

Subsection 4.—The Canadian National Railway 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 Railways for the Government since Apr. 1, 1935, but is not included in the data for Canadian National Railways; to Mar. 31, 1949, the total capital expenditure on this account was \$33,267,965 exclusive of the expenditure of \$6,240,096 on the terminal at Port Nelson, Man., and a loss of \$4,782,971 on operation. The operating deficit for the fiscal year 1948-49 was \$399,544.

On Apr. 1, 1949, the Canadian National Railways took over the operation of the Newfoundland Railway embracing its 705 miles of line, 14 coastal steamers and a dry dock at St. John's. The communications services of the Newfoundland Government Posts and Telegraphs were also transferred to the Canadian National Railways for operation at the same time. (The Newfoundland Hotel was added towards the end of the year.)

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.

In view of the interest in the publicly owned railway system, the following salient statistics are presented showing the assets, debt, operating accounts, mileage and traffic for the System. More detail is available from the report "Canadian National Railways, 1923-49", published by the Dominion Bureau of Statistics.

13.—Assets of the Canadian National Railway System, as at Dec. 31, 1922 and 1949

Account	Dec. 31, 1922	Dec. 31, 1949 ³	Increase (+) or Decrease (-)
	\$	\$	\$
Investments—			
Road and equipment.....	1,765,323,644	2,118,250,617	+352,926,973
Improvements on leased railway property.....	1,492,123	2,522,805	+1,030,682
Sinking funds.....	4,629,855	—	-4,629,855
Deposits in lieu of mortgaged property sold.....	6,171,808	4,886,502	-1,285,306
Miscellaneous physical property.....	34,767,914	65,360,316	+30,592,402
Affiliated companies.....	24,253,323	63,478,623	+39,225,300
Other investments.....	5,789,464	909,247	-4,880,217
Deferred maintenance funds.....	—	9,000,000	+9,000,000
Totals, Investments.....	1,842,428,131	2,264,408,110	+421,979,979
Current Assets—			
Cash.....	14,651,422	26,365,119 ¹	+11,713,697
Special deposits.....	6,139,435	9,678,474	+3,539,039
Loans and bills receivable.....	11,600	—	-11,600
Traffic and car service, balances receivable.....	2,528,622	—	-2,528,622
Net balances receivable from agents and conductors.....	5,386,673	17,296,655	+11,909,982
Miscellaneous accounts receivable.....	16,857,420	20,331,646	+3,474,226
Materials and supplies.....	41,408,999	61,126,536	+19,717,537
Interest and dividends receivable.....	377,003	144,005	-232,998
Rents receivable.....	112,269	—	-112,269
Other current assets.....	106,775	4,067,120	+3,960,345
Totals, Current Assets.....	87,580,218	139,009,555²	+51,429,337³

For footnotes, see end of table, p. 730.