

**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 consideration 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).

**Operating Finances of the Canadian National Railways.**†—Gross revenues, operating expenses, and net revenues include only those from steam railway and commercial telegraph operations, but the deficits are for the entire system, including the operating results of the Niagara, St. Catharines and Toronto Railway (electric) and other railways operated separately, hotels, commercial telegraphs, coastal steamships and all other outside operations.

Under the Canadian National Railways Capital Revision Act (c. 22, 1937), interest on Dominion Government loans, amounting to \$530,832,598, and Government claims for interest, amounting to \$43,949,039, were cancelled as liabilities of the Railway and these have been eliminated from Table 15.

\*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.

† For detailed statistics of the operation and finances of the Canadian National Railways during 1938. see "Steam Railway Statistics, 1938", and "Canadian National Railways, 1923-38", published by the Dominion Bureau of Statistics, also the "Annual Report of the Canadian National Railways".

### 15.—Gross Revenues, Operating Expenses, Net Revenues, Fixed Charges, and Deficits of the Canadian National Railways,<sup>1</sup> 1923-38.

Note.—Appropriations, etc., for the Hudson Bay Railway were not included with the 1926 and later data as, although the railway was returned to the Government while under construction, it is not now a part of the Canadian National Railways.

Year.	Gross Operating Revenues.	Operating Expenses.	Net Operating Revenues.			Income Available for Fixed Charges.
			Canadian Lines. <sup>2</sup>	United States Lines. <sup>3</sup>	Total.	
	\$	\$	\$	\$	\$	\$
1923.....	256,961,590	235,838,046	12,543,443	8,580,101	21,123,544	15,248,264
1924.....	239,596,670	221,622,049	12,494,459	5,480,162	17,974,621	16,919,824
1925.....	249,411,884	216,290,434	24,702,755	8,418,695	33,121,450	32,343,023
1926.....	270,982,223	223,561,262	36,312,349	11,108,612	47,420,961	43,505,500
1927.....	274,879,118	233,305,267	30,959,378	10,614,473	41,573,851	38,389,220
1928.....	304,591,268	249,731,696	42,638,750	12,220,822	54,859,572	48,289,321
1929.....	290,496,980	248,632,275	30,998,589	10,866,116	41,864,705	36,604,368
1930.....	250,368,998	228,288,023	16,944,523	5,136,452	22,080,975	19,971,106
1931.....	200,505,162	199,312,995	6,243,131	1,189,854	1,192,167	Dr. 1,738,089
1932.....	161,103,594	155,208,161	5,647,334	248,099	5,895,433	Dr. 1,316,739
1933.....	148,519,742	142,812,559	4,128,998	1,578,185	5,707,183	Dr. 1,111,028
1934.....	164,902,502	151,936,079	10,527,798	2,438,625	12,966,423	8,715,785
1935.....	173,184,502	158,926,249	9,502,437	4,755,816	14,258,253	8,014,635
1936.....	186,610,489	171,477,690	9,096,990	6,035,809	15,132,799	8,975,091
1937.....	198,396,609	180,788,858	11,370,576	6,237,175	17,607,751	11,241,763
1938.....	182,241,723	176,175,312	4,497,824	1,568,587	6,066,411	1,019,255

For footnotes, see end of table, p. 648.