

INVESTMENTS IN AFFILIATED COMPANIES

STOCKS	Company	Total par value outstanding	Owned by Can. Nat. System at Dec. 31, 1951		
			Par value	Book value	
	The Belt Railway Company of Chicago.....	\$ 3,120,000	\$ 240,000	\$ 240,000	
	Canadian Government Merchant Marine, Limited.....	800	800	800	
	Chicago & Western Indiana Railroad Company.....	5,000,000	1,000,000	1,000,000	
	The Detroit & Toledo Shore Line Railroad Company.....	3,000,000	1,500,000	1,500,000	
	Detroit Terminal Railroad Company.....	2,000,000	1,000,000	1,000,000	
	Northern Alberta Railways Company.....	12,500,000	6,250,000	6,250,000	
	The Public Markets, Limited.....	1,150,000	575,000	575,000	
	Railway Express Agency, Incorporated (no par value)....	1,000 shares	6 shares	600	
	Shawinigan Falls Terminal Railway Company.....	300,000	150,000	62,500	
	The Toronto Terminals Railway Company.....	500,000	250,000	250,000	
	The Toledo Terminal Railroad Company.....	4,000,000	387,200	387,200	
	Trans-Canada Air Lines.....	25,000,000	25,000,000	25,000,000	
	Vancouver Hotel Company, Limited.....	150,000	75,000	75,000	\$36,341,100
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BONDS	Northern Alberta Railways Co. 1st. Mortgage Bonds.....	\$22,455,000	\$11,227,500	\$11,227,500	
	The Toronto Terminals Railway Co. 1st. Mortgage Bonds.....	25,610,000	12,805,000	12,805,000	24,032,500
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ADVANCES	The Belt Railway Company of Chicago.....			\$ 16,502	
	Chicago & Western Indiana Railroad Company.....			3,468,525	
	Northern Alberta Railways Company.....			75,000	
	Railway Express Agency, Incorporated.....			173,493	
	Shawinigan Falls Terminal Railway Company.....			12,500	3,746,020
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DEPOSIT	Trans-Canada Air Lines.....				11,000,000
	Total.....				\$53,119,620

MAJOR CONTINGENT LIABILITIES

THE DETROIT & TOLEDO SHORE LINE RAILROAD COMPANY

Assumed by Grand Trunk Western Railroad Company as joint and several guarantor by indorsement of principal and interest of \$3,000,000 First Mortgage 4%—50 Year Gold Bonds due 1953.

THE TOLEDO TERMINAL RAILROAD COMPANY

Assumed by Grand Trunk Western Railroad Company in respect of \$5,800,000 First Mortgage 4½%—50 Year Gold Bonds due 1957. The guarantee is as to interest only and is several and not joint. Grand Trunk Western's proportion is 9.68%.

CHICAGO & WESTERN INDIANA RAILROAD COMPANY

Assumed by Grand Trunk Western Railroad Company pursuant to joint supplemental lease dated 1st. July, 1902, between Grand Trunk Western Railway Company and four other proprietary companies. Obligation is for repayment of principal of bonds at their maturity, and of interest as it falls due by way of annual rentals. The Grand Trunk Western's obligation is for one-fifth of the bonds issued for "common" property and the entire amount of bonds issued for its "exclusive" property. The bonds are Consolidated Mortgage 50 Year 4% bonds due 1952 and the amounts outstanding at 31st. December, 1951, are:—

Issued for "common" property.....	\$39,973,019
Issued for "exclusive" property.....	252,535

Assumed by Grand Trunk Western Railroad Company pursuant to joint supplemental lease dated 1st. March, 1936, between Grand Trunk Western Railroad Company and other proprietary companies. Obligation is to pay as rental sinking fund payments sufficient to retire bonds at maturity and interest as it falls due. The Grand Trunk Western's proportion is one-fifth in the absence of default of any of four other tenant companies. The bonds are First and Refunding Mortgage 4¼% Series "D" Sinking Fund Bonds due 1962 and the amount outstanding at 31st. December, 1951, is \$12,785,000.

C.N.R. PENSION PLAN

Reserves have been set up against contracts in force under the 1935 contractual plan, but not against pensions conditionally accruing under that plan or prior non-contractual plans.