

Trunk, Canadian Northern, Grand Trunk Pacific and National Transcontinental railways, would suffice to cover the annual interest charges, dividend on the Preference Stock, and 7% dividend on the Common Stock of the Canadian Pacific.

### EXTRANEIOUS INVESTMENTS

The extraneous investments and available resources belonging to the Shareholders of the Canadian Pacific are quite distinct from the transportation system and play no part in the transportation accounts. They are made up of the Ocean and Coastal Steamship Lines, investments authorized by Parliament in shares of Railway Companies outside of Canada, made, in most cases, many years ago when the shares that now command high prices had only a nominal market value, Government Securities and Loans, money set aside for investment, and other items, amounting in the aggregate to \$137,000,000, and available resources in unsold lands, amounts payable on lands already sold, coal mining and other properties, having an estimated present and prospective value of \$116,000,000, after providing for the retirement of the outstanding Note Certificates.

The total appraisalment of these items, namely, \$253,000,000, is substantially below the market value. Large as is the amount, it was not accumulated by speculation or risky exploitation. Apart from the temporary loans and money it represents the accumulated worth of properties and resources many of which had little or no value when they came into the possession of the Company, but were developed and safeguarded until they became profitable.

Doubtless such development in its conception and execution had its selfish side, but no one familiar with the details of Canada's progress in the last quarter of a century will deny that every work of development undertaken by the Company, quite aside from its railway enterprise and its vigorous immigration policy, has given to the Country a return infinitely greater than any received by the Company or its Shareholders.