

Mr. COOPER: If you look at page 17 you will find an item which represents the investment of the Dominion of Canada in Canadian government railways at the time they were transferred to the Canadian National railways.

Mr. VIEN: Under what caption?

Mr. COOPER: "Dominion of Canada Expenditures for Canadian Government Railways."

Mr. HANSON: About half way down on page 17.

Hon. Mr. VENIOT: Does that include the original cost and the deficits in operation paid for by the Dominion government up to 1919?

Mr. COOPER: It includes the capital expenditures but not the deficits. The deficits, as I understand, are absorbed through the consolidated revenue fund.

Hon. Mr. VENIOT: You could not tell me what the capital expenditure was?

Mr. COOPER: It is shown there: \$388,290,294.40.

Hon. Mr. VENIOT: That is not for the Intercolonial railway.

Mr. COOPER: The Intercolonial separate from the Dominion government Railways?

Hon. Mr. VENIOT: Yes.

Mr. COOPER: You can find that information in the annual report of the Department of Railways and Canals, where this item is separated.

Hon. Mr. VENIOT: Thank you.

Mr. YOUNG: Is there a sinking fund account kept by the Canadian National Railways?

Mr. COOPER: In connection with our bonds?

Mr. YOUNG: Yes.

Mr. COOPER: Yes. Some of our bond issues have sinking fund provisions. You will find that on page 16. There is an item there of \$11,921,666.97 representing sinking funds created against the maturity of our system securities which are presently outstanding in the hands of the public.

Mr. YOUNG: \$11,000,000?

Mr. COOPER: Yes. There are very few of our issues that have sinking fund provisions; they all relate to the time prior to the time of government control.

Mr. VIEN: What form does that sinking fund take? How do you carry it?

Mr. COOPER: The funds are invested in securities. The statement shows that \$6,814,920.90 is invested in our own system securities, and they are carried in the books at par. The balance of the \$11,000,000 odd which is \$5,106,746.07 is invested in securities other than those of the Canadian National Railways. There may be some small cash balance awaiting re-investment.

The CHAIRMAN: Shall we go on to the Canadian Government Merchant Marine Limited?

Mr. VIEN: We shall not adopt the report now?

The CHAIRMAN: No. Page 4, consolidated balance sheet. Mr. Fairweather, will you take that up, or will Mr. Hungerford do so?

Mr. HUNGERFORD: Mr. Cooper will take it up.

Mr. COOPER: The consolidated balance sheet of the Canadian Government Merchant Marine Limited and subsidiary companies as at 31st December, 1935:—

ASSETS

Investments:—Vessels as at 31st December, 1935—\$18,168,022.92.

That represents the cost of ten vessels which remain in the merchant marine service, and the average cost is about \$205 per dead-weight ton.

Mr. BOTHWELL: That includes the Canadian Planter?