

Mr. FRASER: What about the Northern Alberta railways? What is that item for?

Sir HENRY THORNTON: Mr. Fairweather will answer that question by reading off the items which represent the amount to which you have referred.

Mr. FAIRWEATHER: It is understood that we are only 50 per cent proprietors of the Northern Alberta railways. Here is a statement of the proposed capital expenditures on the Northern Alberta railways in 1931. They total \$352,973, which is just twice the amount indicated in our budget; and that is made up of right-of-way, \$14,500; bridges, trestles and culverts, \$83,000; right-of-way fencing, \$26,550; crossings, \$7,000; roadway buildings, \$3,300; water supplies, \$26,000; station ground, \$8,000; raising grade at Swan River crossing, \$10,000; equipment, and general unforeseen, \$75,000. That is the total capital expenditure provided.

Mr. HACKETT: Is that the railway which you bought with the Canadian Pacific railway?

Sir HENRY THORNTON: That is the railway which we bought jointly with the Canadian Pacific railway.

Mr. FRASER: Did I understand that you said something about right-of-way?

Mr. FAIRWEATHER: The right-of-way is \$14,500.

Mr. FRASER: What extensions are contemplated there?

Hon. Mr. EULER: That involves the whole Peace River question.

Mr. FRASER: Oh, no, that does not involve the Peace River question.

Hon. Mr. MANION: Before you get away from the Northern Alberta, would you mind telling us what were the operating expenses and revenue of the two railways after purchasing that road?

Mr. FAIRWEATHER: The operating results of the Northern Alberta railway for 1930 were:—

Operating revenue	\$2,253,739 27
Operating expenses	1,952,389 70
Railway tax accruals	22,000 00
Railway operating income	278,000 00
working down to a total operating income of	271,000 00

And then, after deductions for interest, net income—

Hon. Mr. MANION: I did not want all that detail.

Mr. FAIRWEATHER: In 1930 the loss was \$1,027,904.12, with the Canadian National Railways' 50 per cent portion of that being \$513,952.06.

Mr. FRASER: Was there an operating profit?

Sir HENRY THORNTON: Yes.

Mr. McLAREN: \$301,349.57.

Mr. FRASER: Are you sure that is not gross revenue?

Hon. Mr. MANION: There is something wrong about that.

Sir HENRY THORNTON: What was the net revenue or difference between gross earnings and expenses?

Mr. McLAREN: \$301,349.57.

Mr. FRASER: So that it paid its operating expenses and a little more.

Sir HENRY THORNTON: By \$301,000 odd.

Mr. FRASER: Was there an increase of operating revenue for the year?

Sir HENRY THORNTON: There was an increase of \$21,500.

Mr. FRASER: How many miles of new road did you construct last year?

Hon. Mr. MANION: Where then did you get your \$1,000,000 loss?