

Operating Finances.—Gross revenue, operating expenditure and net revenue 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 Federal 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 as fixed charges. Loans of \$270,037,438 for capital and \$373,823,120 for deficits were cancelled.

15.—Gross Revenue, Operating Expenditure, Net Revenue, Fixed Charges and Deficits of the Canadian National Railway System,¹ 1942-51

NOTE.—Appropriations, etc., for the Hudson Bay Railway are not included with these data; although the Railway was returned to the Government while under construction, it is not now a part of the Canadian National Railways. Figures for 1911-25 are given in the 1936 Year Book, p. 660; for 1926-39 in the 1942 Year Book, p. 590; and for 1940-41 in the 1951 edition, p. 731.

Year	Gross Operating Revenue	Operating Expenditure	Income Available for Fixed Charges	Total Fixed Charges	Net Income Deficit ²	Cash Deficit
	\$	\$	\$	\$	\$	\$
1942.....	375,654,544	288,998,675	78,952,433	51,669,935	Cr. 27,282,498	Cr. 25,063,268
1943.....	440,615,954	324,475,669	87,859,084	52,189,536	Cr. 35,669,548	Cr. 35,639,412
1944.....	441,147,510	362,547,044	73,473,733	50,474,480	Cr. 22,999,253	Cr. 23,026,924
1945.....	433,773,394	355,294,048	73,521,185	49,009,507	Cr. 24,511,678	Cr. 24,756,130
1946.....	400,586,026	357,236,718	37,239,784	46,685,316	9,445,532	8,961,570 ³
1947.....	438,197,980	397,122,607	29,330,757	45,925,891	16,595,134	15,885,194 ³
1948.....	491,269,950	464,739,970	12,502,931	46,341,727	33,838,796	33,532,741 ³
1949 ⁴	500,723,386	478,501,660	6,152,649	48,631,896	42,479,247	42,043,027 ³
1950.....	553,831,581	493,997,079	44,084,904	47,421,983	3,337,079	3,261,235
1951.....	624,834,120	580,150,221	31,722,489	48,176,558	16,454,069	15,031,996

¹ Includes the Central Vermont Railway, Inc. ² Includes appropriations for insurance fund and excludes interest on Government loans eliminated by the Capital Revision Act, 1937. ³ Contributed by the Federal Government. ⁴ Includes Newfoundland from Apr. 1.

Table 16 has been compiled to reconcile the investments in and loans to the Canadian National Railways (including Canadian Government Railways) as shown in the Public Accounts for the years ended Mar. 31, 1950 and 1951, with the debt to the Federal Government shown in the Railways' balance sheet at Dec. 31, 1950, which is covered by Federal Government proprietor's equity, and the columns "Active Assets in Public Accounts" and "Appropriations for Canadian Government Railways" in Table 14.