

The companies are organized under federal legislative authority and are engaged primarily in the rapid transportation of package freight but their services also include custom brokerage, money orders, travellers cheques and other financial paper transactions. Recently, the major railways have introduced a unified service for handling small package express freight and less-than-carload-lot shipments, using the efficient facilities of their rail, piggyback and highway transport services to provide fast and competitive movement of goods. The eventual effects of this changing concept of express service will not be evident statistically until the integration processes are fully completed.

No statistics are available on the volume of express freight handled because much of it consists of parcels and small lots that cannot be classified. Table 10 shows the mileages operated by and the financial statistics of the express agencies for 1962-66 with figures by company for 1966.

10.—Summary Statistics of Express Companies, 1962-66

Year or Company	Mileages Operated in Canada <sup>1</sup>	Gross Earnings	Operating Expenses <sup>2</sup>	Express Privileges <sup>3</sup>	Net Operating Revenue
	No.	\$	\$	\$	\$
1962.....	70,985	83,877,337	64,086,906	19,041,953	748,478
1963.....	74,293 <sup>4</sup>	79,031,998	62,127,111	16,167,030	737,857
1964.....	76,025 <sup>4</sup>	81,728,007	64,918,242	16,162,703	647,062
1965.....	80,265 <sup>4</sup>	85,927,546	67,329,413	17,949,002	649,131
1966.....	82,840 <sup>4</sup>	89,265,075	73,051,191	15,631,246	582,638
<b>1966</b>					
Algoma Central and Hudson Bay Rly....	322	72,955	48,160	22,800	1,995
Canadian National Express.....	62,911	48,727,477	40,533,687	7,759,040	434,750
Canadian Pacific Express.....	16,552	34,054,312	28,341,203	5,566,409	146,700
Northern Alberta Railways.....	1,983	200,658	168,950	34,523	Cr. 2,815
Railway Express Agency, Inc.....	1,072	6,209,673	3,959,191	2,248,474	2,008

<sup>1</sup> Over railways, boat lines, motor carrier and aircraft routes. <sup>2</sup> Includes tax accruals. <sup>3</sup> Amounts paid by express companies to the carriers, i.e., railways, steamship lines, etc., for transporting express matter. <sup>4</sup> Excludes airline mileages of the Railway Express Agency.

Business transacted by express companies in financial paper is showing a downward trend, declining from \$137,434,334 in 1962 to \$122,411,975 in 1966. The latter was made up of: domestic and foreign money orders, \$95,849,108; C.O.D. cheques, \$15,405,453; travellers cheques, \$11,084,000; and telegraphic transfers, \$73,414. The major decrease was shown in the amount of money orders issued.

## Section 2.—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 Section. 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,