

Gross Capital Expenditures:

Road property.....	\$172,295,000	
Branch line construction.....	10,141,000	
Hotels.....	3,568,000	
Equipment.....	88,480,000	5
Investment in affiliated companies:		
Trans-Canada Air Lines		
financial requirements.....	\$ 57,000,000	
Others.....	17,416,000	
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		74,416,000 10
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		\$348,900,000;
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Capital expenditures in 1960.

(b) to make capital expenditures not exceeding in the aggregate \$130,000,000 in the calendar year 1960 prior to the 1st day of July of that year, by investing in securities of Trans-Canada Air Lines to enable Trans-Canada Air Lines to discharge obligations that were incurred prior to that year and have become due and payable before that day and to discharge obligations that were incurred by the National Company for equipment, for hotels and branch lines and for general additions and betterments to road property prior to that year and have become due and payable before that day; and

Contracts for new equipment, additions and conversions prior to July 1, 1960. Power to borrow money.

(c) to enter into contracts prior to the 1st day of July, 1960, for the acquisition of new equipment and for general additions and conversions that will come in course of payment after the calendar year 1959, in amounts not exceeding in the aggregate \$81,000,000.

(2) The National Company, with the approval of the Governor in Council, is authorized

(a) at any time prior to the 1st day of July, 1960, to borrow money by the issue and sale of securities or by way of loan from the Minister of Finance to provide the amounts required for the purposes of paragraphs (a) and (b) of subsection (1); and

(b) by the issue and sale of securities, to borrow money to repay loans made under section 6.

Statement of amounts borrowed.

(3) A statement of the amounts borrowed by the National Company pursuant to this section shall be included in the annual report of the Company.

Estimate of amounts required.

(4) An estimate of the amounts required for the purposes of paragraph (b) of subsection (1) shall be included in the annual budget of the National System for the calendar year 1960.

Amount payable included in budget.

(5) Any amount payable under a contract entered into pursuant to paragraph (c) of subsection (1) shall be included in the annual budget of the National System for the year in which it will become due and payable.