

the medium of Canadian National (West Indies) Steamships, Ltd. The service is provided by a fleet of eleven vessels of a total deadweight tonnage of 62,761. Five of these craft, known as the 'Lady' ships, were specially constructed for passenger service on this route, while the remaining six vessels previously formed part of the Canadian Government Merchant Marine fleet, and were taken over by the Canadian National (West Indies) Steamships, Ltd., for operating purposes, under entrusting agreements with the respective companies that owned the ships. The investment in vessels at Dec. 31, 1938, amounted to \$10,960,958, mainly made up of the construction cost of the 'Lady' ships and the present-day valuation of the other six ships, together with the cost of conversion for use in the West Indies service of three of the latter. The financial results of the operations of the Canadian National (West Indies) Steamships, Ltd., have been as follows:—

Calendar Year.	Operating Revenues.	Operating Expenses.	Operating Net.	Depreciation.	Interest.	Book Loss.
	\$	\$	\$	\$	\$	\$
1929.....	3,332,683	3,780,524	-447,841	227,315	442,739	1,117,895
1930.....	3,792,694	4,315,831	-523,137	288,999	550,519	1,362,655
1931.....	3,648,986	4,095,555	-446,569	294,141	604,651	1,345,361
1932.....	3,323,077	3,606,793	-283,716	321,261	688,037	1,293,014
1933.....	2,956,974	3,454,972	-497,998	319,967	726,108	1,544,073
1934.....	3,509,738	3,606,416	- 96,678	319,967	762,033	1,178,678
1935.....	3,816,246	3,616,215	+200,031	325,513	788,814	917,390
1936.....	4,322,593	3,765,194	+557,399	328,235	800,282	574,213
1937.....	4,676,684	4,018,146	+658,538	328,287	808,432	481,275
1938.....	4,915,355	4,169,116	+746,239	328,641	818,613	404,109

## Section 2.—Financial Statistics of Waterways.

The principal statistics available to aid in making an appraisal of the cost of water-borne traffic consist of the record of public expenditures on waterways. Such expenditures are classified as investments, expenditures for maintenance and operation, and revenues from operation. Undoubtedly, in so far as capital expenditures for the permanent improvement of waterways are concerned, those of the Dominion Government cover the major part. There has been some 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 above, 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.

Owing to the fact that all the items comprising waterways and harbours cannot be put on a comparable basis, it is not possible to show cumulative figures of capital