

Capital Liability and Investment.—The capital liability of railways operating in Canada for the years 1942 to 1961 is shown in Table 3. The increase of \$12,455,158 in 1961 over 1960 compares with an increase in investment in road and equipment property of \$85,684,597 as shown in Table 4.

3.—Capital Liability of Railways, 1942-61

NOTE.—Figures for 1876-1925 are given in the 1927-28 Year Book, p. 649, and those for 1926-41 in the 1947 edition, p. 662.

(Exclusive of Canadian railway capital owned by Canadian railways)

Year	Stocks	Funded Debt	Total	Year	Stocks	Funded Debt	Total
	\$	\$	\$		\$	\$	\$
1942.....	1,578,254,765	1,793,579,270	3,371,834,035	1952 ²	2,406,309,060	1,308,899,612	3,715,208,672 ¹
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 ¹
1944.....	1,636,064,822	1,707,801,676	3,343,866,498	1954.....	2,499,778,848	1,475,815,267	3,975,594,115 ¹
1945.....	1,631,973,055	1,701,786,899	3,333,759,954	1955.....	2,543,465,586	1,565,109,030	4,108,574,616 ¹
1946.....	1,624,753,709	1,665,844,138	3,290,597,847	1956.....	2,572,487,313	1,612,706,551	4,185,193,864 ¹
1947.....	1,623,607,219	1,685,010,672	3,308,617,891	1957.....	2,565,559,683	1,764,660,210	4,330,219,893 ¹
1948.....	1,578,057,474	1,672,282,030	3,250,339,504	1958.....	2,646,659,697	1,953,114,826	4,599,774,523 ¹
1949.....	1,576,734,292	1,692,898,968	3,269,633,260 ¹	1959.....	2,669,062,269	2,122,675,213	4,791,737,482 ¹
1950.....	1,649,462,088	1,826,346,222	3,475,808,310 ¹	1960.....	2,725,827,684	2,244,571,812	4,970,399,496 ¹
1951.....	1,646,205,772	1,925,488,160	3,571,693,932 ¹	1961.....	2,748,537,919	2,234,316,735	4,982,854,654 ¹

¹ Exclusive of approximately \$40,000,000 railway debt in Newfoundland assumed in 1949.

² Affected

by readjustment in the capital structure of the CNR (see p. 763).

4.—Capital Invested in Railway Road and Equipment Property, 1957-61

Investment	1957	1958	1959	1960	1961
	\$	\$	\$	\$	\$
Road.....	226,971,459	174,390,869	134,823,880	113,587,736	72,244,687
Equipment.....	189,383,255	133,068,199	78,487,442	Cr. 12,920,826	Cr. 30,683,878
General.....	Cr. 77,635,769	Cr. 1,673,544	Cr. 816,428	Cr. 35,546	3,152,244
Undistributed.....	16,761,171	2,253,817	42,668,998	6,742,707	40,971,544
CNR non-rail property....	6,573,570	6,017,011	1,861,030	6,538,741	15,506,157
CPR " "	9,943,881	Cr. 3,825,030	36,878,761	122,830	25,492,752
Other " "	243,720	61,836	3,929,207	81,136	Cr. 27,365
Totals.....	355,480,116	308,039,341	255,163,892	107,374,071	85,684,597
Cumulative Investment to Dec. 31.....	6,074,129,038 ¹	6,382,168,379	6,637,332,271	6,744,706,342	6,830,390,939

¹ Includes investments totalling \$11,188,835 of the British Columbia Electric Railway which in 1957 reported for the first time in the railway transport series.

Revenues and Expenses.—The ratio of operating expenses to revenues of railways operating in Canada was 96.36 p.c. in 1961 compared with 90.19 p.c. in 1952; the high for the period 1952-61 was 97.30 p.c. recorded in 1958. Operating revenues, which reached an all-time high in 1956, declined 1.3 p.c. over the ten years. Operating expenses, on the other hand, increased 5.4 p.c. during the same period. Because outlay increased more rapidly than income, the net operating revenue per mile of line dropped from \$2,675 in 1952 to \$936 in 1961, although the lowest figure during the period was recorded in 1958 at \$696.