

Capital Liability.—After 1922 a great increase in the capital liability of the steam railways of Canada took place due to the inclusion of all Government loans to railways and investment in road and equipment of Government railways as part of the capital liability of the railways. The reduction after 1937 was brought about by the Canadian National Capital Revision Act (c. 22, 1937), explained at p. 644 of the 1939 Year Book.

3.—Capital Liability¹ of Steam Railways, 1930-49

NOTE.—Figures for the years 1876 to 1925, inclusive, are given at p. 649 of the 1927-28 Year Book and those for 1926-29 at p. 662 of the 1947 edition.

Year	Stocks	Funded Debt	Total	Year	Stocks	Funded Debt	Total
	\$	\$	\$		\$	\$	\$
1930...	1,431,324,003	2,595,145,308	4,026,469,311	1940...	1,762,473,489	1,617,561,683	3,380,035,172
1931...	1,438,050,759	2,793,971,329	4,232,022,088	1941...	1,697,545,699	1,699,942,865	3,397,488,564
1932...	1,437,489,430	2,934,182,332	4,371,671,762	1942...	1,578,254,765	1,793,579,270	3,371,834,035
1933...	1,438,834,552	2,951,690,458	4,390,525,020	1943...	1,614,936,131	1,741,664,036	3,356,600,167
1934...	1,437,334,152	2,966,505,594	4,403,839,746	1944...	1,636,064,822	1,707,801,676	3,343,866,498
1935...	1,433,849,530	3,026,414,779	4,460,264,308	1945...	1,631,973,055	1,701,786,899	3,333,759,954
1936...	1,425,193,791	3,062,411,720	4,487,605,511	1946...	1,624,753,709	1,665,844,133	3,290,597,847
1937...	1,839,619,361	1,534,450,789	3,374,070,150	1947...	1,623,607,219	1,685,010,672	3,308,617,891
1938...	1,836,882,650	1,568,269,672	3,405,152,322	1948...	1,578,057,474	1,672,282,030	3,250,339,504
1939...	1,834,329,209	1,533,373,521	3,367,702,730	1949...	1,576,734,292	1,692,898,968	3,269,633,260 ²

¹ Does not include Canadian railway capital owned by Canadian railways.

² Assumption of

debt due to railways in Newfoundland, approximately \$40,000,000, is not included.

Capital Investment.—The increase in capital liability during 1949 of \$19,293,756 from 1948 as shown in Table 3 compares with an increase in investments in road and equipment of \$102,749,522 as shown in Table 4 and reflects improvements made during the year. The investment account in recent years has been affected by write-offs for lines abandoned, transfers of property to other Government Departments, etc., as well as by higher gains in earnings during the war years.

4.—Capital Invested in Road and Equipment of Steam Railways, 1944-49

Investment	1944	1945	1946	1947	1948	1949 ²
	\$	\$	\$	\$	\$	\$
New Lines—						
Road.....	Cr. 4,452	2,793,751	3,376,385	1,071,411	1,415,132	1,428,972
Equipment.....	Cr. 35,570	85,985	136,196	465,476	66,694	—
General.....	252	—	—	—	—	33,409
Totals.....	Cr. 39,770	2,879,736	3,512,581	1,536,887	1,481,826	1,462,381
Additions and						
Betterments—						
Road.....	11,147,929	3,224,843	20,639,010	14,774,509	21,725,599	25,643,350
Equipment.....	44,239,856	20,581,957	14,582,489	39,848,412	85,736,595	75,393,226
General.....	2,081	Cr. 24,644	123,029	48,404	Cr. 59,483	Cr. 7,175
Undistributed	—	450	Cr. 2,072	Cr. 450	Cr. 2,984	Cr. 3,494
Totals.....	55,389,866	23,782,606	35,342,456	54,670,875	107,399,727	101,025,907
Undistributed ¹ .	1,332,965	Cr. 3,194,164	Cr. 5,883,298	Cr. 871,376	79,157,303	261,234
Totals, Invest- ments as at Dec. 31.....	3,299,272,994	3,322,741,172	3,355,712,911	3,411,979,297	3,600,018,153	3,702,767,675

¹ Details of this item are given in the annual report "Statistics of Steam Railways of Canada" issued by the Public Finance and Transportation Division of the Dominion Bureau of Statistics.

² In-

cludes expenditures for Newfoundland from Apr. 1, to Dec. 31.