

this railway was \$33,182,623, exclusive of the expenditure of \$6,274,150 on the terminal at Nelson and a loss of \$2,242,551 on operation. The operating deficit for the calendar year 1940 was \$354,973.

The major portion of Dominion Government investments in railways consists of 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, a 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, 1941, were: Canadian National Railways, \$20,051,256; Canadian Pacific Railway, \$14,899,352; total, \$34,950,608.

### 13.—Assets of the Canadian National Railways System, as at Dec. 31, 1922 and 1940

Account	Dec. 31, 1922	Dec. 31, 1940	Increase (+) or Decrease (—)
	\$	\$	\$
<b>Investments—</b>			
Road and equipment.....	1,765,323,644	1,874,172,775	+108,849,131
Improvements on leased railway property.....	1,492,123	4,389,124	+2,897,001
Sinking funds.....	4,629,855	664,711	-3,965,144
Deposits in lieu of mortgaged property sold.....	6,171,808	4,421,114	-1,750,694
Miscellaneous physical property.....	34,767,914	62,361,526	+27,593,612
Affiliated companies.....	24,253,323	38,554,956	+14,301,633
Other investments.....	5,789,464	777,197	-5,012,267
<b>Totals, Investments.....</b>	<b>1,842,428,131</b>	<b>1,985,341,403</b>	<b>+142,913,272</b>
<b>Current Assets—</b>			
Cash.....	14,651,422	9,768,880	-4,882,542
Special deposits.....	6,139,435	7,494,366	+1,354,931
Loans and bills receivable.....	11,600	100,000	+88,400
Traffic and car service balances receivable.....	2,528,622	1,356,928	-1,171,694
Net balances receivable from agents and conductors.....	5,386,673	8,691,735	+3,305,062
Miscellaneous accounts receivable.....	16,857,420	9,072,957	-7,784,463
Materials and supplies.....	41,408,999	32,602,939	-8,806,060
Interest and dividends receivable.....	377,003	266,052	-110,951
Rents receivable.....	112,269	120,924	+8,655
Other current assets.....	196,775	1,418,871	+1,312,096
<b>Totals, Current Assets.....</b>	<b>87,580,218</b>	<b>70,893,652</b>	<b>-16,686,566</b>
<b>Deferred Assets—</b>			
Working fund advances.....	166,847	198,839	+31,992
Insurance and other funds.....	352,488	12,397,336	+12,044,848
Other deferred assets.....	11,805,962	4,859,320	-6,946,642
<b>Totals, Deferred Assets.....</b>	<b>12,325,297</b>	<b>17,455,495</b>	<b>+5,130,198</b>
<b>Unadjusted Debts—</b>			
Rents and insurance premiums paid in advance.....	322,059	226,170	-95,889
Discount on capital stock.....	634,960	189,500	-445,460
Discount on funded debt.....	1,919,635	11,255,698	+9,336,063
Other unadjusted debts.....	12,820,903	2,855,217	-9,965,686
<b>Totals, Unadjusted Debts.....</b>	<b>15,697,557</b>	<b>14,526,585</b>	<b>-1,170,972</b>
<b>Grand Totals.....</b>	<b>1,958,031,203</b>	<b>2,088,217,135</b>	<b>+130,185,932</b>