

**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.

**15.—Gross Revenues, Operating Expenses, Net Revenues, Fixed Charges, and Deficits of the Canadian National Railways,<sup>1</sup> 1923-39**

**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. This table is condensed from the bulletin "Canadian National Railways, 1923-1939" published by the Dominion Bureau of Statistics. See also pp. 647-648 of the 1940 Year Book. For years 1911 to 1934 see p. 660 of the 1936 Year Book.

Year	Gross Operating Revenues	Operating Expenses	Income Available for Fixed Charges	Total Fixed Charges	Net Income Deficit <sup>2</sup>	Cash Deficit
	\$	\$	\$	\$	\$	\$
1923	256,961,590	235,838,046	15,248,264	36,787,994	21,539,730	23,000,193
1924	239,596,670	221,622,049	16,919,824	40,509,200	23,589,376	20,174,226
1925	249,411,884	216,290,434	32,343,023	42,337,405	9,994,382	9,805,176
1926	270,982,223	223,561,262	43,505,500	41,116,492	Cr. 2,389,008	Cr. 1,572,621
1927	274,879,118	233,305,267	38,389,220	42,589,898	4,200,678	4,419,301
1928	304,591,268	249,731,696	48,289,321	45,650,421	Cr. 2,638,900	Cr. 3,463,752
1929	290,496,980	248,632,275	36,604,368	50,013,074	13,408,706	12,261,631
1930	250,368,998	228,288,023	19,971,106	55,557,001	35,585,895	35,677,097
1931	200,505,162	199,312,995	Dr. 1,738,089	59,131,706	60,869,795	60,968,438
1932	161,103,594	155,208,161	Dr. 1,316,739	59,690,180	61,006,919	60,841,727
1933	148,519,742	142,812,559	Dr. 1,111,028	58,906,685	60,017,713	58,955,388
1934	164,902,502	151,936,079	8,715,785	58,222,480	49,506,695	48,407,901
1935	173,184,502	158,926,249	8,014,635	56,892,817	48,878,182	47,421,465
1936	186,610,489	171,477,690	8,975,091	52,172,437	43,197,346	43,303,394
1937	198,396,609	180,788,858	11,241,763	53,270,417	42,028,654	42,345,868 <sup>3</sup>
1938	182,241,723	176,175,312	Dr. 1,019,255	53,451,742	54,470,997	54,314,196 <sup>3</sup>
1939	203,820,186	182,965,768	15,248,900	53,488,164	38,239,264	40,095,520 <sup>3</sup>

<sup>1</sup> Includes the Central Vermont Railway, Inc., from Feb. 1, 1930. <sup>2</sup> Net income deficit includes appropriations for insurance fund of \$9,840,672 and excludes interest on Government loans eliminated by Capital Revision Act, 1937. <sup>3</sup> Contributed by Dominion Government.

**Capital Revision of the Canadian National Railways.**—The Canadian National Railways Capital Revision Act, c. 22 of the Statutes of 1937, is dealt with at p. 644 of the 1939 Year Book. In the same edition, a table at pp. 644-645 shows a condensed consolidated balance sheet as at Dec. 31, 1936, adjustments authorized by the Capital Revision Act and the revised balance sheet as at Jan. 1, 1937.

**Capital Structure and Debt of Canadian National Railways.**—The Capital Revision Act eliminated the profit and loss balance as at Jan. 1, 1937, and profit and loss balances for 1937 and future years will also be eliminated by charging to "Dominion Government—Proprietor's Equity" the losses due to abandonment of lines and other such items that do not involve the payment of cash at the time the items are written down, and by the Government contributing cash

\* For detailed statistics of the operation and finances of the Canadian National Railways during 1939, see "Steam Railway Statistics, 1939", and "Canadian National Railways, 1923-39", published by the Dominion Bureau of Statistics, also the "Annual Report of the Canadian National Railways".