

## 9.—Railway Employees and Their Earnings, 1955-64

NOTE.—Figures include employees and wages for 'outside' operations amounting to from 3 to 6 p.c. of total employees and from 2 to 5 p.c. of total salaries and wages. Figures for 1912-39 are given in the 1941 Year Book, p. 551; for 1940-49 in the 1951 edition, p. 723; and for 1950-54 in the 1961 edition, p. 785.

Year	Employees	Total Salaries and Wages	Average Salaries and Wages	Ratio of Total Payroll (charged to operating expenses) to—	
				Operating Revenues	Operating Expenses
	No.	\$	\$	p.c.	p.c.
1955.....	195,459	674,875,767	3,453	50.2	57.4
1956.....	215,324 <sup>1</sup>	780,135,918	3,623	50.6	55.9
1957.....	212,426 <sup>1</sup>	701,529,117	3,726	51.4	53.9
1958.....	192,809 <sup>1</sup>	757,907,896	3,931	52.7	54.3
1959.....	187,981 <sup>1</sup>	780,031,534	4,150	51.5	54.2
1960.....	175,537 <sup>1</sup>	740,475,804	4,218	52.0	54.2
1961.....	166,081 <sup>1</sup>	748,097,831	4,504	52.7	54.9
1962.....	162,861 <sup>1</sup>	747,301,214	4,589	51.4	53.7
1963.....	156,527 <sup>1</sup>	756,862,741	4,835	50.4	53.1
1964.....	157,643 <sup>1</sup>	798,537,454	5,065	49.1	52.3

<sup>1</sup> Includes employees engaged in communications, express cartage, highway transport (rail) and outside operations.

## Subsection 4.—The Canadian National Railway System\*

In view of the interest in Canada's publicly owned railway, the Canadian National Railway System is given separate treatment in this Subsection. More detailed information than can be given here is obtainable from DBS annual report *Canadian National Railways* (Catalogue No. 52-201).

**Financial Statistics.**—The original financial structure of the CNR and the steps taken through the Capital Revision Acts of 1937 and 1952 to alleviate the burden of interest debt undertaken by the company on its formation in 1923 are described in the 1955 Year Book, pp. 840-847. Briefly, the Capital Revision Act of 1937 wrote off all loans that had been made to cover deficits and also unpaid interest on loans, and certain loans made for the purpose of additions and betterments were converted to equity capital, relieving the CNR from paying fixed charges on this amount. Under the 1952 Capital Revision Act, 50 p.c. of the company's interest-bearing debt was changed to preferred stock on which, after settling income taxes, a dividend of 4 p.c. is paid on earnings. Also, for a term of ten years ended Jan. 1, 1962, the Railway was not obliged to pay interest on \$100,000,000 of its long-term debt. The Government is authorized to buy additional preferred stock annually in amounts related to the company's gross revenues. As a consequence, the proportion of total capitalization represented by equity capital in shareholders' account was raised from 34.5 p.c. at Dec. 31, 1951 to 67.2 p.c. at Jan. 1, 1952, and the proportion of borrowed capital was correspondingly reduced. By the end of 1964, the proportion represented by equity capital in shareholders' account was 50.5 p.c.

\* The Hudson Bay Railway, formerly managed and operated for the Federal Government by the CNR, was absorbed into the Canadian National Railway System on Jan. 1, 1958, to be operated in the same manner as other Canadian Government railway lines. Statistics of the Hudson Bay Railway are therefore included with CNR data for 1958 and subsequent years.