

3.—Capital Liability<sup>1</sup> of Railways 1934-53

NOTE.—Figures for 1876 to 1925 are given in the 1927-28 Year Book, p. 649; those for 1926-33 in the 1947 edition, p. 662.

| Year                    | Stocks        | Funded Debt   | Total         | Year                    | Stocks        | Funded Debt   | Total                      |
|-------------------------|---------------|---------------|---------------|-------------------------|---------------|---------------|----------------------------|
|                         | \$            | \$            | \$            |                         | \$            | \$            | \$                         |
| 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 | 4,460,264,309 | 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 | 1,665,844,138 | 3,290,597,847              |
| 1937 <sup>2</sup> ..... | 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 <sup>3</sup> |
| 1940.....               | 1,762,473,489 | 1,617,561,683 | 3,380,035,172 | 1950.....               | 1,649,462,088 | 1,826,346,222 | 3,475,808,310 <sup>3</sup> |
| 1941.....               | 1,697,545,699 | 1,699,942,865 | 3,397,488,564 | 1951.....               | 1,646,205,772 | 1,925,488,160 | 3,571,693,932 <sup>3</sup> |
| 1942.....               | 1,578,254,765 | 1,793,579,270 | 3,371,834,035 | 1952 <sup>2</sup> ..... | 2,406,309,060 | 1,308,899,612 | 3,715,208,672 <sup>3</sup> |
| 1943.....               | 1,614,936,131 | 1,741,664,036 | 3,356,600,167 | 1953.....               | 2,422,692,856 | 1,439,063,402 | 3,861,756,258 <sup>3</sup> |

<sup>1</sup> Does not include Canadian railway capital owned by Canadian railways. <sup>2</sup> Affected by readjustment in the capital structure of the CNR (see pp. 801-802). <sup>3</sup> Exclusive of approximately \$40,000,000 railway debt in Newfoundland assumed in 1949.

## 4.—Capital Invested in Railway Road and Equipment 1949-53

NOTE.—Expenditures for Newfoundland are included from April 1, 1949.

| Investment                               | 1949                 | 1950                 | 1951                 | 1952                 | 1953                 |
|--|----------------------|----------------------|----------------------|----------------------|----------------------|
|  | \$                   | \$                   | \$                   | \$                   | \$                   |
| New Lines—                               |                      |                      |                      |                      |                      |
| Road.....                                | 1,428,972            | 6,285,165            | 6,301,717            | 11,431,609           | 8,352,231            |
| Equipment.....                           | —                    | —                    | 1,552,117            | 19,210               | 35,287               |
| General.....                             | 33,409               | 50,634               | 53,901               | 52,510               | Cr. 189,856          |
| Totals.....                              | 1,462,381            | 6,335,799            | 7,907,735            | 11,503,329           | 8,197,662            |
| Additions and Betterments—               |                      |                      |                      |                      |                      |
| Road.....                                | 25,643,350           | 25,523,673           | 42,260,214           | 42,243,299           | 40,667,130           |
| Equipment.....                           | 75,393,226           | 52,666,164           | 107,478,591          | 128,696,815          | 156,012,197          |
| General.....                             | Cr. 7,175            | 54,058               | Cr. 70,318           | 70,585               | 102,847              |
| Undistributed.....                       | Cr. 3,494            | 3,399                | Cr. 2,381            | Cr. 2,539            | Cr. 134,414          |
| Totals.....                              | 101,025,907          | 78,247,294           | 149,666,106          | 171,008,160          | 196,647,760          |
| Undistributed <sup>1</sup> .....         | 261,234              | Cr. 2,645,822        | Cr. 1,318,920        | Cr. 37,797           | 290,407              |
| <b>Total Investment as at Dec. 31...</b> | <b>3,702,767,675</b> | <b>3,784,704,946</b> | <b>3,940,959,867</b> | <b>4,123,433,559</b> | <b>4,328,569,388</b> |

<sup>1</sup> Details given in DBS annual report, *Railway Transport*, published in five parts.

**Earnings and Expenses.**—The operating ratio, or ratio of expenditure to revenue, of Canadian railways in 1943 reversed a declining trend and began to rise, mainly because of increasing costs for materials and labour. From 1943 to 1953 gross earnings increased 54.8 p.c., but operating expenses increased 96.3 p.c., so that net earnings per mile of line showed a decrease of 48.2 p.c.