

Subsection 4.—The Canadian National Railways System

A description of the origin and growth of Government-owned railways in Canada is given at pp. 601-603 of the 1926 Year Book. That article describes their consolidation under the Canadian National Railways in 1923. The Hudson Bay Railway is a direct liability of the Federal Government and has been operated by the Canadian National for the Government since Apr. 1, 1935, but is not included in the data for Canadian National Railways; to Mar. 31, 1947, the total cost of this railway was \$33,633,108, exclusive of the expenditure of \$6,274,113 on the terminal at Port Nelson, Man., and a loss of \$4,117,063 on operation. The operating deficit for the fiscal year 1946-47 was \$466,896.

The major portion of Federal 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, Man., 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 Canada and also cleared from the railway account and other adjustments were made under the Canadian National Railways Capital Revision Act, 1937.

In view of the interest in the publicly owned railway system, certain salient statistics are presented showing the assets, debt, operating accounts, mileage and traffic for the system. More detail is available from the special Bureau of Statistics' report "Canadian National Railways, 1923-1946".

13.—Assets of the Canadian National Railways System, as at Dec. 31, 1922 and 1946

Account	Dec. 31, 1922	Dec. 31, 1946	Increase (+) or Decrease (-)
	\$	\$	\$
Investments—			
Road and equipment.....	1,765,323,644	1,987,950,290	+222,626,646
Improvements on leased railway property.....	1,492,123	2,092,070	+599,947
Sinking funds.....	4,629,855	Nil	-4,629,855
Deposits in lieu of mortgaged property sold.....	6,171,808	4,164,433	-2,007,375
Miscellaneous physical property.....	34,767,914	62,598,083	+27,830,169
Affiliated companies.....	24,253,323	43,463,494	+19,210,171
Other investments.....	5,789,464	996,563	-4,792,901
Deferred maintenance funds.....	Nil	33,000,000	+33,000,000
Totals, Investments.....	1,842,428,131	2,134,264,933	+291,836,802
Current Assets—			
Cash.....	14,651,422	21,303,864 ¹	+6,652,442
Special deposits.....	6,139,435	7,552,146	+1,412,711
Loans and bills receivable.....	11,600	Nil	-11,600
Traffic and car service balances receivable.....	2,528,622	"	-2,528,622
Net balances receivable from agents and conductors.....	5,386,673	15,004,291	+9,617,618
Miscellaneous accounts receivable.....	16,857,420	17,590,237 ²	+732,817
Materials and supplies.....	41,408,999	53,887,478	+12,478,479
Interest and dividends receivable.....	377,003	656,997	+279,994
Rents receivable.....	112,269	Nil	-112,269
Other current assets.....	106,775	3,280,883	+3,174,108
Totals, Current Assets.....	87,580,218	119,275,896	+31,695,678³

For footnotes, see end of table, p. 694.