

increased the rates of pay of the railway employees. The Canadian railways were also obliged to make corresponding increases and these have 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 ratio. The gross earnings and operating expenses of individual railways for 1937 appear in Table 5.

6.—Capital Invested in Road and Equipment of Canadian Steam Railways, calendar years 1932-37.

Investment.	1932.	1933.	1934.	1935.	1936.	1937.
	\$	\$	\$	\$	\$	\$
New Lines—						
Road.....	3,175,095	195,729	10,901	89,713	119,295	2,997,932
Equipment.....	Nil	12,322	Nil	Nil	Nil	Nil
General.....	371,262	620	86	56	756	54,712
Totals.....	3,546,357	208,671	10,987	89,657	120,051	3,052,644
Additions and						
Betterments—						
Road.....	3,392,569	3,927,865	Cr. 5,354,793	2,656,051	6,263,284	5,382,065
Equipment.....	Cr. 4,090,763	Cr. 3,939,692	Cr. 3,494,711	Cr. 6,519,191	4,376,334	28,365,161
General.....	117,254	17,921	2,811	5,641	Cr. 78,387	Cr. 6,158
Undistributed	Cr. 24,836	92,590	Cr. 163,872	53,862	1,608	3,436
Totals.....	Cr. 405,776	107,684	Cr. 9,016,097	Cr. 3,803,637	10,562,839	33,734,504
Undistributed.....	977,301	Cr. 21,017,200	22,774,651	Cr. 67,902,913	Cr. 17,255,277	Cr. 265,358,397
Total Investments as at Dec. 31.....	3,586,165,100	3,365,464,265	3,379,223,796	3,397,616,993	3,301,044,516	3,972,473,267

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. The large credit in 1937 was principally due to the Canadian National Capital Revision Act, explained on p. 644.

7.—Earnings and Operating Expenses of Steam Railways per Mile of Line and per Train Mile, 1915-37.

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.....	199,843,072	147,731,099	73.92	5,616	4,152	1,464	2-144	1-555
1916.....	261,885,654	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 ¹	382,976,901	341,866,509	89.27	9,947	8,879	1,068	3-683	3-292
1919 ²	405,598,381	376,789,093	92.26	10,568	9,745	823	3-817	3-620
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.....	473,338,047	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.....	493,509,754	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	4-921	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	390,723,411	83.86	10,897	9,133	1,764	4-150	3-538
1931.....	358,549,332	321,025,588	89.53	8,502	7,612	890	3-747	3-435
1932.....	293,390,415	256,663,375	87.48	6,922	6,055	877	3-507	3-157
1933.....	270,278,276	233,133,108	86.26	6,365	5,490	875	3-528	3-153
1934.....	300,837,516	251,999,687	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
1937.....	355,103,271	300,652,548	84.67	8,316	7,041	1,275	4-087	3-460

¹ Years ended June 30 for this and previous years.

² Years ended Dec. 31 for this and later years.