

### Operating Revenues

Operating revenues totalled \$304,376,000, an increase of \$56,849,000 or 23 per cent over the preceding year. The gross amount was approximately equal to that of 1928 and was more than double that of 1933. Only two other railway systems on the continent had larger gross revenues. The increase on system lines in Canada was 23·3 per cent and on system lines in the United States 21·3 per cent.

Freight revenue increased \$45,030,000 or 23·1 per cent. In 1941 the railway moved the largest tonnage of freight in its history. It moved the equivalent of 27,199 million tons one mile, an effort 20 per cent greater than in the previous peak year of 1928. The increased freight revenue over 1928, however, was only 5 per cent.

Passenger revenue increased \$10,191,000 or 47 per cent. Measured by passenger miles, passenger traffic increased 57 per cent, but the increase in revenue was not proportionate to the increase in volume because of the low fares for members of the armed forces and special rates for workmen's trains serving munition plants. The average revenue per passenger mile was 1·8 cents, an all-time low.

The increased activity in rail transportation was reflected in the other revenue accounts, such as switching, demurrage, mail, sleeping car, chair car, dining car, and commercial telegraphs. Express revenue, however, was less than in 1940 due to the diminution of certain movements of gold bullion which were unusually heavy in that year.

Mr. POULIOT: Now, Mr. Vaughan, I think there is something being done regarding the centralization of balance sheet departments, is there not?

Mr. VAUGHAN: Of what departments?

Mr. POULIOT: Something being done about the centralization of balance sheet departments?

Mr. VAUGHAN: Yes, there is; we are considering centralizing certain of our accounting departments.

Mr. POULIOT: And I have a list here for the central region. May I put it on the record as it is here or shall I read it?

Mr. VAUGHAN: Whichever you prefer.

Mr. POULIOT: It is a list of the prospective transfers from various places to Toronto, and I presume the same thing is contemplated in all regions.

Mr. VAUGHAN: That is right, sir.

Mr. POULIOT: What is the reason for that, Mr. President?

Mr. VAUGHAN: We think we will have increased efficiency and a very substantial saving in dollars and cents.

Mr. POULIOT: Is the present system not working well?

Mr. VAUGHAN: The present system is working all right, but we see an opportunity of saving several hundreds of thousands of dollars. Also we felt that at this particular time there would be less likelihood of disturbing or at least throwing men out of employment when they can get positions elsewhere. We will, of course, take care of all of our older employees, although some of them will have to move.

Mr. POULIOT: You have received representations from various public bodies like municipal councils?

Mr. VAUGHAN: Through some bodies we have received representations, yes.

Mr. POULIOT: Protesting against the scheme?

Mr. VAUGHAN: Yes. It has probably been worked up by our own employees who do not like moving away from the particular town in which they have lived for some time.