

capital was correspondingly reduced. It will be noted that these percentages are calculated exclusive of the \$4,518,890 of capital stock of subsidiary companies which was held by the public on the above dates.

The following statement shows the effect of the Act on the capitalization of the system.

## CAPITALIZATION OF CANADIAN NATIONAL RAILWAYS

Item	Balance at Dec. 31, 1951	Year 1952 Adjustments Effective Jan. 1, 1952, under Capital Revision Act, 1952	Year 1952 Current Transactions	Balance at Dec. 31, 1952
<b>EQUITY CAPITAL—</b>				
Capital stock of Canadian National Railway Company.....	\$ 18,000,000	\$ 378,518,135 <sup>1</sup>	\$ —	\$ 396,518,135
Capital stock of the Canadian National Railways Securities Trust.....	378,518,135	-378,518,135 <sup>1</sup>	—	—
4 p.c. preferred stock of Canadian National Railway Company.....	—	736,385,405 <sup>2</sup>	18,486,540	754,871,945
Capital investment of Government of Canada in the Canadian Government Railways.....	379,877,514	—	-195,270	379,682,244
Government of Canada — Shareholders' Account.....	776,395,649 <sup>3</sup>	736,385,405	18,291,270	1,531,072,324 <sup>3</sup>
Per cent of capitalization.....	34.5	—	—	64.75
<b>BORROWED CAPITAL—</b>				
Funded debt.....	615,197,035	—	-9,702,206	605,494,829
Government of Canada loans and debentures	857,573,774	-736,385,405 <sup>2</sup>	106,866,796	228,055,165
Totals, Borrowed Capital.....	1,472,770,809	-736,385,405	97,164,590	833,549,994
Per cent of capitalization.....	65.5	—	—	35.25
<b>TOTALS, CAPITALIZATION.....</b>	<b>2,249,166,458<sup>3</sup></b>	<b>—</b>	<b>115,455,860</b>	<b>2,364,622,318<sup>3</sup></b>

<sup>1</sup> The capital stock of the Securities Trust, previously owned by the Government of Canada, was transferred to the Canadian National Railway Company in consideration for a like amount of capital stock of the National Company. <sup>2</sup> The 4 p.c. preferred stock is represented by shares having a par value of one dollar each, in respect of which non-cumulative dividends shall, from time to time, be paid to the extent that earnings are available for distribution in any year. The amount issued under the adjustment authorized by the Capital Revision Act, and for which a like amount of Government of Canada loans have been cancelled, is equal to 50 p.c. of the borrowed capital at Dec. 31, 1951. <sup>3</sup> Excludes shares of subsidiary companies owned by public amounting to \$4,518,890 for 1951 and \$4,516,490 for 1952.

#### 14.—Capital Structure of the Canadian National Railway System, as at Dec. 31, 1943-52

NOTE.—Information given in greater detail in DBS report, *Canadian National Railways, 1929-52*.

At Dec. 31—	Shareholders' Capital		Funded Debt Held by Public		Government Loans and Appropriations—Active Assets in Public Accounts	Totals
	Government of Canada Shareholders' Account	Capital Stock Held by Public	Guaranteed by Federal and Provincial Governments	Un-guaranteed		
	\$	\$	\$	\$	\$	\$
1943.....	732,295,434	4,770,140	688,076,981	56,155,492	554,095,746	2,035,393,793
1944.....	754,695,486	4,669,840	579,287,482	50,166,424	661,875,853	2,050,695,085
1945.....	777,326,528	4,643,040	528,275,246	44,904,751	690,973,594	2,046,123,159
1946.....	776,018,575	4,635,440	488,772,318	41,650,680	718,537,286	2,029,614,299
1947.....	774,195,901	4,570,940	538,759,177	44,100,584	689,470,349	2,051,096,951
1948.....	774,242,649	4,567,540	492,437,507	91,795,151	760,494,825	2,123,537,672
1949.....	774,448,716	4,560,290	539,706,744	85,159,176	743,661,162	2,147,536,088
1950.....	776,395,649	4,520,890	566,418,607	92,611,634	739,847,514	2,179,794,294
1951.....	776,395,649	4,518,890	518,396,607	96,800,428	857,573,774	2,253,685,348
1952.....	1,531,072,324	4,516,490	518,396,607	87,098,222	228,055,165	2,369,138,808