The net earnings of \$40,456,251.76 represented 3.09 per cent. on a capitalization of \$1,308,481,416.

Following is an analysis of the earnings from passenger service:—

	1908.	1909.
	\$ cts.	\$ cts.
Passengers	39,992,503 11	39,073,488 84
Mails	1,670,120 90	1,723,180 97
Express	3,486,300 63	3,561,170 96
Other sources	1,705,234 33	924,485 50
Total	48,854,158 97	45,282,326 27

The gross earnings per mile of railway were \$6,017.93 as compared with \$6,397.21 in 1908.

The net earnings were \$1,678.40 per mile of line, a decrease from the preceding year of \$46.50.

The average revenue per passenger was \$1.195, representing a gain of .020 over 1908.

The average receipts per ton of freight were \$1.432, a falling off to the extent of .054 as against the preceding year.

The earnings per passenger train mile were \$1.150. In 1908 the average was \$1.228. The loss of .078 is accounted for by a decrease in the revenue from passenger train service, and an increase in the passenger train mileage.

The earnings per freight train mile were \$2.041. For 1908 the figures were \$2.008.

The earnings per train mile, for all trains, amounted to \$1.816, as against \$1.868 in 1908.

The earnings from all sources other than freight and passenger service were equal to 2.14 per cent. of the whole. The proportion of freight, passenger and other earnings to total earnings was as follows:—

	1907.	1908.	1909.
Freight service	64.73	63.81	66.65
Passenger service	31.16	31.89	31.21
All other	4.11	4.30	2.14

Operating Expenses

The operating expenses for 1909 amounted to \$104,600,084.43, a decrease, as compared with 1908, of \$2,704,058.08.

The proportion of operating expenses to gross earnings was 72.11. This was .93 less than in 1908.

The operating expenses represented \$4,339.53 per mile of line, as compared with \$4,672.30 in 1908.

The cost of running a train one mile in 1909, using the mileage of all trains as a basic factor, was \$1,309, a decrease of .055 as against 1908.

The following table gives the cost of running a train one mile:—

The state of the s	
1900	 .864
1905	 1.213
1908	 1.364
1000	T 200

It will be observed that the cost of operation per train mile has increased 51.5 per cent. since 1900. On the other hand the earnings per train mile have increased but 41.7 per cent. within the same time.

Accidents

There were 478 persons killed and 1,404 injured by the railways of Canada in 1909. These figures represent an increase over 1908 of 29 in the number killed and a decrease of 943 in the number injured.

There were also 27 persons killed and 782 injured in railway service from causes other than the movement of trains, locomotives or cars. The final aggregate would therefore be 505 killed and 2.186 injured.

The accidents during 1908 and 1909 affected the following classes of persons:—

Kil	lled.	Inju	Injured.	
1908.	1909.	1908.	1909.	
Passengers	36	345	281	
Employees 224	182	1,793	897	
Trespassers 156	190	120	95	
Non-trespassers 22	67	59	89	
Postal clerks, expressmen, &c. 16		3	25	
Other persons 3	3	27	17	
Total 449	478	2,347	1,404	

Of the 19,443 trainmen employed in 1909, one in every 172 was killed and one in every 28 injured.

By another standard of reckoning the hazard, it transpired that in 1909 one trainman was killed for every 737,831 miles trains were run, and one injured for every 120,310 miles. For the purposes of this calculation the mileage of trains, revenue and non-revenue, was used.

The accidents to employees from causes other than the movement of trains were distributed among the following classes:—Stationmen, 5 killed and 32 injured; shopmen, 5 killed and 269 injured; trackmen, 9 killed and 248 injured; other employees, 8 killed and 233 injured.

During 1909 there were 76 persons killed and 72 injured at highway crossings. The inquiry which was begun in 1908, as to relative number of accidents occurring at urban and rural crossings, was continued in 1909. Following is the result:—

	Killed.		Injured.	
Highway Crossings.	1908.	1909.	1908.	1909.
Urban	30	33	35	41
Rural	21	43	33	31
	-			-
Total	51	70	68	72

In 1909 there were 1,767 unprotected urban crossings in the Dominion, and 15,426 unprotected rural crossings. Assuming that all the accidents took place at unprotected crossings, it will be seen that one person was killed for every 359 and one injured for every 497 of such rural intersections; while one person was killed for every 54, and one injured for every 43, unprotected urban crossings. The de: duction suggested from these facts is that the hazard bears a more or less direct relationship to the extent to which any particular crossing is used.

It would appear to be an unwarranted assumption that so called protected crossings absolutely prevent loss of life or the infliction of injury, particularly at congested points in large centres. Out of 30 persons killed in 1908 at urban crossings, 10 lost their lives at protected intersections. In 1907 the number was 21. In 1909 the returns show 22. In other words, in 1909, of the 33 fatal accidents at urban crossings, 70 per cent. occurred at crossings having some form of protection. The accidents in such cases befall pedestrians who, in defiance of the lowered gates, seek to cross the tracks or pass under or over cars.

Highway Crossings

An effort was made last year, to obtain from the railways specific information with regard to the number of protected highway crossings in the Dominion. The word "guarded" was used, and in several instances it was misunderstood to include a crossing having cattleguards. The data collected was thus rendered valueless. For 1909, the inquiry was given three aspects: first, the number of protected highway crossings; second, how protected; and third whether the protected crossing was urban or rural as to location.