

RAILWAYS NOW COMPRISING CANADIAN NATIONAL SYSTEM—*Concluded*

<i>Grand Trunk Railway—</i>			
Prior to Government ownership.....	30,318,987		
Since Government ownership May 1, 1920, to March 31, 1923.....	107,433,649	137,749,606	
<i>Grand Trunk Pacific Railway—</i>			
Prior to Government ownership.....	79,854,134		
Since Government ownership March 9, 1919, to March 31, 1923.....	42,367,362	122,221,496	
<i>Canadian National Railway Company—</i>			
Subsidies, etc. to companies now within this group, but made prior to Government ownership.....	4,112,314		
Cash advanced to this company since April 1, 1923, to December 31, 1931, for disbursement to all companies comprising the Canadian National System.....	119,409,604	123,521,918	
Total Canadian National Railways Group.....	\$1,201,461,199		
<i>Hudson Bay Railway and Terminals.....</i>	<i>48,746,683</i>		
<i>Canadian Pacific System—</i>			
Canadian Pacific Railway Company.....	\$ 79,607,120		
Subsidiaries—subsequent to acquisition by Canadian Pacific Railway.....	10,486,793		
Subsidiaries—prior to acquisition by Canadian Pacific Railway.....	14,383,882	104,477,493	
<i>All other Roads.....</i>	<i>11,396,804</i>	<i>11,396,804</i>	
		\$1,366,082,181	

The security issues constituting the funded debt of the constituent companies of the Canadian National System (including liabilities of ten millions connected with Northern Alberta Railways) are distributed as follows:—

<i>Canadian Northern Railway System—</i>			
Guarantees prior to acquisition.....	\$ 71,669,914		
Guarantees since acquisition.....	66,073,976		
Other securities outstanding.....	158,973,316	296,717,206	
<i>Grand Trunk Railway System—</i>			
Guarantees prior to acquisition.....	\$ 265,433,142		
Guarantees since acquisition.....	51,830,773	317,263,917	
<i>Grand Trunk Pacific Railway—</i>			
Guarantees prior to acquisition.....	\$ 43,432,848		
Guarantees since acquisition.....	41,159,826	84,592,674	
<i>Canadian National Railway Company (Since Jan. 1, 1923)—</i>			
Guarantees outstanding.....	\$ 523,952,410		
Other securities outstanding.....	63,931,000	587,883,410	
Total.....	\$1,286,457,207		

This sum represents the following division as between guaranteed and non-guaranteed issues, for both of which, however, the Government as owner carries ultimate responsibility:—

Guaranteed securities.....	\$ 970,562,290
Unguaranteed securities.....	305,894,917
Northern Alberta Railways.....	10,000,000
Total.....	\$1,286,457,207

LAND GRANTS AND PROVINCIAL AND MUNICIPAL AID

In addition to cash and guarantees of securities, immense grants of land were made to railway promoters by Dominion and provincial governments, as follows:—

	Acres
Dominion.....	31,781,847
Nova Scotia.....	160,000
New Brunswick.....	1,788,392
Quebec.....	2,088,710
Ontario.....	3,241,207
British Columbia.....	8,233,410
Total.....	47,290,566

As between the Dominion and the provinces, and also as between the several railways, this acreage was thus apportioned:—

	Total	Government owned and controlled	Canadian Pacific	All other Roads
Dominion.....	31,781,847	5,727,002	24,953,133	1,101,712
Provincial.....	15,508,719	1,806,215	10,611,846	3,090,658
Total acreage.....	47,290,566	7,533,217	35,564,979	4,192,370

A word of explanation is necessary as to Dominion land grants to the Canadian Pacific. Under the original contract of that company 25,000,000 acres of Dominion lands were granted. Subsequently, 6,793,014 acres were returned for a cash consideration of \$10,189,521. Afterwards further grants were made of 1,710,400, principally to the Souris branch. Subsidiaries now forming part of the Canadian Pacific received Dominion land aggregating 6,139,963 acres, but at the time such lands were acquired by the Canadian Pacific these subsidiaries owned only 2,235,145 of these original grants. The total of the grants which may, therefore, be said to have been received by the Canadian Pacific is 22,152,531 acres.

Dominion and provincial land grants do not, however, complete the story of public aid of investment in Canadian railways. The provinces and also many municipalities assisted the promotion of railway enterprises by cash subsidies and subscriptions to shares. These reached a quite substantial total:—

CASH SUBSIDIES

Provincial.....	\$ 33,160,615
Municipal.....	12,988,128
Total.....	\$ 46,148,743

SUBSCRIPTIONS TO SHARES

Provincial.....	300,000
Municipal.....	2,425,500
Total.....	\$ 2,725,500

The provinces also undertook in certain instances the guarantee of securities. In so far as these relate to railways now forming part of the National system, these guarantees have been met by the Dominion as the issues matured. At December 31, 1931, there remained, however, \$72,184,488 of these guarantees which on a strict legal accounting would still rank as liabilities of provincial governments.