,803,637	10,562,839
Undistributed ¹ ..	Cr. 8,597,547	977,301	Cr. 21,017,200	22,774,651	Cr. 67,902,913	Cr. 17,255,277
Total Investments as at Dec. 31.....	3,382,047,218	3,386,165,100	3,365,464,255	3,379,233,796	3,307,616,903	3,301,044,516

¹ Details of this item are given in the Annual Report on Steam Railway Statistics issued by the Transportation and Public Utilities Branch of the Bureau of Statistics.

Earnings and Expenses.—Operating expenses of Canadian railways rose during 1918, 1919 and 1920, much more than operating revenues, and the operating ratio, or ratio of expenses to revenues, increased from around 70 p.c. to above 90 p.c. and remained high thereafter. The United States Government took over the operation of the United States railways when that country entered the World War and increased the rates of pay of the railway employees. The Canadian railways were also obliged to make corresponding increases and this increase in payroll has been the chief factor in increased operating ratio. Declining revenues without corresponding reductions in expenses during the past five years have also maintained the high operating ratio. The gross earnings and operating expenses of individual railways in the latest year appear in Table 5.

7.—Earnings and Operating Expenses of Steam Railways per Mile of Line and per Train Mile, for the years ended June 30, 1915-19, and the calendar years 1919-36.

Year.	Gross Earnings.	Operating Expenses.	Ratio of Expenses to Receipts.	Per Mile of Line.			Per Revenue Train Mile.	
				Gross Earnings.	Operating Expenses.	Net Earnings.	Gross Earnings.	Operating Expenses.
				\$	\$	\$	\$	\$
1915 (June 30)..	199,843,072	147,731,099	73.92	5,616	4,152	1,464	2.144	1.585
1916 (")..	261,888,654	180,542,259	68.94	6,943	4,823	2,120	2.358	1.623
1917 (")..	310,771,479	222,890,637	71.72	8,051	5,774	2,277	2.683	1.925
1918 (")..	330,220,150	273,955,436	82.96	8,581	7,119	1,462	3.006	2.494
1919 (")..	382,976,901	341,866,509	89.27	9,947	8,879	1,068	3.683	3.292
1919 (Dec. 31)..	408,598,361	376,789,093	92.26	10,568	9,745	823	3.817	3.520
1920 (")..	492,101,104	478,248,154	97.18	12,626	12,270	356	4.192	4.074
1921 (")..	458,008,891	422,581,205	92.25	11,636	10,735	901	4.376	4.038
1922 (")..	440,687,128	393,927,406	89.39	11,196	10,008	1,188	4.072	3.640
1923 (")..	478,338,047	413,862,818	86.52	12,098	10,434	1,664	4.180	3.616
1924 (")..	445,923,877	328,483,908	85.77	11,233	9,548	1,685	4.119	3.533
1925 (")..	455,297,288	372,149,656	81.70	11,383	9,222	2,161	4.132	3.378
1926 (")..	493,599,754	389,503,452	78.91	12,278	9,653	2,625	4.298	3.391
1927 (")..	499,064,207	407,646,280	81.68	12,350	10,047	2,303	4.221	3.448
1928 (")..	563,732,260	442,701,270	78.53	13,840	10,791	3,049	4.461	3.503
1929 (")..	534,106,045	433,077,113	81.08	13,068	10,596	2,472	4.492	3.643
1930 (")..	454,231,650	380,723,411	83.86	10,897	9,133	1,764	4.150	3.538
1931 (")..	358,549,382	321,025,588	89.53	8,502	7,612	890	3.747	3.435
1932 (")..	293,390,415	256,668,375	87.48	6,922	6,055	867	3.507	3.157
1933 (")..	270,278,276	233,133,108	86.26	6,365	5,490	875	3.528	3.153
1934 (")..	300,837,816	251,999,667	83.77	7,111	5,956	1,155	3.738	3.128
1935 (")..	310,107,155	263,942,899	85.11	7,250	6,170	1,080	3.751	3.193
1936 (")..	334,768,557	283,345,968	84.64	7,839	6,635	1,204	4.012	3.395