

expenditure by municipalities on local harbour facilities, while private capital expenditure is also confined almost entirely to terminal or dockage facilities. The investment in shipping, however, with the exception of the Canadian National (West Indies) Steamships, as shown at p. 689, has come almost entirely from private sources such as railway companies, steamship companies, industrial corporations, and private individuals. No figures are available regarding private investments in shipping except those appearing in the reports of the operating companies which cover only a portion of the field. Neither are there statistics showing the revenues of ship operators from passenger and freight traffic. In the case of railways, statistics show fairly completely: (1) the investment in plant, roadbed, etc.; (2) the revenues of the railways or the annual payment by the people of Canada for the passenger and freight transportation; and (3) the annual deficits which are also indirectly paid by the public whether as investors or taxpayers. No such picture can be given for water-borne traffic.

Subsection 1.—Capital and Operation Expenditures of Waterways.

In the following statement of investments by the Dominion Government, no amounts have been written off as a result of the destruction or abandonment of property such as the first, second, and third Welland canals and the Port Nelson terminal. Neither have the capital expenditures been reduced by allowances for depreciation. However, in the case of ports and facilities under the control of the National Harbours Board and other harbour commissions, allowance has been made for depreciation, obsolescence, etc., so that the figures given represent approximately present appraisal values. No figures are available for the Hamilton Harbour Commission and commissions controlling a number of other smaller ports. For those ports and harbours not under the control of incorporated commissions, capital expenditures, made by the Department of Public Works, are included in the classification "Other harbours, rivers, construction, improvements, etc." but while expenditures have been distributed by provinces, no separation for individual ports or works has been made. Sydney, Sorel, Fort William, and Alberni are important ports for which improvement costs are included under their respective provincial totals.

The classification as between capital and operation expenditure is very difficult to make with respect to certain of the items, and cannot be regarded as exact for the long period. This difficulty applies particularly in the case of dredging where the distinction between the removal of accumulating silt and the deepening of a channel is largely one of opinion. For this reason the dredging account of the Department of Public Works is not included in the total investments of Table 12, but is given at the end of the table since a large part of the work has been undoubtedly of the nature of a permanent improvement. This dredging account does not, however, include the total expenditures for dredging, as some dredging expenditures have been distributed with other items such as the St. Lawrence Ship channel, canals, and harbours. Both capital and operation costs include expenditures by the former Departments of Marine and of Railways and Canals, now the Department of Transport, and by the Department of Public Works, while the capital expenditures of the National Harbours Board and other independent commissions are also included in Table 12.