

this railway was \$33,181,013, exclusive of the expenditure of \$6,274,150 on the terminal at Nelson and \$1,824,992 loss on operation. The operating deficit for the calendar year 1939 was \$337,475.

The major portion of Dominion Government investments in railways was construction costs of the Intercolonial system, the National Transcontinental Railway and the Hudson Bay Railway, and the purchase price of small railways in the eastern provinces. The terminals at Churchill consisting of a grain elevator, warehouse, and docks have been transferred to the National Harbours Board and the investment removed from the railway account. Loans and advances to the Canadian National Railways for payment of operating deficits were charged to the Consolidated Revenue Account of the Dominion and also cleared from the railway account and other adjustments were made under the Canadian National Railways Capital Revision Act, 1937.

In addition to these expenditures the Dominion Government has made loans to the Canadian National and Canadian Pacific Railway companies for capital purposes, for special works programs and for equipment leased to the railways; the amounts outstanding on Mar. 31, 1940, were: Canadian National Railways, \$51,915,570, Canadian Pacific Railway, \$8,503,480; total, \$60,419,050.

14.—Assets of the Canadian National Railways System, as at Dec. 31, 1922 and 1939

| Account | Dec. 31, 1922 | Dec. 31, 1939 | Increase (+) or Decrease (-) |
|---|----------------------|----------------------|------------------------------------|
| | \$ | \$ | \$ |
| Investments— | | | |
| Road and equipment..... | 1,765,323,644 | 1,863,083,556 | +97,759,912 |
| Improvements on leased railway property..... | 1,492,123 | 4,335,490 | +2,843,367 |
| Sinking funds..... | 4,629,855 | 620,097 | -4,009,758 |
| Deposits in lieu of mortgaged property sold..... | 6,171,808 | 4,270,519 | -1,901,289 |
| Miscellaneous physical property..... | 34,767,914 | 62,230,456 | +27,462,542 |
| Affiliated companies..... | 24,253,323 | 38,385,153 | +14,131,830 |
| Other investments..... | 5,789,464 | 1,070,618 | -4,718,846 |
| Totals, Investments..... | 1,842,428,131 | 1,973,995,889 | +131,567,758 |
| Current Assets— | | | |
| Cash..... | 14,651,422 | 8,241,860 | -6,409,562 |
| Special deposits..... | 6,139,435 | 7,680,558 | +1,541,123 |
| Loans and bills receivable..... | 11,600 | 100,000 | +88,400 |
| Traffic and car service balances receivable..... | 2,528,622 | 1,260,694 | -1,267,928 |
| Net balances receivable from agents and conductors..... | 5,386,673 | 5,668,581 | +281,908 |
| Miscellaneous accounts receivable..... | 16,857,420 | 5,555,428 | -11,301,992 |
| Dominion Government—balance due on deficit contributions..... | Nil | 11,049,423 | +11,049,423 |
| Materials and supplies..... | 41,408,999 | 28,040,297 | -13,368,702 |
| Interest and dividends receivable..... | 377,003 | 266,465 | -110,538 |
| Rents receivable..... | 112,269 | 73,104 | -39,165 |
| Other current assets..... | 106,775 | 705,546 | +598,771 |
| Totals, Current Assets..... | 87,590,218 | 68,641,956 | -18,938,262 |
| Deferred Assets— | | | |
| Working fund advances..... | 166,847 | 213,646 | +46,799 |
| Insurance and other funds..... | 352,488 | 12,418,515 | +12,066,027 |
| Other deferred assets..... | 11,805,962 | 5,463,576 | -6,342,386 |
| Totals, Deferred Assets..... | 12,325,297 | 18,095,737 | +5,770,440 |
| Unadjusted Debts— | | | |
| Rents and insurance premiums paid in advance..... | 322,059 | 241,817 | -80,242 |
| Discount on capital stock..... | 634,960 | 189,500 | -445,460 |
| Discount on funded debt..... | 1,919,635 | 12,396,897 | +10,477,262 |
| Other unadjusted debts..... | 12,820,903 | 2,699,925 | -10,120,978 |
| Totals, Unadjusted Debts..... | 15,697,557 | 15,528,139 | -169,418 |
| Grand Totals..... | 1,958,031,203 | 2,076,261,721 | +118,230,518 |