Chicago, Milwaukee, St. Paul and Pacific Railroad Company

16th Annual Report · 1943

CHICAGO, MILWAUKEE, ST. PAUL AND PACIFIC RAILROAD COMPANY

DIRECTORS

TERM EXPIRES MAY 9, 1944

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HOWLAND S. DAVIS	NEW YORK
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FRANK J. LEWIS	CHICAGO
ROBERT J. MARONY	NEW YORK
HARVEY C. ORTON	CHICAGO
WM. CHURCH OSBORN	NEW YORK
EDWARD A. PIERCE	NEW YORK
ROBERT T. SWAINE	NEW YORK

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ROBERT J. MARONY — EDWARD A. PIERCE

ROBERT T. SWAINE

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R. J. MARONY	Vice President	NEW YORK
R. T. SWAINE	Counsel for the Board of Directors	NEW YORK
W. V. WILSON	Comptroller	CHICAGO
J. DICKIE	Treasurer	CHICAGO
T. W. BURTNESS	Secretary	CHICAGO
J. WELCH	Asst. Secretary—Asst. Treasurer	NEW YORK
L. G. WEIFFENBACH	Asst. Secretary—Asst. Treasurer	NEW YORK
G. GRIFFIN	Transfer Agent	NEW YORK

OFFICERS FOR THE TRUSTEES

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O. N. HARSTAD	Asst. Chief Operating Officer and General Manager—Lines East	CHICAGO
E. B. FINEGAN	Chief Traffic Officer	CHICAGO
A. N. WHITLOCK	Counsel for Trustees	CHICAGO
M. L. BLUHM	General Solicitor	CHICAGO
D. C. CURTIS	Chief Purchasing Officer	CHICAGO
R. J. MARONY	New York Fiscal Representative	NEW YORK
J. N. DAVIS	Assistant to Trustee	SEATTLE
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F. H. JEFFREY	Assistant Treasurer	CHICAGO
S. GREENGARD	Assistant Treasurer	SEATTLE
J. WELCH	Asst. Secretary—Asst. Treasurer	NEW YORK
L. G. WEIFFENBACH	Asst. Secretary—Asst. Treasurer	NEW YORK
L. F. DONALD	General Manager—Lines West	SEATTLE
W. H. PENFIELD	Chief Engineer	CHICAGO

The
SIXTEENTH ANNUAL REPORT
of
CHICAGO, MILWAUKEE, ST. PAUL AND PACIFIC RAILROAD COMPANY
HENRY A. SCANDRETT, WALTER J. CUMMINGS, GEORGE I. HAIGHT, Trustees

FOR THE YEAR ENDED DECEMBER 31, 1943

The Trustees submit the following report of operations for the year 1943:

The expanded production for the war effort, and the resulting heavy increase in traffic, produced the largest gross revenue in the history of the railroad.

That the railroad performed successfully the task of handling the huge volume of traffic, notwithstanding shortages of manpower and materials, is due to the loyalty and devotion to duty and the hard and intelligent effort of the men and women of The Milwaukee Road, the acknowledgment of which the Trustees are happy to record.

By the end of the year 4946 employees had entered the armed forces, 26,200 employees were purchasing War Savings Bonds on the payroll plan, and deductions from wages and salaries for this purpose during the year aggregated $3,904,456.

The financial results of operations during 1943 are as follows:

	1943	1942
Received from freight, passenger and miscellaneous operations a total revenue of	$ 224,515,240	$ 179,867,280
The cost of maintaining the property and of operating the railroad was	145,735,801	115,963,264
Leaving a balance from railroad operations of	78,779,439	63,904,016
*Accrued taxes (Federal, State and local)	26,030,000	25,701,000
Leaving a balance of	52,749,439	38,203,016
The Trustees paid to other companies for hire of equipment and use of joint facilities in excess of the amount received from those sources	2,080,485	3,698,362
This left an income from railroad operations of	50,668,954	34,504,654
Other income derived from lease of property, investments in government securities, stocks, bonds, notes and miscellaneous items less miscellaneous deductions was	1,812,670	935,923
Making income available for fixed charges of	52,481,624	35,440,577
Fixed interest on funded debt, equipment obligations, short term notes and open accounts, and rents paid for leased roads totaled	13,924,316	14,122,061
Leaving income after fixed charges of	38,557,308	21,318,516
Contingent charges were:		
Interest on Adjustment Mortgage Bonds	9,143,685	9,143,685
*Remainder of income available for additions and betterments and other purposes	29,413,623	12,174,831

*Federal Income Tax accruals in 1942 were over-stated $8,885,710 because of doubt as to what interest accruals would be allowed as a deduction for tax purposes. During 1943 these doubts were resolved and the over-accruals were reversed. The restated figures for "Remainder of income available for additions and betterments and other purposes" for 1943 are $20,527,913, and for 1942, $21,060,541.

HIGHLIGHTS OF 1943 PERFORMANCE IN COMPARISON WITH PRECEDING YEARS

ITEMS	1943	1942	1941	1940	1929
FREIGHT SERVICE					
Freight Revenue	$ 174,018,632	$146,466,550	$117,246,205	$ 95,113,461	$137,176,431
Revenue Tons Handled (Thousands)	53,824	48,718	42,907	35,321	51,954
Revenue Ton-miles (Thousands)	18,209,707	15,908,488	12,804,595	10,097,196	13,091,990
Average Haul—Miles	338	327	298	286	252
Net Ton-miles per Train-mile (Includes Non-revenue)	1,058	981	858	782	739
Net Ton-miles per Train-hour (Includes Non-revenue)	16,424	15,716	14,046	12,831	9,505
Locomotive-miles per Locomotive-day	120.8	121.0	118.6	112.8	114.8
Car-miles per Car-day	46.6	43.2	38.1	31.6	34.3
Average Number of Locomotives in Service	615	624	618	630	931
#Average Number of Freight Cars Owned and Leased	55,365	55,352	55,097	56,159	70,562
Operating Expense Ratio	61.69%	58.93%	61.13%	66.14%	67.62%
PASSENGER SERVICE					
Passenger Revenue	$ 31,010,174	$ 17,772,714	$ 9,646,900	$ 8,100,381	$ 16,753,297
Revenue Passengers Carried (Thousands)	10,134	7,637	5,310	4,695	7,444
Revenue Passenger-miles (Thousands)	1,771,800	982,405	564,513	472,614	572,420
Average Distance Traveled—Miles	174.84	128.64	106.31	100.67	76.89
Locomotive-miles per Locomotive-day	225.7	204.9	196.9	200.0	195.3
Car-miles per Owned Car-day	248.5	215.8	207.7	194.7	188.5
Average Number of Locomotives in Service	184	184	183	183	345
Average Number of Passenger-Train Cars Owned and Leased	949	940	922	927	1,346
Operating Expense Ratio	78.38%	96.20%	136.26%	146.29%	112.71%
FREIGHT AND PASSENGER SERVICE					
Gross Earnings—Railway Operating Revenues	$224,515,240	$179,867,280	$139,646,122	$114,375,589	$171,361,385
Operating Expense Ratio	64.91%	64.47%	70.01%	76.21%	75.16%

#Excludes ore cars assigned to C. & N. W. Ry. in ore pool service, and cabooses.

Revenues and Expenses

Revenues from the operation of the railroad for 1943 amounted to $224,515,240, and were $44,647,960, or 24.8% more than for 1942. Freight Revenue increased $27,552,082, or 18.8%, and Passenger Revenue, $13,237,460, or 74.5%.

The Maritime Commission, Lend-Lease authority, and other governmental agencies have announced that land grant rates, instead of commercial rates, should apply on their traffic which is moving in very large volume, and that they expect to require adjustments and refunds for the difference between the commercial rates as collected and the lower land grant rates. The office of the Comptroller General is reported to be about three years in arrears in the auditing of payments for freight transportation. A determination of the correct status of this traffic may require extended litigation over a long period of time. As protection against refunds that may be required, Freight Revenue was charged $500,000 in 1942 and $3,500,000 in 1943, a total of $4,000,000, and placed in a reserve account.

Operating Expenses amounted to $145,735,801, an increase of $29,772,537, or 25.7%. Expenses for Maintenance of Way and Structures increased $10,590,026; Maintenance of Equipment, $5,297,035; Transportation Expenses, $12,395,963; General Expenses, $457,816, and All Other Expenses, $1,031,697.

Freight and Passenger Charges

Effective May 15, 1943, the Interstate Commerce Commission suspended to January 1, 1944, the effectiveness of the temporary increase in freight rates authorized under the Ex Parte 148 decision. On November 8, 1943, the Commission further postponed the increase until July 1, 1944; and the State Commissions have also postponed the temporary increases authorized on State traffic.

The authority to increase interstate commutation fares ten percent, effective February 10, 1942, granted by the Interstate Commerce Commission in Ex Parte 148, was revoked by the Commission after further hearing and, effective May 15, 1943, the fares were reduced to those in effect on February 9, 1942. The Interstate Commerce Commission then, on its own motion, instituted an investigation into interstate commutation fares and, on October 11, 1943, this proceeding involving interstate commutation fares in the Chicago District was heard at Chicago jointly with an investigation instituted by the Illinois Commerce Commission into intra-state commutation fares. Neither of the Commissions has rendered a decision.

Wage Increases and Government Control

The demands for increased wages made in September, 1942, by the fifteen non-operating unions, and in January, 1943, by the five operating brotherhoods, as reported in the Annual Report for 1942, were not settled through the ordinary channels. A strike was called effective December 30, 1943, whereupon the President of the United States summoned representatives of both sides into conference and offered to arbitrate the issues. Two of the five operating brotherhoods and the railroad managements accepted the offer, but three declined to do so. Representatives of the non-operating unions also declined, but withdrew their strike order. As the strike order was not withdrawn by the three operating brotherhoods, the President, through the War Department, took possession of the railroads on December 27, 1943. The three operating brotherhoods then suspended their strike order for the period of Government control.

The President confirmed the recommendation of an increase of 4 cents per hour proposed by the Emergency Board for the two operating brotherhoods, effective April 1, 1943, and effective December 27, 1943 awarded, in lieu of other claims, an additional 5 cents per hour and an annual vacation of one week with pay. Later the same basis was accepted by the other three operating brotherhoods. Subsequently, a settlement with the fifteen non-operating unions was reached by granting increases ranging from 4 cents to 10 cents per hour for the period February 1 to December 26, 1943 and, effective December 27, 1943, further increases were granted, making the rates from 9 to 11 cents per hour higher than those in effect prior to February 1, 1943.

The cost of the wage increases to these employees, including employees not represented by the organizations, and vacations to operating brotherhoods, together with the additional payroll taxes, is estimated at $10,400,000 per annum.

Government control was terminated at midnight January 18, 1944. In consideration of the waiver by the United States of all rights to an accounting with respect to operations during the period of its control, the Trustees agreed to indemnify and hold the United States harmless against any liability to third parties, and further released it from all claims on their behalf by reason of the possession, operation and control of their properties during such period.

During the period of Government control the managements of the railroads were allowed to continue their functions to the maximum degree possible consistent with the purpose of the order taking possession of the carriers.

Agricultural and Mineral Development

Project work designed to aid the war effort, by increasing production and processing of foods, fibers, oils, hides and strategic and essential minerals, was given first place in the programs of this department.

Nineteen hemp plants were located in territory served by the Milwaukee to process production from 63,100 acres.

Continued efforts were made to discover and initiate development of strategic mineral deposits, such as iron, lead, zinc, alumina clays, garnet sands, pumicite, coal, oil, magnesium and other minerals, and the outlook in this direction is promising.

The Department cooperated with the National Victory Garden Institute in support of the Victory Garden Program. Our agricultural agents supplied employee victory gardeners with garden literature and arranged for and participated in many conferences with State and local Victory Garden leaders and groups of individual gardeners who sought counsel and direction. Permits were given for the use, without charge, of parcels of our property for victory gardens. As a result of a review of our activities, the National Victory Garden Institute awarded The Milwaukee Road a bronze plaque and citation for outstanding service.

Thousands of inquiries were received for farms and ranches, inquirers were informed where they could secure lands meeting their requirements, and we have reports of many sales to owner operators.

The Department has cooperated with many public and private agencies for furthering irrigation, grazing and soil conservation projects, for attainment of crop production goals, in making and securing geological and mining surveys and many other activities designed to help and hasten development of our territory.

Real Estate Department

The Real Estate Department has continued its active cooperation with the United States Government during 1943 in the selection and development of war plant sites at locations capable of being served by The Milwaukee Road; also civilian industries doing war work.

During the year a smaller number of civilian industrial leases were made because of the restrictions on material available for the construction of these civilian plants. There are now pending negotiations for several sales and leases for civilian industrial development, which negotiations will be completed as soon as the War Production Board approval can be obtained for the construction of these plants.

Safety

The activities of the eight District Safety Engineers, appointed November 1, 1942, resulted in a greater amount of individual contact with employees and the accomplishment of considerable good work along the lines of accident prevention. A program of foremanship training in safety was instituted at the larger shop points and this, together with the increased number of safety meetings held with employees, should result in some improvement in the ensuing year.

Federal Legislation

There was little in the way of new Federal Legislation which especially affected railroads. Of general application, there was the Current Tax Payment Act of 1943 which required that, effective July 1, 1943, employers withhold and return to the Government from the conpensation of employees, a certain percent thereof to apply against the income tax for which the employee is liable. The Interstate Commerce Act was amended by the addition of Part IV providing for the regulation of freight forwarders by the Interstate Commerce Commission. Provision is made in the amendment where prescribed circumstances exist, for permission to the rail carriers to adopt special rates for freight forwarders in the assembling and distribution of freight.

Plan of Reorganization

The reorganization proceeding was referred back to the District Court by the Supreme Court of the United States following its opinion of March 15, 1943 approving the 1940 Plan of Reorganization with the two exceptions mentioned in the Annual Report for 1942. The District Court decided the question of the "pieces of lines east," holding that the First and Refunding Mortgage had first lien on sixteen of the pieces and that the General Mortgage had first lien on one.

The District Court then referred the proceeding to the Interstate Commerce Commission for consideration of the question of what the holders of the General Mortgage Bonds and Fifty Year Bonds should receive, in addition to a face amount of inferior securities equal to the face amount of their old bonds, as equitable compensation for the loss of their senior rights.

The Commission held a hearing in July, 1943, and made a Second Supplemental Report and Order on December 6, 1943 approving a modified Plan of Reorganization. The major adjustments of the Plan which it had previously approved are:

Change of effective date from January 1, 1939 to January 1, 1944; distribution of approximately $52,038,036 of cash on account of interest accruing during trusteeship and not authorized by the Court to be paid, such distribution to go to Milwaukee & Northern First Mortgage Bonds, Milwaukee & Northern Consolidated Mortgage Bonds, General Mortgage Bonds and Fifty Year Bonds in the amounts set forth in the Order; allocation of additional First Mortgage Bonds, amounting to approximately $7,096,336 principal amount to holders of Milwaukee & Northern First Mortgage Bonds, Milwaukee & Northern Consolidated Mortgage Bonds and General Mortgage Bonds; provision for a Sinking Fund for the retirement of First Mortgage Bonds; provision for the creation of a Fund for retirement of new General Mortgage Income Bonds and new Preferred Stock; authorization of a provision in the new mortgages under which payment of interest or principal may be postponed upon consent of not less than 75% of the amount of bonds outstanding; requirement that the Court approve the designation of Reorganization Managers; provision for an alternative distribution of securities in the event the claims of the Reconstruction Finance Corporation should be paid.

Following is a summary of the capital structure and annual charges in the modified Plan of Reorganization:

	Principal Amount	Annual Charges
Fixed-interest debt:		
Equipment obligations	$ 18,472,578	$ 498,254
New first-mortgage bonds	59,515,170	2,380,607
Terre Haute bonds as modified; portion representing fixed interest	14,189,224	603,042
Total fixed-interest debt	92,176,972	3,481,903
Other Obligations:		
Additions and Betterments fund, mandatory payment		2,500,000
Sinking fund for new first-mortgage bonds		148,788
New General Mortgage Bonds, Series A	57,256,668	2,576,550
Terre Haute bonds as modified; portion representing contingent interest	7,739,576	328,932
Additions and Betterments fund, additional optional payment		2,500,000
New General Mortgage Bonds, Series B	51,422,111	2,313,995
Total debt	208,595,327	13,850,168
Sinking fund for general mortgage bonds, approximate		543,394
Total charges ahead of dividends		14,393,562
New 5% preferred stock	111,347,846	
New no-par common stock at $100 a share	213,147,525	
Total capitalization	533,090,698	

Following the order of the Commission of December 6, 1943, approving a modified plan, various petitions to modify said plan were filed, and at the time of writing this report the Commission had not disposed of them.

Financial

Long-term debt outstanding in the hands of the public as of December 31, 1943, amounted to $467, 177,195, as compared with $473,581,050 outstanding as of December 31, 1942, a decrease of $6,403,855, explained as follows:

Payments on Equipment Trust Certificates, Series E, F and J to W, inclusive	$ 4,014,000	
Payments on Trustees' Certificates of Indebtedness	900,000	
Equipment Trust Certificates, Series C, D and J, purchased by the Trustees under Indenture dated as of July 15, 1940, and pledged thereunder to secure $5,000,000 principal amount of Trustees' Certificates of Indebtedness	5,200	
Payments under Conditional Sales Agreements for purchase of equipment	204,495	
Payments to liquidate liability as of May 31, 1943, under Conditional Sale Agreements for purchase of 30 Diesel Switching Locomotives which were subjected to Equipment Trust Series W. The liability liquidated by payment of $865,964 from funds on deposit under Equipment Trust W and $414,196 from Railroad Trustees' treasury	1,280,160	
Total Decrease		$ 6,403,855

The debt reduction represents an annual reduction in fixed interest of $191,087.

The net increase in Investment in Road and Equipment during the year was $7,288,202.

Office of Defense Transportation

The Office of Defense Transportation, under the direction of Mr. Joseph B. Eastman, has been continued. During the year general orders have been issued from time to time requiring heavier loading of cars, the use of refrigerator cars, which would otherwise move empty, for loads ordinarily carried in box cars, restricting in some instances the use of cars where other means of transportation could be used, and prohibiting the furnishing of special trains for summer or winter resort travel. Special orders have been issued from time to time where congestion has appeared and traffic has been diverted to lines which were free at the time to carry the additional load.

This Office has also served as the claimant agency for the railroads before the War Production Board in obtaining priority assistance in the case of equipment and materials and has had charge of the distribution of allotments among the railroads. Because of military requirements, material for new equipment has been insufficient and deliveries have been delayed. At the present time the material situation is easier and increased amounts will be available during 1944.

The excellent performance record of the railroads is due, in large measure, to the helpful work of the Office of Defense Transportation, the Interstate Commerce Commission, the Army, the Navy and other governmental agencies, and the splendid support of the shippers and receivers of freight.

The untimely death of Mr. Joseph B. Eastman on March 15, 1944, after a short illness, will be keenly felt by the entire transportation industry. Mr. Eastman was one of the most capable and finest public servants this country has ever known.

Retirement Allowances

By Order of the District Court, the Trustees were authorized to adopt a plan of retirement allowances, effective July 1, 1943. It provides that officers and employees whose duties are executive, supervisory or professional in character, who have been in continuous full-time service upon the Milwaukee or any predecessor, subsidiary or controlled railroad for ten years, and who have reached the age of sixty-five years, are eligible for retirement allowances. Special provision is made for employees totally and permanently disabled. The monthly retirement allowance, limited to $1,000 per month, is based upon one percent of the average monthly compensation of the employee for the ten year period preceding retirement, multiplied by the number of years of railroad service, less the monthly annuity payable to such employee under the Railroad Retirement Act.

The Milwaukee Motor Transportation Company

The Milwaukee Motor Transportation Company was organized in December, 1942. All of the capital stock of $50,000 is owned by the Trustees of The Milwaukee Road. Motor equipment was acquired and operations commenced on April 5, 1943.

This subsidiary was organized for the purpose of meeting competitive motor truck service and supplementing the rail service to the smaller towns along The Milwaukee Road extending from Milwaukee, Wisconsin, to Iron River, Michigan, including the branch lines to Oconto and Marinette, Wisconsin, and Menominee, Michigan, by inaugurating motor truck service on the highways paralleling the railroad between these points. The operation involves the distribution, by motor truck, of L. C. L. shipments for destinations north and south of Plymouth and Green Bay, Wisconsin, at which points such shipments are received in cars forwarded from Chicago and Milwaukee. This motor truck operation is used only as supplementary and auxiliary to the existing rail service of The Milwaukee Road.

Additions and Betterments

Rail

New rail aggregating 29,270 gross tons, and 12,708 gross tons of second-hand rail were laid replacing lighter rail in main and side tracks.

Ballast

Main tracks aggregating 247 miles were improved by the application of 242,838 cubic yards of additional gravel ballast.

Roadway Protection

71,952 feet of drain tile and 2,800 feet of corrugated iron pipe were installed in wet cuts and fills, and 2,035 feet of drain tile and 667 feet of concrete pipe were placed in yards to improve track conditions and reduce maintenance costs.

A total of 20,105 feet of main track was raised an average of 4 feet to prevent washouts.

Main and Side Tracks

To reduce curvature, changes in main track alignment were completed at Clinton and Elk River, Iowa, Rothschild, Wisconsin, Bruno, Montana, and between McCook and Elk Point, South Dakota, aggregating 11,646 feet of single track; also between Lake City and Frontenac, Minnesota, aggregating 11,307 feet of double track.

Line changes between Avery and St. Maries, Idaho, aggregating 7,586 feet of main track were constructed to prevent derailments and delays due to falling rock.

90,504 feet of passing track extensions and 13,340 feet of new passing tracks were constructed to permit the operation of longer trains to handle increased traffic resulting from the war, and to speed up movement. 33,702 feet of new side tracks were constructed to serve various ordnance works and camps and to provide additional facilities for present traffic demands.

Construction of 9 miles of new eastbound second main track between Island Siding and Blackbird Junction, Minnesota, just north of Red Wing was completed during the current year permitting the retirement of approximately 13 miles of the original east bound main track.

A new line of railroad approximately 7 miles in length extending from a point about one mile east of Woodward to a point about three miles north of the station of Granger, Iowa, was completed and placed in service. The construction of the new line permitted the abandonment of approximately 5 miles of the old line between Des Moines and Madrid, Iowa, which crossed the valley of the Des Moines River over a long high trestle of frame and steel construction. The new line does not cross the river and its construction will provide a much more favorable grade line, will eliminate expensive maintenance charges, and permit the operation of heavier power.

Bridges, Trestles and Culverts

Open deck timber bridges, aggregating 903 feet, were filled or replaced with structures of a more permanent character, 367 feet being replaced with embankment, 301 feet with creosoted timber ballasted deck bridges and 235 feet with steel bridges.

Station Facilities

Track scales at Metaline Falls, Washington, Eau Claire, Madison, North Milwaukee, South Beloit and Marinette, Wisconsin, were replaced with improved types of greater capacity.

A new 16′ x 38′ frame depot was constructed at Fulton, Illinois, replacing a worn out structure.

At LaCrescent, Minnesota, a 16′ x 38′ one-story frame depot was constructed to provide adequate facilities and to replace temporary structures.

At East Camp McCoy, Wisconsin, a 40′ x 100′ frame one-story depot was constructed to provide adequate service to the Army Camp.

A 22′ x 59′ two-story brick yard office was constructed at Minneapolis, Minnesota, to replace inadequate facilities.

The depot at Monroe, Wisconsin, was remodeled to permit consolidation of freight and passenger facilities.

The depots at Cordova and Joliet, Illinois, were remodeled and reduced in size to effect a saving in maintenance costs.

The heating facilities at the Minneapolis, Minnesota, depot were replaced with larger boilers and stokers to meet present requirements.

Water Stations

A lime-soda treating plant with a capacity to treat 42,000 gallons of water per hour was constructed at LaCrosse, Wisconsin, to insure maximum availability of motive power. A similar plant with a capacity of 21,000 gallons per hour was constructed at New Lisbon, Wisconsin.

At Miles City, Montana, a 100,000 gallon wood water tank and three water columns with necessary pipe connections were constructed to replace facilities which were inadequate to provide proper service.

JUNIOR MANPOWER

High School boys who have helped greatly to meet the manpower shortage in extra gangs and section crews.

MORE JUNIOR MANPOWER AT WORK

The relining and tie renewal work done, the boys lay to with shovels and electric tampers to make the roadbed solid and smooth for operation.

At Melstone, Montana, two 50,000 gallon water tanks were replaced with a 100,000 gallon wood tank to improve service and to eliminate heavy maintenance.

At McIntosh, South Dakota, two old water tanks were replaced with a 30′ diameter x 20′ wood tank and two water columns near the coal shed to permit taking coal and water with one stop.

Fuel Stations

Stations for fueling Diesel locomotives were constructed at Othello, Washington, Coburg, Missouri, Andover, South Dakota, La Crosse, Wisconsin, Savanna, Illinois, Nahant and Ottumwa, Iowa, and Miles City, Montana. Additional fuel oil storage facilities were constructed at Council Bluffs, Iowa, and Western Avenue, Chicago, Illinois.

Shops and Enginehouses

At St. Paul, Minnesota, a 17′ x 43′ one-story brick addition to the present wash and locker room at the roundhouse was constructed.

At Western Avenue, Chicago, Illinois, a 38′ x 79′ concrete block addition to the present Diesel house was erected and a 20-ton electrically operated crane, a wheel lathe and a journal truing and axle lathe were installed to permit concentrating all repairs on Diesel engines assigned to the Chicago Terminals at one point.

A 36′ x 73′ addition to the enginehouse at Sioux Falls, South Dakota, was completed to provide office and locker room facilities and a new 9′ x 77′ engine pit was added.

At Cedar Rapids, Iowa, an addition to the enginehouse was constructed to provide two additional engine stalls and office and locker facilities.

Eight stalls and four engine pits of the Madison, Wisconsin, roundhouse were extended to permit housing of larger locomotives.

Cinder pits of an improved type were constructed at St. Paul, Minnesota, Western Avenue, Chicago, Illinois, Bensenville, Illinois and Milwaukee, Wisconsin, to provide additional facilities for servicing locomotives and to reduce delays.

Terminal facilities at Miles City, Montana, were enlarged and improved by the construction of a 150-ton capacity skiphoist type coaling station, two sand towers, two cinder pits, new station platforms and extensive track changes.

Electric Power Plants and Substations

A five-room bungalow was constructed at Loweth, Montana, to provide living quarters for the substation operator.

115,000 volt lightning arresters were installed at Loweth, Eustis, Janney and Gold Creek, Montana, replacing 110,000 volt electrolytic type arresters to provide better protection and to eliminate explosion hazards.

Signals and Interlockers

Reverse traffic routing signals with electric locking of all hand throw switches were installed between Sturtevant and Lake, Wisconsin, to facilitate operation and promote safety.

Electric type interlocking facilities were installed at the Black River drawbridge, LaCrosse, Wisconsin, and the interlocking at the drawbridge at Hastings, Minnesota, was rehabilitated as a part of the electrification of the drawbridge operating machinery.

Interlocking plants at Madison and Lake, Wisconsin, Mankato, Minnesota, Preston, Indiana, and Sabula, Iowa were remodeled and improved to insure greater safety and to comply with the requirements of the Signal Inspection Act.

The semaphore type automatic block signals between Cragin and Franklin Park, Illinois, and between Pacific Junction and Roundout, Illinois, were replaced with modern color light type signals.

Spring switches with signal protection were installed at Cone and Ardon, Iowa, and Cheneyville, Illinois. At Weston, Iowa, electric interlocking was provided for passing track switches as a part of the centralized traffic control system between Council Bluffs and Manilla, Iowa.

New train order signals were installed at eleven stations, replacing the revolving banner type signals.

Four highway and street crossings were protected by automatic signals, two of which at large defense projects were carried out under the authority of the War Department.

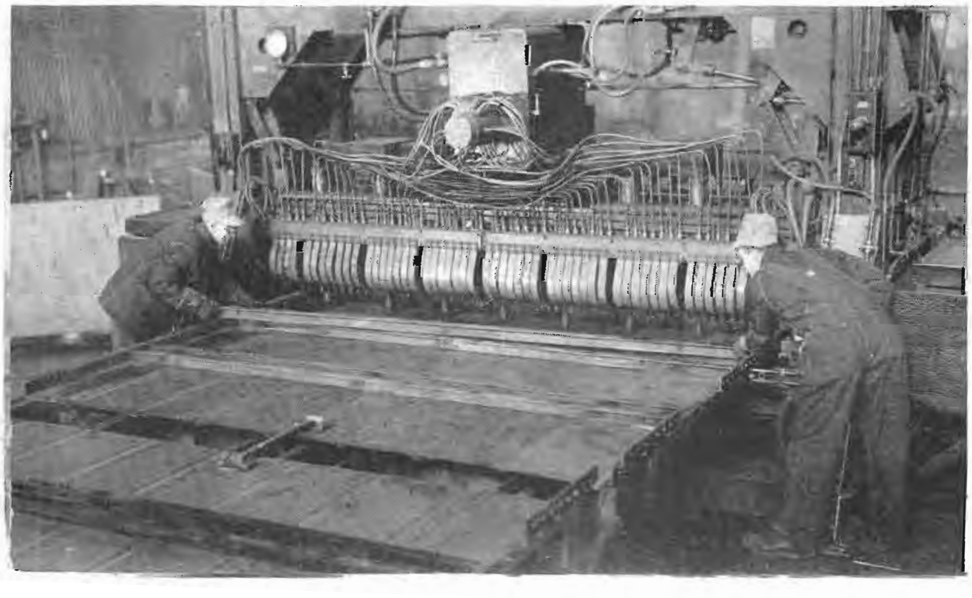
Communication Systems

A new carrier type telephone circuit was installed between Chicago and Savanna, Illinois, Marion and Ottumwa, Iowa.

Public address systems were provided for the passenger stations at Aberdeen, South Dakota, and Sparta, Wisconsin.

Joint Facilities

Grading was completed during the year for the new low grade line into Kansas City from Birmingham, Missouri, which is being constructed and will be owned jointly with the Trustees of the Chicago, Rock Island and Pacific Railway Company. The concrete abutments and substructure for the approach spans for the Missouri River Bridge on this line have also been completed. Construction of the piers for the main spans across the Missouri River is now nearing completion, and it is anticipated construction of this bridge and the new line will be completed and placed in operation in 1944.



HYDROMATIC SPOT WELDING MACHINE AT MILWAUKEE SHOPS

For spot welding side sheets and posts in construction of new box cars.

500-TON HYDROMATIC PRESS AT MILWAUKEE SHOPS

This machine is used for the framing and shaping of all medium and heavy steel parts used in the construction and maintenance work for freight and passenger cars such as side and end sheets, posts, braces, spring planks, and many other miscellaneous forgings. This picture shows the freight car truck spring planks in process of fabrication.

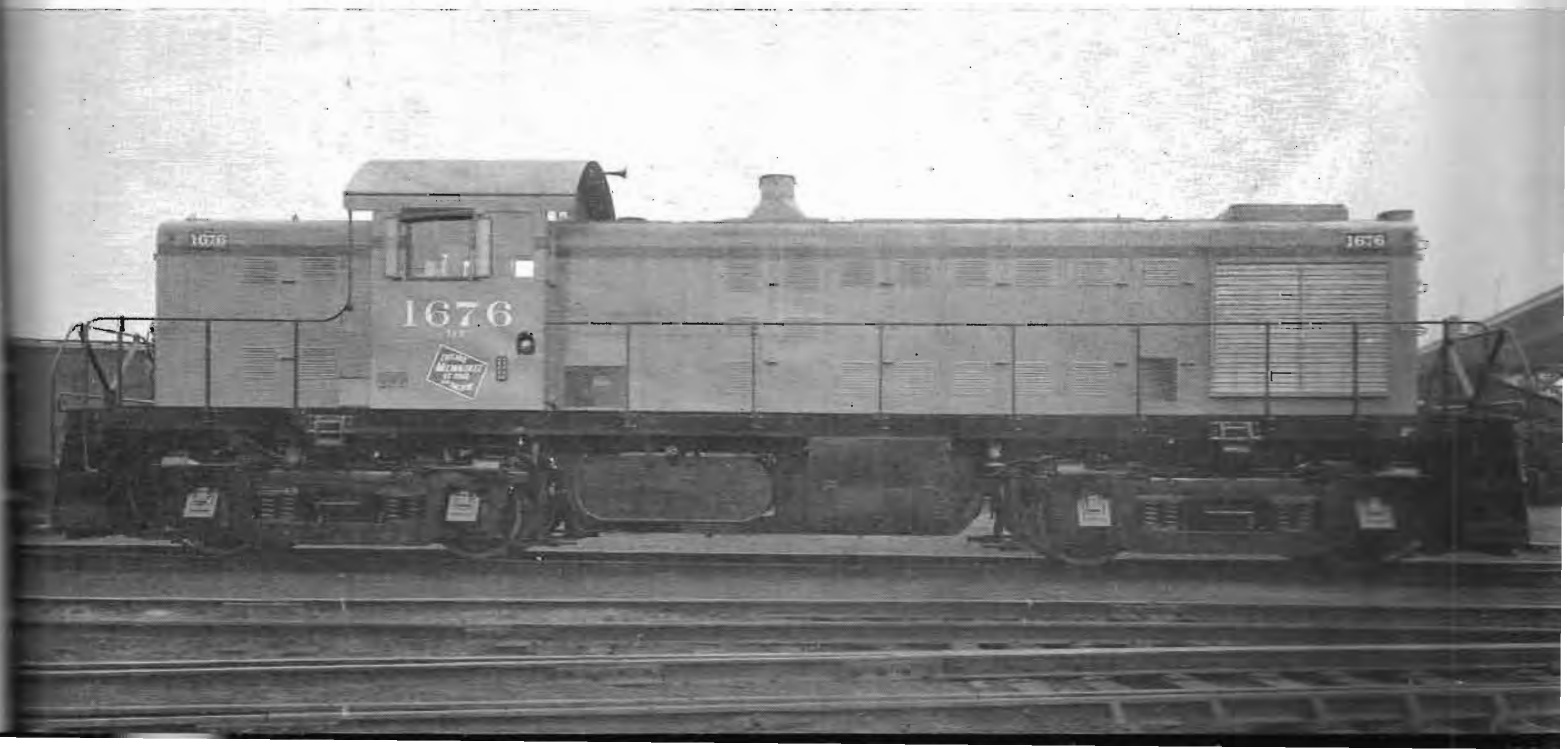
Equipment

Locomotives

During the year twelve Diesel locomotives were received and placed in service. One of these, a 5400 h. p. freight locomotive, is being used in non-electrified territory on the Western lines between Avery, Idaho, and Othello, Washington. The remaining eleven are 1000 h. p. Diesel road and switching locomotives, nine of which were ordered in 1942.

For delivery in 1944, the Trustees, with the approval of the War Production Board, have placed orders for the purchase of three 1000 h. p. Diesel switching locomotives, six 5400 h. p. Diesel freight locomotives, and ten 4-8-4 type steam locomotives.

ONE OF THE 1000 H. P. DIESEL SWITCHERS PLACED IN SERVICE IN 1943



STAMCO SHEAR AT MILWAUKEE SHOPS

This is at all times a busy machine and is operated 24 hours per day during new car building programs. It is used for squaring, splitting, shearing and trimming steel sheets and plates ranging in thickness from 1/8 to 1 inch, and in lengths up to 144 inches.

Freight Train Cars

During the year 735 50-ton capacity composite gondola cars, 400 50-ton capacity steel flat cars, and 217 50-ton capacity all-steel auto-box cars were constructed in the Milwaukee shops.

The Trustees have received authority from the War Production Board to construct 1,783 box cars, 500 hopper cars, 35 mill type gondola cars and 25 cabooses, which will be built at Milwaukee Shops in 1944.

Work Equipment

One 50-ton capacity locomotive crane and one Jordan spreader were acquired for use of the Engineering Department.

Lines Abandoned

The following lines were abandoned during 1943 with the approval of the Interstate Commerce Commission:

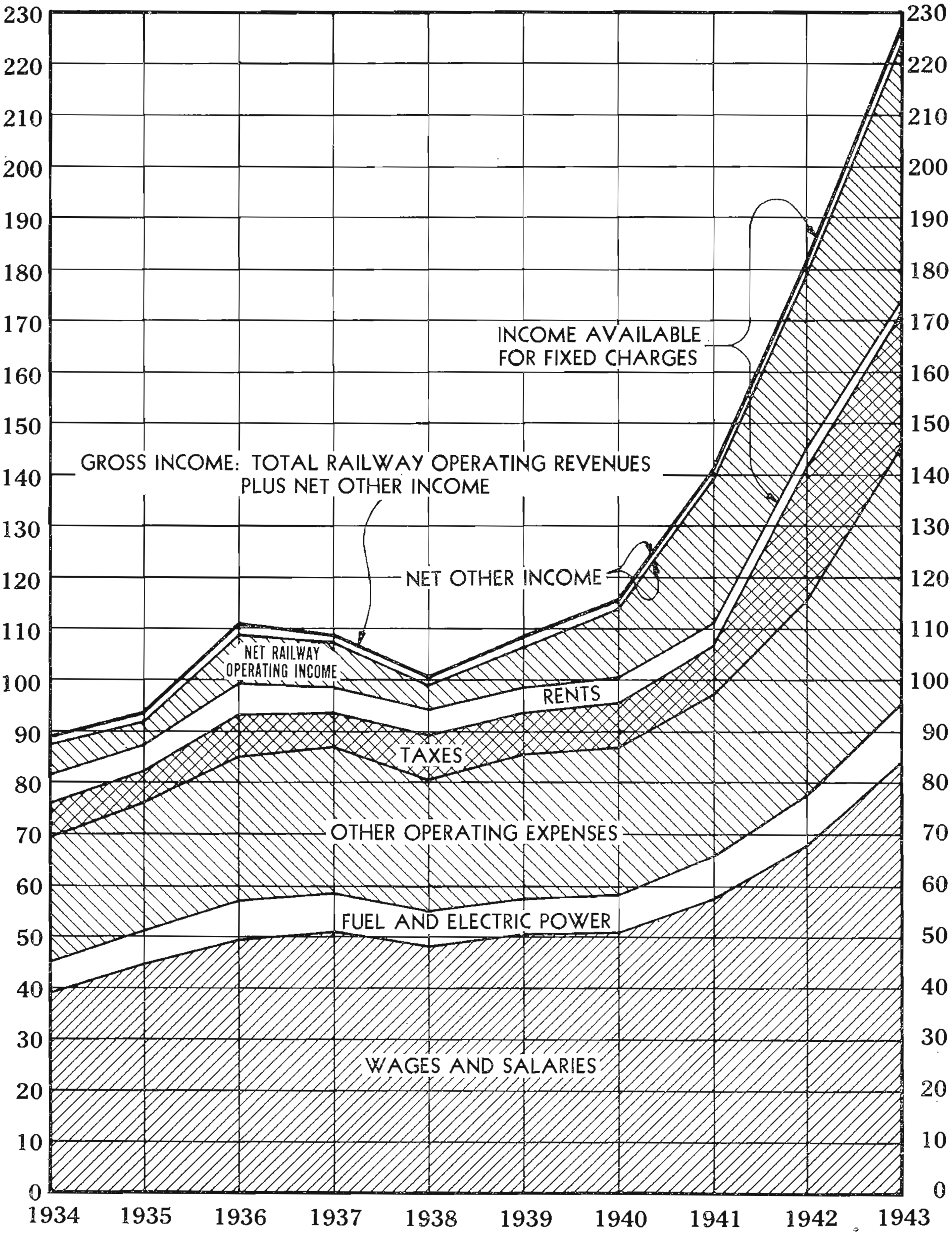
Line	Mileage
Hymera Branch, Blackhawk to Hawton, Ind. (C. T. H. & S. E.)	12.86
Otis to Doering, Wisconsin	16.79
Merrill to New Wood, Wisconsin	14.89
Portion of the Madrid-Des Moines, Iowa Line	5.01
Goshen Junction to Kulshan, Washington	11.29
Vernita to Hanford, Washington (Sold to U. S. Government)	25.10

General Balance Sheet, Income and Profit and Loss Accounts, detailed statements of Railway Operating Revenues, Expenses and Income, and other tables relating to the affairs of the railroad, are appended hereto.

HENRY A. SCANDRETT,
WALTER J. CUMMINGS,
GEORGE I. HAIGHT,
Trustees.

April 15, 1944.

DISPOSITION OF INCOME — 1934 TO 1943, INCLUSIVE



GENERAL BALANCE SHEET—ASSET SIDE

ITEMS	December 31, 1943	December 31, 1942	Increase	Decrease
Investments:				
Road and equipment property	$724,573,209.95	$717,285,008.16	$ 7,288,201.79	
Improvements on leased property	388,924.25	389,889.75		$ 965.50
Donations and grants (*Credits*)	*3,172,234.97*	# *3,164,488.90*	*7,746.07*	
Investment in transportation property	721,789,899.23	714,510,409.01	7,279,490.22	
Special reserve funds	4,747.12	# 2,054,882.62		2,050,135.50
Deposits in lieu of mortgaged property sold	312,720.79	# 346,118.14		33,397.35
Maintenance funds (U. S. Government Securities)	5,800,000.00		5,800,000.00	
Miscellaneous physical property	5,987,641.19	6,136,107.30		148,466.11
Investments in affiliated companies:				
Stocks	5,219,143.87	5,169,643.87	49,500.00	
Bonds	1,484,201.00	1,492,201.00		8,000.00
Unsecured notes	4,755,294.87	5,992,279.07		1,236,984.20
Investment advances	5,649,698.06	# 5,417,629.45	232,068.61	
	17,108,337.80	18,071,753.39		963,415.59
Other Investments:				
Stocks	7,310.00	7,435.00		125.00
Bonds	5,911.67	1,000.00	4,911.67	
Unsecured notes	36,592.48	36,599.61		7.13
Investment advances	1,750.00	2,250.00		500.00
	51,564.15	47,284.61	4,279.54	
Total Investments	751,054,910.28	741,166,555.07	9,888,355.21	
Current Assets:				
Cash	53,413,613.83	52,107,651.22	1,305,962.61	
Temporary cash investments (U. S. Government Securities)	66,700,000.00	5,000,000.00	61,700,000.00	
Special deposits	772,509.60	# 691,123.99	81,385.61	
Due from agents and conductors	5,436,192.65	4,026,965.47	1,409,227.18	
Miscellaneous accounts receivable	10,491,593.86	8,468,707.22	2,022,886.64	
Material amd supplies	17,404,000.93	17,271,724.98	132,275.95	
Interest and dividends receivable	258,575.59	18,898.21	239,677.38	
Rents receivable	13,744.00	4,650.00	9,094.00	
Other current assets	500,392.25	281,563.74	218,828.51	
Total Current Assets	154,990,622.71	87,871,284.83	67,119,337.88	
Deferred Assets:				
Working fund advances	261,848.76	# 137,366.03	124,482.73	
Other deferred assets	2,103,524.28	1,712,915.94	390,608.34	
Total Deferred Assets	2,365,373.04	1,850,281.97	515,091.07	
Unadjusted Debits:				
Rents and insurance premiums paid in advance	40,134.90	28,261.60	11,873.30	
Discount on funded debt	280,559.08	296,095.13		15,536.05
Other unadjusted debits	11,837,516.23	6,334,416.69	5,503,099.54	
Total Unadjusted Debits	12,158,210.21	6,658,773.42	5,499,436.79	
Grand Total	920,569,116.24	837,546,895.29	83,022,220.95	

#See Note on opposite page.

GENERAL BALANCE SHEET—LIABILITY SIDE

ITEMS	DECEMBER 31, 1943	DECEMBER 31, 1942	INCREASE	DECREASE
CAPITAL STOCK:				
Common Stock:				
In hands of public (1,174,060 shares—no par value)	$105,104,384.45	$105,088,833.54	$ 15,550.91	....
Preferred Stock:				
In hands of public (1,193,073 shares)	119,307,300.00	119,307,300.00	....	....
Total Capital Stock	224,411,684.45	224,396,133.54	15,550.91	....
LONG TERM DEBT:				
Funded debt unmatured:				
Bonds:				
Fixed interest bearing	259,395,096.00	269,003,096.00	....	$ 9,608,000.00
Contingent interest bearing	182,873,693.00	182,873,693.00	....	....
Reconstruction Finance Corporation Collateral Note	257,365.00	257,365.00	....	....
Equipment obligations	18,472,578.36	#24,871,233.61	....	6,398,655.25
Total	460,998,732.36	477,005,387.61	....	16,006,655.25
Less—Bonds pledged (Fixed interest bearing)	11,212,000.00	20,820,000.00	....	9,608,000.00
Total Funded Debt Unmatured and Equipment Obligations in Hands of Public	449,786,732.36	456,185,387.61	....	6,398,655.25
Debt in Default	33,217,462.50	#23,609,462.50	9,608,000.00	....
Less—Securities in Treasury or Pledged	15,827,000.00	6,213,800.00	9,613,200.00	....
Total Debt in Default in Hands of Public:				
Bonds (Fixed interest bearing) $ 7,189,000.00	....	....	....	....
Reconstruction Finance Corp. Notes 10,185,462.50	....	....	....	....
Equipment obligations 16,000.00	17,390,462.50	17,395,662.50	....	5,200.00
Total Long Term Debt in Hands of Public	467,177,194.86	473,581,050.11	....	6,403,855.25
Total Capital Stock and Long Term Debt	691,588,879.31	697,977,183.65	....	6,388,304.34
CURRENT LIABILITIES:				
Traffic and car-service balances—Cr.	5,460,176.63	2,934,287.05	2,525,889.58	....
Payrolls and vouchers	15,931,502.80	8,298,721.16	7,632,781.64	....
Miscellaneous accounts payable	333,736.24	263,851.73	69,884.51	....
Interest matured unpaid	723,590.24	1,001,279.84	....	277,689.60
Unmatured interest accrued	181,541.39	# 208,619.78	....	27,078.39
Unmatured rents accrued	562,067.13	304,659.54	257,407.59	....
Accrued tax liability	30,731,158.27	12,132,037.47	18,599,120.80	....
Other current liabilities	3,504,086.82	# 2,326,583.12	1,177,503.70	....
Total Current Liabilities	57,427,859.52	27,470,039.69	29,957,819.83	....
DEFERRED LIABILITIES:				
Interest in default	77,140,507.73	#65,394,992.93	11,745,514.80	....
Adjustment Mortgage Bond Interest Accrued—Unmatured	125,268,479.70	116,124,795.05	9,143,684.65	....
Other deferred liabilities	4,401,364.52	# 4,391,408.68	9,955.84	....
Total Deferred Liabilities	206,810,351.95	185,911,196.66	20,899,155.29	....
UNADJUSTED CREDITS:				
Premium on funded debt	35,432.37	44,005.81	....	8,573.44
Maintenance reserves	5,800,000.00	....	5,800,000.00	....
Accrued depreciation—Road	5,103,887.02	2,859,400.97	2,244,486.05	....
Accrued depreciation—Equipment	79,081,656.02	73,275,393.38	5,806,262.64	....
Accrued depreciation—Miscellaneous physical property	161,462.20	80,125.39	81,336.81	....
Accrued amortization of defense projects—Road	183,175.77	64,373.25	118,802.52	....
Accrued amortization of defense projects—Equipment	732,269.56	188,687.13	543,582.43	....
Other unadjusted credits	8,400,149.37	#13,740,983.03	....	5,340,833.66
Total Unadjusted Credits	99,498,032.31	90,252,968.96	9,245,063.35	....
SURPLUS:				
Unearned surplus (Donations of misc. physical property)	13,537.40	# 12,999.23	538.17	....
Appropriated surplus (Debt retired through income and surplus)	43,104.16	43,104.16	....	....
Earned surplus—debit balance	*134,812,648.41*	*164,120,597.06*	....	*29,307,948.65*
Total Surplus (*Deficit*)	*134,756,006.85*	*164,064,493.67*	....	*29,308,486.82*
GRAND TOTAL	920,569,116.24	837,546,895.29	83,022,220.95	....

#Restated to conform to present Interstate Commerce Commission Accounting Classifications and Instructions.

INCOME ACCOUNT 1943—1939

Items	1943	1942	1941	1940	1939
Railway Operating Revenues:					
Freight	$ 174,018,632	$ 146,466,550	$ 117,246,205	$ 95,113,461	$ 88,622,160
Passenger	31,010,174	17,772,714	9,646,900	8,100,381	7,893,798
Mail	3,442,965	3,260,298	3,377,247	3,184,284	3,112,376
Express	4,428,612	3,003,575	1,718,915	1,570,701	1,521,840
Switching	3,844,297	3,579,379	3,312,140	2,950,990	2,654,757
All Other	7,770,560	5,784,764	4,344,715	3,446,772	3,070,449
Total	224,515,240	179,867,280	139,646,122	114,375,589	106,875,380
Railway Operating Expenses:					
Maintenance of Way and Structures	36,149,211	25,559,185	20,043,659	17,989,750	18,293,695
Maintenance of Equipment	31,362,161	26,065,126	22,782,449	20,560,370	19,816,655
Traffic	3,101,603	2,822,846	2,819,676	2,774,772	2,739,990
Transportation	67,796,281	55,400,318	47,028,458	41,292,552	40,267,212
Miscellaneous	2,340,806	1,587,866	1,219,351	960,560	945,121
General	4,985,739	4,527,923	4,153,625	3,884,748	3,800,744
Transportation for Investment—Cr	....	....	Cr. 281,682	Cr. 292,608	Cr. 351,603
Total	145,735,801	115,963,264	97,765,536	87,170,144	85,511,814
(Operating Ratio)	(64.91%)	(64.47%)	(70.01%)	(76.21%)	(80.01%)
Net Revenue From Railway Operations	78,779,439	63,904,016	41,880,586	27,205,445	21,363,566
Income Items:					
Railway Tax Accruals	26,030,000	25,701,000	9,236,000	8,720,000	8,297,000
Uncollectible Railway Revenues	....	....	....	....	....
Equipment Rents—Net Debit	Cr. 165,524	456,818	2,129,168	2,039,741	2,438,838
Joint Facility Rents—Net Debit	2,246,009	3,241,544	2,333,443	2,600,060	2,503,534
Total	28,110,485	29,399,362	13,698,611	13,359,801	13,239,372
NET RAILWAY OPERATING INCOME	50,668,954	34,504,654	28,181,975	13,845,644	8,124,194
Other Income:					
Income from Lease of Road and Equipment	136,798	259,285	241,082	239,438	231,810
Miscellaneous Rent Income	449,362	407,683	379,995	383,469	421,761
Dividend Income	161,182	221,880	270,082	278,006	434,783
All Other Accounts	1,167,442	235,345	268,263	241,312	343,546
Total	1,914,784	1,124,193	1,159,422	1,142,225	1,431,900
Miscellaneous Deductions From Income:					
Miscellaneous Rents	22,987	24,747	24,405	27,416	26,805
Miscellaneous Tax Accruals	32,642	36,552	32,679	38,550	29,134
Miscellaneous Income Charges	46,485	126,971	344,594	54,910	44,706
Total	102,114	188,270	401,678	120,876	100,645
Net Other Income	1,812,670	935,923	757,744	1,021,349	1,331,255
INCOME AVAILABLE FOR FIXED CHARGES	52,481,624	35,440,577	28,939,719	14,866,993	9,455,449
Fixed Charges:					
Rent for Leased Roads and Equipment	1,109,060	1,109,214	1,108,970	1,109,815	1,110,854
Interest on Funded Debt	#12,789,232	# 12,789,016	# 12,896,947	# 13,198,118	12,593,955
Interest on Unfunded Debt	7,247	200,637	234,077	215,404	# 1,008,880
Amortization of Discount on Funded Debt	18,777	23,194	24,706	26,493	25,458
Total	13,924,316	14,122,061	14,264,700	14,549,830	14,739,147
Net Income Before Contingent Charges	38,557,308	21,318,516	14,675,019	317,163	*5,283,698*
Contingent Charges:					
Interest Accrued on Adjustment Mortgage Bonds (at 5%)	9,143,685	9,143,685	9,143,685	9,143,685	9,143,685
Net Income	29,413,623	12,174,831	5,531,334	*8,826,522*	*14,427,383*
#Includes interest on matured funded debt	$ 590,923	$ 594,403	$ 616,321	$ 807,925	$ 813,731

Italics indicate deficits.

INCOME ACCOUNT 1938-1934

ITEMS	1938	1937	1936	1935	1934
RAILWAY OPERATING REVENUES:					
Freight	$ 82,219,057	$ 88,576,457	$ 91,560,382	$ 77,311,239	$ 73,382,543
Passenger	7,797,830	8,285,704	7,496,998	6,041,992	5,616,950
Mail	3,029,406	3,110,942	3,077,277	3,002,951	2,953,659
Express	1,481,599	1,701,082	1,770,062	1,554,768	1,554,438
Switching	2,347,147	2,672,959	2,802,750	2,527,722	2,345,634
All Other	2,561,807	3,315,132	2,434,617	2,035,121	2,006,568
Total	99,436,846	107,662,276	109,142,086	92,473,793	87,859,792
RAILWAY OPERATING EXPENSES:					
Maintenance of Way and Structures	14,824,274	17,370,183	18,561,825	17,023,868	12,851,519
Maintenance of Equipment	19,131,875	20,627,129	19,652,864	17,849,146	16,849,617
Traffic	2,762,213	2,708,358	2,559,788	2,546,099	2,456,437
Transportation	39,623,468	41,985,006	40,501,964	36,184,971	33,346,658
Miscellaneous	908,809	929,316	815,656	629,470	558,853
General	3,721,030	3,886,777	3,500,799	2,592,933	3,819,533
Transportation for Investment—Cr	Cr. 298,482	Cr. 369,325	Cr. 348,542	Cr. 409,970	Cr. 227,070
Total	80,673,187	87,137,444	85,244,354	76,416,517	69,655,547
(Operating Ratio)	(81.13%)	(80.94%)	(78.10%)	(82.64%)	(79.28%)
NET REVENUE FROM RAILWAY OPERATIONS	18,763,659	20,524,832	23,897,732	16,057,276	18,204,245
INCOME ITEMS:					
Railway Tax Accruals	8,705,000	6,761,355	8,135,000	5,992,000	6,405,000
Uncollectible Railway Revenues	....	....	....	27,096	23,500
Equipment Rents—Net Debit	2,317,945	2,493,488	3,334,094	2,750,695	2,716,490
Joint Facility Rents—Net Debit	2,466,175	2,479,328	2,967,280	2,563,502	2,520,201
Total	13,489,120	11,734,171	14,436,374	11,333,293	11,665,191
NET RAILWAY OPERATING INCOME	5,274,539	8,790,661	9,461,358	4,723,983	6,539,054
OTHER INCOME:					
Income From Lease of Road and Equipment	32,944	105,120	433,888	424,921	424,859
Miscellaneous Rent Income	418,443	425,090	397,179	393,475	373,027
Dividend Income	156,412	320,590	383,389	342,204	347,383
All Other Accounts	321,012	283,841	245,124	237,751	256,740
Total	928,811	1,134,641	1,459,580	1,398,351	1,402,009
MISCELLANEOUS DEDUCTIONS FROM INCOME:					
Miscellaneous Rents	27,686	29,594	28,501	33,658	37,023
Miscellaneous Tax Accruals	33,149	29,787	25,480	28,478	30,525
Miscellaneous Income Charges	40,649	41,187	15,626	24,484	21,380
Total	101,484	100,568	69,607	86,620	88,928
NET OTHER INCOME	827,327	1,034,073	1,389,973	1,311,731	1,313,081
INCOME AVAILABLE FOR FIXED CHARGES	6,101,866	9,824,734	10,851,331	6,035,714	7,852,135
FIXED CHARGES:					
Rent for Leased Roads and Equipment	1,112,053	1,109,652	1,108,212	1,109,414	1,110,392
Interest on Funded Debt	12,915,026	12,876,194	12,913,401	13,227,619	13,494,589
Interest on Unfunded Debt	# 900,482	# 888,773	# 845,111	# 543,390	329,302
Amortization of Discount on Funded Debt	26,890	27,701	37,030	20,354	21,788
Total	14,954,451	14,902,320	14,903,754	14,900,777	14,956,071
NET INCOME BEFORE CONTINGENT CHARGES	*8,852,585*	*5,077,586*	*4,052,423*	*8,865,063*	*7,103,936*
CONTINGENT CHARGES:					
Interest Accrued on Adjustment Mortgage Bonds (at 5%)	9,143,685	9,143,685	9,143,685	9,143,685	9,143,685
NET INCOME	*17,996,270*	*14,221,271*	*13,196,108*	*18,008,748*	*16,247,621*
#Includes interest on matured funded debt	$ 660,254	$ 620,539	$ 534,411	$ 226,044	

Italics indicate deficits.

EARNED SURPLUS 1943-1939

	1943	1942	1941	1940	1939
DEBITS					
Debit balance at beginning of year	$164,120,597.06	$174,610,184.05	$177,682,582.34	$165,628,898.47	$148,728,908.39
Debit balance transferred from income	....	....	....	8,826,521.54	14,427,382.63
Debits from retired road and equipment	#	1,582,376.44	2,224,381.07	2,997,213.03	2,398,308.52
Surplus appropriated for investment in physical property	##	4,190.79	8,103.17	34,152.88	7,448.42
Miscellaneous debit items	152,842.07	133,643.76	335,551.59	278,500.28	97,936.20
Total Debits	164,273,439.13	176,330,395.04	180,250,618.17	177,765,286.20	165,659,984.16
CREDITS					
Credit balance transferred from income	29,413,622.71	12,174,830.86	5,531,333.80	....	....
Credits from retired road and equipment	#	Dr. 77.17	88,629.92	4,240.06	16,559.11
Donations of physical property	##	4,190.79	8,103.17	34,152.88	7,448.42
Miscellaneous credit items	47,168.01	30,853.50	12,367.23	44,310.92	7,078.16
Total Credits	29,460,790.72	12,209,797.98	5,640,434.12	82,703.86	31,085.69
Debit Balance December 31, Carried to General Balance Sheet	134,812,648.41	164,120,597.06	174,610,184.05	177,682,582.34	165,628,898.47

#Included in operating expenses, income or depreciation reserve, effective January 1, 1943.

##Not cleared through surplus account after January 1, 1943; amounts charged to Investment in Road and Equipment are credited direct to Account 702½B—Donations and Grants.

EARNED SURPLUS 1938-1934

	1938	1937	1936	1935	1934
DEBITS					
Debit balance at beginning of year	$126,349,640.27	$111,125,051.00	$ 93,253,613.37	$ 72,792,184.51	$ 49,656,624.43
Debit balance transferred from income	17,996,269.77	14,221,271.13	13,196,108.22	18,008,748.17	16,247,620.86
Debits from retired road and equipment	4,239,790.01	842,700.29	3,712,630.14	2,181,830.47	6,317,216.30
Surplus appropriated for investment in physical property	8,373.21	4,221.61	14,276.27	18,613.28	17,487.98
Miscellaneous debit items	202,593.10	185,202.09	1,001,549.28	457,886.46	626,731.19
Total Debits	148,796,666.36	126,378,446.12	111,178,177.28	93,459,262.89	72,865,680.76
CREDITS					
Credit balance transferred from income	....	....	....	....	....
Credits from retired road and equipment	31,928.59	8,168.45	5,057.85	11,542.11	47,335.43
Donations of physical property	8,373.21	4,174.32	14,319.83	20,117.54	15,166.97
Miscellaneous credit items	27,456.17	16,463.08	33,748.60	173,989.87	10,993.85
Total Credits	67,757.97	28,805.85	53,126.28	205,649.52	73,496.25
Debit Balance December 31, Carried to General Balance Sheet	148,728,908.39	126,349,640.27	111,125,051.00	93,253,613.37	72,792,184.51

INVESTMENT IN ROAD AND EQUIPMENT DURING YEAR

Account	C. M. St. P. & P. Gross Expenditures	C. M. St. P. & P. Net Charges	C. T. H. & S. E. Gross Expenditures	C. T. H. & S. E. Net Charges
Engineering	$ 102,735.08	$ *11,071.95*	$ 14,703.18	$ 400.40
Land for transportation purposes	182,391.22	*22,861.49*	5,859.02	*24,753.21*
Other right of way expenditures	19,555.63	15,130.13		*1,100.17*
Grading	947,205.92	181,149.53	66,880.33	*109,132.88*
Tunnels and subways	10,492.84	10,492.84		
Bridges, trestles and culverts	1,154,401.56	535,519.42	43,735.15	13,891.57
Elevated structures	7,632.03	7,632.03		
Ties	320,888.96	68,415.78	42,267.82	*12,094.76*
Rails	644,922.64	169,464.44	38,620.68	*23,979.47*
Other track material	796,933.53	636,432.37	35,662.00	14,239.23
Ballast	245,875.66	157,320.66	44,736.13	11,046.24
Track laying and surfacing	442,718.52	227,495.82	52,433.15	17,539.02
Fences, snowsheds and signs	9,429.39	*14,952.76*		*4,564.08*
Station and office buildings	489,387.95	275,408.33	5,934.72	756.00
Roadway buildings	8,518.07	*2,001.94*	655.32	*299.68*
Water stations	249,977.90	128,664.15	29,214.17	20,209.90
Fuel stations	55,078.56	44,238.97	33,000.73	32,972.73
Shops and enginehouses	348,276.81	236,026.93	1,394.61	*4,065.99*
Wharves and docks	75,246.85	74,097.03		
Telegraph and telephone lines	17,229.24	6,435.55	2,796.99	2,111.49
Signals and interlockers	144,128.48	29,308.35	10,083.11	*6,453.45*
Power plants	*1,593.05*	*1,877.46*		
Power transmission systems	96,573.85	82,963.81	312.49	312.49
Miscellaneous structures	48,255.40	46,860.40	*321.74*	*464.74*
Roadway machines	169,181.01	131,965.40		*1,866.53*
Roadway small tools	638.58	265.58		*43.00*
Public improvements—Construction	47,746.21	26,543.87	3,141.99	*1,242.05*
Shop machinery	144,233.49	72,468.70	6,226.88	*3,272.28*
Power plant machinery	5,659.91	*10,908.28*		
Total road	6,783,722.24	3,100,626.21	437,336.73	*79,853.22*
Steam locomotives	111,969.08	90,904.11	*47.74*	*47.74*
Other locomotives	1,396,249.07	1,393,797.60		
Freight-train cars	3,122,065.23	2,501,804.95		*10,810.64*
Passenger-train cars	12,379.21	*56,584.71*		
Floating equipment		*11,399.67*		
Work equipment	208,978.27	189,367.93	*844.01*	*1,190.32*
Miscellaneous equipment	75,165.85	50,288.06		
Total equipment	4,926,806.71	4,158,178.27	*891.75*	*12,048.70*
General expenditures	29,480.21	29,397.31		*390.02*
Grand Total	11,740,009.16	7,288,201.79	436,444.98	*92,291.94*

Credits shown in italics.

INVESTMENT IN MISCELLANEOUS PHYSICAL PROPERTY DURING YEAR

Account	C. M. St. P. & P. Gross Expenditures	C. M. St. P. & P. Net Charges	C. T. H. & S. E. Gross Expenditures	C. T. H. & S. E. Net Charges
Non-operating property	$ # *137,937.54*	$ # *146,366.52*	$ 1,691.62	$ 1,691.62
Track material loaned	9,664.54	*2,099.59*		
Total	*128,273.00*	*148,466.11*	1,691.62	1,691.62

#Includes credit of $149,985.94 for a one-half interest in non-operating property which with a half interest in certain operating property at Kansas City was conveyed to The Kansas City Southern Ry. Co. in exchange for a one-half interest in K. C. S. road property. This credit is offset by charge of same amount to Investment in Road and Equipment.

Decreases shown in italics.

SECURITIES OWNED, DECEMBER 31, 1943

Description		Number of Shares	Par Value	Book Value
Stocks:				
Affiliated Companies:				
Davenport, Rock Island & North Western Ry. Co.	A	15,000	$ 1,500,000.00	$ 1,750,000.00
#Indiana Harbor Belt R. R. Co.	A	15,200	1,520,000.00	1,520,000.00
#White Sulphur Springs & Yellowstone Park Ry. Co.	A	1,530	153,000.00	173,645.07
#Chicago, Milwaukee & Gary Ry. Co.	A	10,000	1,000,000.00	1.00
#Chicago, Terre Haute & Southeastern Ry. Co.	A	40,457.20	4,045,720.00	404,572.00
Chicago, Terre Haute & Southeastern Ry. Co.		13.75	1,375.00	137.50
Kansas City Terminal Ry. Co.	B	1,833.33	183,333.33	183,333.33
Des Moines Union Ry. Co.	A	1,000	100,000.00	100,000.00
Des Moines Union Ry. Co.	C	1,000	100,000.00	26,000.00
Minneapolis Eastern Ry. Co.	A	625	62,500.00	15,475.00
Minnesota Transfer Ry. Co.	A	70	7,000.00	7,000.00
Minnesota Transfer Ry. Co.		843	84,300.00	84,300.00
St. Paul Union Depot Co.	A	1,036	103,600.00	103,600.00
Chicago Union Station Co.	D	7,000	700,000.00	7,000.00
Milwaukee Land Co.		5,000	500,000.00	500,000.00
Excelsior Coal Co.		250	25,000.00	56,750.00
Republic Coal Co.		1,000	100,000.00	100,000.00
Railway Express Agency, Incorporated		26	None	2,600.00
Continental Telegraph Co.		50	5,000.00	300.00
#Cowlitz, Chehalis & Cascade Ry.	A	697	69,700.00	133,909.26
Cowlitz, Chehalis & Cascade Ry.		2.71+	271.03	520.71
The Milwaukee Motor Transportation Co.		500	50,000.00	50,000.00
Nonaffiliated Companies:				
Miscellaneous Stocks			7,310.00	7,310.00
Bonds:				
Affiliated Companies:				
Chicago, Milwaukee & Gary Ry. Co.	A-E		2,700,000.00	1.00
Minneapolis Eastern Ry. Co.	A		58,000.00	46,400.00
Chicago, Terre Haute & Southeastern Ry. Co.	A		1,515,000.00	1,437,800.00
Nonaffiliated Companies:				
Spokane Civic Building Co.			1,000.00	1,000.00
Minneapolis & St. Louis Ry. Co.			10,304.73	4,911.67
Notes:				
Affiliated Companies:				
Milwaukee Land Co.			4,046,000.00	4,046,000.00
Chicago, Terre Haute & Southeastern Ry. Co.			640,392.30	640,392.30
Kansas City Terminal Ry. Co.			58,902.57	58,902.57
Cowlitz, Chehalis & Cascade Ry.			10,000.00	10,000.00
Nonaffiliated Companies:				
Yellowstone Park Co.			31,585.00	31,585.00
Rockwell Manufacturing Co.			5,007.48	5,007.48
Total			19,394,301.44	11,508,453.89

#Registered in the name of Ottiwell & Co., nominee of Chemical Bank & Trust Co., Trustee, under Chicago, Milwaukee, St. Paul and Pacific R. R. Co., First and Refunding Mortgage, except Directors' qualifying shares.

A—Pledged under Chicago, Milwaukee, St. Paul and Pacific Railroad Company First and Refunding Mortgage, except Directors' qualifying shares.

B—Deposited with First National Bank of Kansas City, Mo., under Stock Trust Agreement, dated June 12, 1909, and pledged under the First and Refunding Mortgage, except Directors' qualifying shares.

C—Deposited with Iowa-Des Moines National Bank & Trust Co., Des Moines, Iowa, under Stock Trust Agreement, dated April 2, 1930, and pledged under the First and Refunding Mortgage.

D—Pledged under Chicago, Milwaukee and St. Paul Railway Company General Mortgage.

E—Part of an issue of $5,700,000 of which $3,000,000 has been assumed by the Company and is outstanding in the hands of the public.

FUNDED DEBT UNMATURED, DECEMBER 31, 1943

Description of Securities	Date of Maturity	Total	Pledged	In Hands of Public	Interest % Rate	Interest Payable	Interest Accrued During the Year—Charged to Income
Fixed Interest Bearing:							
Gen. Mtge.—CM&StPRyCo.—A	May 1, 1989	$ 48,241,000.00		$ 48,241,000.00	4	Jan. and July	$ 1,929,640.00
Gen. Mtge.—CM&StPRyCo.—B	May 1, 1989	8,950,000.00		8,950,000.00	3½	Jan. and July	313,250.00
Gen. Mtge.—CM&StPRyCo.—C	May 1, 1989	42,597,000.00		42,597,000.00	4½	Jan. and July	1,916,865.00
Gen. Mtge.—CM&StPRyCo.—E	May 1, 1989	24,000,000.00		24,000,000.00	4½	Jan. and July	1,080,000.00
Gen. Mtge.—CM&StPRyCo.—F	May 1, 1989	15,000,000.00		15,000,000.00	4¾	Jan. and July	712,500.00
Gen. Mtge.—CM&StPRyCo.—G	May 1, 1989	11,212,000.00	(1)$11,212,000.00		5	Jan. and July	
Chi. Mil. & Gary Ry. Co. 1st Mtge	April 1, 1948	(2) 3,000,000.00		3,000,000.00	5	April and Oct.	150,000.00
Fifty Year Mortgage	Feb. 1, 1975	106,395,096.00		106,395,096.00	5	Feb. and Aug.	5,319,754.80
Total Mortgage Bonds		259,395,096.00	11,212,000.00	248,183,096.00			11,422,009.80
(4)Reconstruction Finance Corporation Registered Collateral Note	Jan. 1, 1944	(5) 257,365.00		257,365.00	4	Jan. and July	10,294.60
Total Fixed Interest Bearing		259,652,461.00	11,212,000.00	248,440,461.00			11,432,304.40
Contingent Interest Bearing:							
Convertible Adjustment Mortgage	Jan. 1, 2000	182,873,693.00		182,873,693.00	5	(3)April and Oct.	9,143,684.65
Grand Total		442,526,154.00	11,212,000.00	431,314,154.00			20,575,989.05

(1)Pledged as security for Reconstruction Finance Corporation Loans.

(2)Part of an issue of $5,700,000 of which $3,000,000 has been assumed by the Company and is outstanding in the hands of the public. $2,700,000 not assumed are pledged under Chicago, Milwaukee, St. Paul and Pacific R. R. Co. First and Refunding Mortgage.

(3)When declared by the Board of Directors.

(4)Federal Emergency Administrator of Public Works Loan, assigned to Reconstruction Finance Corporation.

(5)Total Indebtedness to Reconstruction Finance Corporation:

Unmatured Registered Collateral Note	$ 257,365.00
Matured Short Term Notes	3,500,000.00
Matured Long Term Notes	6,685,462.50
Total	10,442,827.50

DEBT IN DEFAULT, DECEMBER 31, 1943

Description of Securities	Date of Maturity	In Treasury of Company	Pledged	In Hands of Public	Interest: Rate %	Interest: Accrued During the Year—Charged to Income
①Equipment Trust Certificates:						
Series C	April 1, 1935—April 1, 1938			$ 8,600.00	5½	
Series D	Aug. 1, 1935—Aug. 1, 1940			5,800.00	5	
Series J	June 1, 1934—June 1, 1940			1,600.00	5	
Total				16,000.00		

①Matured Equipment Trust Certificates, Series A and C to L, inclusive, in the principal amount of $5,860,000.00 are pledged with the Continental Illinois National Bank and Trust Co. of Chicago, Trustee, under Indenture dated July 15, 1940, securing Trustees' Certificates of Indebtedness which were issued to refinance in part matured certificates of these series outstanding on July 30, 1940. Funds are on deposit with the Trustee under this Indenture to purchase the remaining matured certificates of these series outstanding as of December 31, 1943, in the principal amount of $16,000.

Description of Securities	Date of Maturity	In Treasury of Company	Pledged	In Hands of Public	Interest: Rate %	Interest: Accrued During the Year—Charged to Income
②Reconstruction Finance Corporation Loans:						
Note dated June 30, 1932	June 30, 1935			1,961,899.50	4	$ 78,475.98
Note dated Aug. 1, 1932	Aug. 1, 1935			3,829,682.00	4	153,187.27
Note dated Dec. 1, 1932	Dec. 1, 1935			592,881.00	4	23,715.24
Note dated Dec. 16, 1932	Dec. 16, 1935			191,000.00	4	7,640.00
Note dated Dec. 22, 1932	Dec. 22, 1935			73,000.00	4	2,920.00
Note dated Jan. 31, 1933	Jan. 31, 1936			30,000.00	4	1,200.00
Note dated Feb. 27, 1933	Feb. 27, 1936			7,000.00	4	280.00
Note dated Dec. 29, 1934	Dec. 29, 1935			2,700,000.00	4	108,000.00
Note dated Jan. 31, 1935	Dec. 29, 1935			800,000.00	4	32,000.00
Total				②10,185,462.50		407,418.49
Bellingham Bay & British Columbia R. R. Co. First Mortgage Bonds	Dec. 1, 1932		④$301,000.00		5	
Milwaukee & Northern R. R. Co.:						
③First Mortgage Bonds	June 1, 1934		⑤ 38,000.00	6,000.00	4½	270.00
First Mortgage Bonds	June 1, 1939			2,111,000.00	4½	94,995.00
③Consolidated Mortgage Bonds	June 1, 1934		⑤ 20,000.00	25,000.00	4½	1,125.00
Consolidated Mortgage Bonds	June 1, 1939			5,047,000.00	4½	227,115.00
First and Refunding Mortgage Bonds	June 1, 1943	$943,000.00	④8,665,000.00		6	
Total		943,000.00	9,024,000.00	7,189,000.00		323,505.00
Grand Total		943,000.00	9,024,000.00	17,390,462.50		730,923.49

②For total indebtedness to Reconstruction Finance Corporation, see Note 5 on preceding page.

③Bonds Pledged not extended and bonds In Hands of Public not presented for extension under Extension Agreement dated May 31, 1934.

④Pledged with the Reconstruction Finance Corporation for loans.

⑤Pledged with Trustee under C. M. St. P. & P. R. R. Co. First and Refunding Mortgage.

EQUIPMENT OBLIGATIONS, DECEMBER 31, 1943

Description of Securities	Final Date of Maturity	Total (In Hands of Public)	Interest: Rate %	Interest: Payable	Interest: Accrued During the Year—Charged to Income
Equipment Trust Certificates, E	July 1, 1943		4½	Jan. and July	$ 3,802.50
Equipment Trust Certificates, F	July 1, 1943		4½	Jan. and July	7,380.00
Equipment Trust Certificates, J	(1)June 1, 1944	$ 558,000.00	5	June and Dec.	39,525.00
Equipment Trust Certificates, K	(1)Nov. 1, 1944	141,000.00	4½	May and Nov.	11,632.50
Equipment Trust Certificates, L	(1)Mar. 1, 1945	568,000.00	4½	Mar. and Sept.	27,690.00
Equipment Trust Certificates, M	(1)Sept. 1, 1947	481,000.00	2½	Mar. and Sept.	13,400.00
Equipment Trust Certificates, N	(1)May 1, 1945	24,000.00	2½	May and Nov.	700.00
Equipment Trust Certificates, O	(1)Sept. 1, 1946	939,000.00	4	Mar. and Sept.	47,800.00
Equipment Trust Certificates, P	(1)Jan. 1, 1952	1,908,000.00	3½	Jan. and July	66,780.00
Equipment Trust Certificates, Q	(1)Mar. 1, 1952	1,593,000.00	3¼	Mar. and Sept.	52,731.25
Equipment Trust Certificates, R	(1)Aug. 1, 1952	1,152,000.00	3¾	Feb. and Aug.	46,000.00
Equipment Trust Certificates, S	(1)April 1, 1953	1,490,000.00	3¾	April and Oct.	57,271.88
Equipment Trust Certificates, T	(1)April 1, 1954	1,408,000.00	3	April and Oct.	43,200.00
Equipment Trust Certificates, U	(1)Dec. 1, 1949	2,890,000.00	2½	June and Dec.	83,891.66
Equipment Trust Certificates, V	(1)April 1, 1951	2,340,000.00	2⅛	April and Oct.	53,040.00
Equipment Trust Certificates, W	(1)Nov. 1, 1948	1,960,000.00	1⅜	May and Nov.	30,094.50
Secured 1¾% Certificates of Indebtedness	Quarterly to (2)Apr. 15, 1944	400,000.00	1¾	Quarterly Jan. 15 to Apr. 15	13,564.00
Liability for purchase of equipment under lease and conditional sale agreements—Details shown on following page		620,578.36		Monthly	27,501.10
Total		18,472,578.36			626,004.39

(1)The principal of Equipment Trust Certificates mature in annual and semi-annual installments as follows; the final date of maturity for each issue being stated in the table above.

Series J June 1st........................$558,000
" K November 1st..................$141,000
" L March 1st......................$284,000
" M March 1st......................$ 66,000 and September 1st, $66,000, except September 1st, 1947, which is $19,000.
" N May 1st........................$ 12,000
" O September 1st..................$384,000, except September 1st, 1946, which is $171,000.
" P January 1st.....................$212,000
" Q March 1st......................$177,000
" R August 1st......................$128,000
" S April 1st.......................$149,000
" T April 1st.......................$128,000
" U December 1st..................$508,000, except December 1st, 1949, which is $350,000.
" V April 1st and October 1st.......$156,000
" W May 1st and November 1st.....$196,000

(2)Payable January 15 and April 15, 1944, $200,000 each.

LIABILITY FOR PURCHASE OF EQUIPMENT UNDER LEASE AND CONDITIONAL SALE AGREEMENTS, DECEMBER 31, 1943

Description of agreement	Date of Lease or Agreement	Date of Maturity Monthly to	Principal and Interest Paid During the Year	Principal Balance December 31, 1943	Interest Accrued During the Year	
					Rate %	Charged to Income
General American Transportation Corporation—Lease:						
Thirty-five Hopper Cars	April 27, 1940	Aug. 1, 1955	$ 10,731.00	$ 105,288.03	3	$ 3,280.26
Conditional Sale Agreements for purchase of Equipment:						
Assigned to First National Bank of Chicago, Ill.:						
American Locomotive Company.						
Two Diesel Switching Locomotives	April 1, 1939	June 1, 1947	#74,240.95	....	2½	723.93
Electro-Motive Corporation.						
Four Diesel Switching Locomotives	April 1, 1939	July 1, 1947	#178,116.30	....	2½	1,738.69
Electro-Motive Corporation.						
One Diesel Switching Locomotive	Aug. 1, 1939	Sept. 1, 1947	# 39,196.76	....	2½	383.39
Baldwin Locomotive Works.						
One Diesel Switching Locomotive	Mar. 1, 1940	June 1, 1948	# 44,109.30	....	2½	434.69
General Electric Company.						
One Diesel Switching Locomotive	Mar. 1, 1940	Oct. 1, 1948	# 26,950.14	....	2½	266.30
Electro-Motive Corporation.						
Twelve Diesel Switching Locomotives	Mar. 1, 1940	May 1, 1948	#524,312.05	....	2½	5,163.05
American Locomotive Company.						
Three Diesel Switching Locomotives	Mar. 1, 1940	May 1, 1948	#145,305.78	....	2½	1,430.85
Assigned to Continental Illinois National Bank & Trust Company of Chicago, Ill.:						
American Locomotive Company.						
Four Diesel Switching Locomotives	Sept. 1, 1940	Nov. 1, 1948	#240,677.56	....	2	1,907.12
Electro-Motive Corporation.						
Two Diesel Switching Locomotives	Sept. 1, 1940	Jan. 1, 1949	#124,361.94	....	2	986.63
Baldwin Locomotive Works.						
Two Diesel Switching Locomotives	Sept. 1, 1940	Dec. 1, 1948	22,342.92	106,226.18	2	2,308.53
Assigned to New York Trust Company:						
Electro-Motive Corporation.						
Ten Diesel Switching Locomotives	Sept. 1, 1940	Jan. 1, 1949	84,698.64	409,064.15	2	8,877.66
Total	....	....	1,515,043.34	620,578.36	....	27,501.10

#Includes payment in full of principal outstanding as of May 31, 1943, under Conditional Sale Agreements for 30 Diesel locomotives which were subjected to Equipment Trust Series W.

STATEMENT OF PRINCIPAL AND INTEREST ON FUNDED AND UNFUNDED DEBT, WHICH HAS BEEN AUTHORIZED BY THE DISTRICT COURT OF THE UNITED STATES FOR THE NORTHERN DISTRICT OF ILLINOIS, EASTERN DIVISION, FOR PAYMENT DURING THE YEAR ENDED DECEMBER 31, 1943

Description of Payments Authorized by Court	1943 Maturities: Principal	1943 Maturities: Interest	Authorized for Payment by Court: Principal	Authorized for Payment by Court: Interest
CHICAGO, MILWAUKEE, ST. PAUL AND PACIFIC RAILROAD COMPANY				
Equipment Trust Certificates and Trustees Certificates of Indebtedness:				
Equipment Trust Certificates:				
Series E	July 1	Jan. 1 and July 1	$ 169,000.00	$ 7,605.00
" F	July 1	Jan. 1 and July 1	328,000.00	14,760.00
" J	June 1	June 1 and Dec. 1	558,000.00	41,850.00
" K	November 1	May 1 and Nov. 1	141,000.00	12,690.00
" L	March 1	Mar. 1 and Sept. 1	284,000.00	31,950.00
" M	Mar. 1 and Sept. 1	Mar. 1 and Sept. 1	132,000.00	14,500.00
" N	May 1	May 1 and Nov. 1	12,000.00	750.00
" O	September 1	Mar. 1 and Sept. 1	384,000.00	52,920.00
" P	January 1	Jan. 1 and July 1	212,000.00	70,490.00
" Q	March 1	Mar. 1 and Sept. 1	177,000.00	54,648.75
" R	August 1	Feb. 1 and Aug. 1	128,000.00	48,000.00
" S	April 1	Apr. 1 and Oct. 1	149,000.00	58,668.75
" T	April 1	Apr. 1 and Oct. 1	128,000.00	44,160.00
" U	December 1	June 1 and Dec. 1	508,000.00	84,950.00
" V	Apr. 1 and Oct. 1	Apr. 1 and Oct. 1	312,000.00	54,696.72
" W	May 1 and Nov. 1	May 1 and Nov. 1	392,000.00	30,993.48
Trustees Certificates of Indebtedness:				
Principal and interest matured quarterly Jan. 15 to Oct. 15, 1943, incl.			900,000.00	16,841.50
Other Equipment Obligations:				
General American Transportation Corporation Agreement of Lease dated April 27, 1940—Monthly rental payments Jan. 1 to Dec. 1, incl.			7,450.74	3,280.26
Conditional Sale Agreements—Monthly rental payments Jan. 1 to Dec. 1, incl.				
Assigned to First National Bank of Chicago:				
American Locomotive Company dated April 1, 1939			73,364.18	876.77
" " " " March 1, 1940			143,575.82	1,729.96
Electro-Motive Corporation " April 1, 1939			176,010.92	2,105.38
" " " " August 1, 1939			38,732.68	464.08
" " " " March 1, 1940			518,069.69	6,242.36
Baldwin Locomotive Works " March 1, 1940			43,583.81	525.49
General Electric Co. " March 1, 1940			26,628.36	321.78
Assigned to Continental Illinois National Bank & Trust Co. of Chicago:				
American Locomotive Company dated September 1, 1940			238,373.15	2,304.41
Baldwin Locomotive Works " September 1, 1940			20,001.05	2,341.87
Electro-Motive Corporation " September 1, 1940			123,170.03	1,191.91
Assigned to New York Trust Co.:				
Electro-Motive Corporation dated September 1, 1940			75,694.82	9,003.82
Notes:				
Reconstruction Finance Corporation Loans—1943 Interest maturities			....	407,418.47
Federal Emergency Administrator of Public Works Loan—Assigned to Reconstruction Finance Corporation—1943 Interest maturities			....	10,322.46
Total C.M.St.P.& P.R.R. Co.			6,398,655.25	1,088,603.22
CHICAGO, TERRE HAUTE & SOUTHEASTERN RAILWAY COMPANY				
Bedford Belt First Mortgage: Interest matured Jan. 1 and July 1, 1943				12,500.00
Southern Indiana First Mortgage: Interest matured Feb. 1 and Aug. 1, 1943				291,480.00
First and Refunding Mortgage: Interest matured June 1 and Dec. 1, 1943				402,800.00
Income Mortgage: Interest matured Mar. 1 and Sept. 1, 1943				316,790.00
Total C.T.H.& S.E. Ry. Co.				1,023,570.00
Grand Total			6,398,655.25	2,112,173.22

CONTINGENT LIABILITIES WITH RESPECT TO SECURITIES OF OTHER COMPANIES AS OF DECEMBER 31, 1943

Items	Principal Amount Outstanding Dec. 31, 1943
Chicago Union Station Company:	
1. First Mortgage Bonds, 3¾%, Series E, due July 1, 1963	$44,000,000
2. First Mortgage Bonds, 3⅛%, Series F, due July 1, 1963	16,000,000
3. Guaranteed Serial Bonds, 1.05% to 2.05% due January 1, 1944, to January 1, 1950	4,459,000
4. Guaranteed 1½% Notes of 1940—due semi-annually to April 1, 1945	180,000
	64,639,000
Principal and interest guaranteed jointly and severally by the Railroad Trustees and 3 other proprietors at time of issue. The Railroad Trustees with other proprietors have agreed that gross rental to be paid by them for use of Chicago Union Station facilities shall include a sum sufficient to pay interest on all of these securities and to advance amounts required to pay at maturity principal of Items 3 and 4.	
St. Paul Union Depot Company:	
1. First and Refunding Mortgage Bonds, 3⅛%, Series B, due October 1, 1971	14,737,000
2. Guaranteed Serial 1% Notes of 1941, due April 1, 1944 to October 1, 1944	300,000
3. Consolidated Mortgage Bonds, 5%, due May 1, 1944	132,000
4. Consolidated Mortgage Bonds, 4%, due May 1, 1944	83,000
	15,252,000
Issues numbered 1 and 2 are guaranteed jointly and severally by Railroad Trustees and 7 other proprietors, each of which is also obligated to pay its ownership proportion of these issues and its proportion, based upon use, of the interest on all 4 issues shown.	
Chicago, Terre Haute and Southeastern Railway Company:	
1. Bedford Belt Ry. Co. First Mortgage Bonds, 5%, matured July 1, 1938	# 250,000
2. Southern Indiana Ry. Co. First Mortgage Bonds, 4%, due February 1, 1951	7,287,000
3. C. T. H. & S. E. Ry. Co. First and Refunding Mortgage Bonds, 5%, due December 1, 1960	‡ 8,056,000
4. C. T. H. & S. E. Ry. Co. Income Mortgage Bonds, 5%, due December 1, 1960	6,335,800
	21,928,800
#Excludes $100,000 pledged under C. T. H. & S. E. 1st & Ref. Mtge. ‡Excludes $1,515,000 " " C. M. St. P. & P. " " " "	
Bonds of a Lessor Company. Obligations under Lease dated July 1, 1921, assumed by C. M. St. P. & P. R. R. Co. Lease provides, among other things, for payment by lessee of interest on and principal of all these bonds, and for the guaranty by the lessee, by endorsement on the Income Mortgage bonds of the principal with interest from July 1, 1921, at the rate of 5% per annum. $6,333,900 principal amount of the Income Mortgage Bonds have been so endorsed up to the end of the year.	
Indiana Harbor Belt Railroad Company:	
1. General Mortgage Gold Bonds, 4%, due July 1, 1957	4,225,000
2. General Mortgage Gold Bonds, 4½%, due July 1, 1957	4,900,000
	9,125,000
C. M. St. P. & P. R. R. Co. is obligated to the extent of 20% to protect The Michigan Central R. R. Co. and The N. Y. C. R. R. Co. on their guaranties of the 4% Bonds. C. M. St. P. & P. R. R. Co. and other proprietors are obligated under an agreement, in the event of default by the I. H. Belt R. R. Co., to loan to the Belt Railroad, in proportion to their stock holdings, to the extent necessary, the principal of and interest on these bonds.	
Kansas City Terminal Railway Company:	
1. First Mortgage 50-Year Bonds, 4%, due January 1, 1960	49,121,000
Under a certain operating agreement, C. M. St. P. & P. R. R. Co. and 11 other proprietors are obligated to pay to the Terminal Co. or in case of default to the mortgage trustee, in equal shares the principal of and interest on these bonds.	
The Minnesota Transfer Railway Company:	
1. First Mortgage Bonds, 3¾%, due June 1, 1956	1,877,000
Under provisions of the by-laws of the Transfer Co., the Railroad Trustees and 8 other proprietors, are required to contribute, on an ownership basis, to (a) a semi-annual sinking fund for these bonds equal to one-half of 1% of face value of all bonds issued under the First Mortgage, and (b) semi-annual installments of interest on the bonds.	

DETAILED STATEMENT OF RAILWAY OPERATING REVENUES AND EXPENSES FOR THE YEARS ENDED DECEMBER 31, 1943 AND 1942

RAILWAY OPERATING REVENUES

	1943	1942	Increase	Decrease
Transportation				
Freight	$174,018,631.87	$146,466,550.31	$ 27,552,081.56	....
Passenger	31,010,174.14	17,772,714.30	13,237,459.84	....
Baggage	43,755.65	31,399.50	12,356.15	....
Sleeping car	760,049.37	533,888.49	226,160.88	....
Parlor and chair car	250,134.91	169,661.30	80,473.61	....
Mail	3,442,964.35	3,260,297.99	182,666.36	....
Express	4,428,612.05	3,003,575.18	1,425,036.87	....
Other passenger train	219,995.18	100,967.72	119,027.46	....
Milk	212,416.61	123,665.74	88,750.87	....
Switching	3,844,296.56	3,579,378.59	264,917.97	....
Total transportation revenue	218,231,030.69	175,042,099.12	43,188,931.57	....
Incidental				
Dining and buffet	2,233,554.71	1,273,233.99	960,320.72	....
Hotel and restaurant	94,422.41	9,037.37	85,385.04	....
Station, train and boat privileges	35,526.29	21,210.24	14,316.05	....
Parcel room	71.95	86.90	....	$ 14.95
Storage—Freight	24,277.24	30,983.23	....	6,705.99
Storage—Baggage	8,828.23	4,835.28	3,992.95	....
Demurrage	722,629.55	513,448.39	209,181.16	....
Telegraph and telephone	34,867.84	24,833.91	10,033.93	....
Stockyard	56,407.71	47,327.27	9,080.44	....
Power	104,380.63	81,829.32	22,551.31	....
Rents of buildings and other property	227,580.54	187,853.09	39,727.45	....
Miscellaneous	504,943.17	415,625.84	89,317.33	....
Total incidental operating revenue	4,047,490.27	2,610,304.83	1,437,185.44	....
Joint Facility				
Joint facility—Credit	2,249,636.55	2,225,436.53	24,200.02	....
Joint facility—Debit	*12,917.87*	*10,560.94*	*2,356.93*	....
Total joint facility operating revenue	2,236,718.68	2,214,875.59	21,843.09	....
Total railway operating revenues	224,515,239.64	179,867,279.54	44,647,960.10	....

RAILWAY OPERATING EXPENSES

	1943	1942	Increase	Decrease
Maintenance of Way and Structures				
Superintendence	$ 1,842,826.55	$ 1,588,139.16	$ 254,687.39	....
Roadway maintenance	4,398,824.59	2,275,821.43	2,123,003.16	....
Tunnels and subways	135,813.61	34,756.10	101,057.51	....
Bridges, trestles and culverts	1,079,255.85	982,379.60	96,876.25	....
Ties	3,414,807.74	3,271,180.35	143,627.39	....
Rails	797,537.32	593,044.78	204,492.54	....
Other track material	1,113,136.54	1,141,229.60	....	$ 28,093.06
Ballast	670,214.93	458,782.08	211,432.85	....
Track laying and surfacing	7,922,653.79	5,319,947.00	2,602,706.79	....
Fences, snowsheds and signs	218,970.90	153,264.21	65,706.69	....
Station and office buildings	1,090,041.55	855,798.28	234,243.27	....
Roadway buildings	70,223.63	86,918.27	....	16,694.64
Water stations	186,153.57	185,253.56	900.01	....
Fuel stations	118,181.05	102,189.79	15,991.26	....
Shops and enginehouses	738,145.91	721,568.28	16,577.63	....

(Concluded on next page)

RAILWAY OPERATING REVENUES AND EXPENSES—CONTINUED

RAILWAY OPERATING EXPENSES—CONTINUED

	1943	1942	INCREASE	DECREASE
MAINTENANCE OF WAY AND STRUCTURES—CONCLUDED				
Storage warehouses	$ 13.01	$ 226.60		$ 213.59
Wharves and docks	30,453.31	45,972.94		15,519.63
Coal and ore wharves		*.05*	$ .05	
Telegraph and telephone lines	291,314.41	258,834.12	32,480.29	
Signals and interlockers	744,593.42	738,919.29	5,674.13	
Power plants	15,144.49	26,058.17		10,913.68
Power transmission systems	143,287.65	148,441.01		5,153.36
Miscellaneous structures	17,592.85	15,710.63	1,882.22	
Road property—Depreciation	3,116,385.10	3,472,046.70		355,661.60
Deferred maintenance—Way and Structures	4,177,789.00		4,177,789.00	
Roadway machines	304,886.12	254,441.69	50,444.43	
Dismantling retired road property	87,225.97		87,225.97	
Road—Amortization of defense projects	118,802.52	64,373.25	54,429.27	
Small tools and supplies	442,875.77	336,021.59	106,854.18	
Removing snow, ice, and sand	686,447.83	329,265.38	357,182.45	
Public improvements—Maintenance	378,119.42	288,330.98	89,788.44	
Injuries to persons	85,284.02	116,904.96		31,620.94
Insurance	35,178.31	35,340.03		161.72
Stationery and printing	28,742.55	30,992.76		2,250.21
Other expenses	182,191.92	322,927.14		140,735.22
Right of way expenses	36,776.70	23,552.28	13,224.42	
Maintaining joint tracks, yards, and other facilities—Debit	1,793,927.22	1,651,199.00	142,728.22	
Maintaining joint tracks, yards, and other facilities—Credit	*364,608.32*	*370,646.38*		*6,038.06*
Total maintenance of way and structures	36,149,210.80	25,559,184.58	10,590,026.22	
MAINTENANCE OF EQUIPMENT				
Superintendence	921,267.41	937,415.98		16,148.57
Shop machinery	572,234.69	554,722.61	17,512.08	
Power plant machinery	105,838.90	98,666.19	7,172.71	
Shop and power-plant machinery—Depreciation	229,382.56	237,987.19		8,604.63
Dismantling retired shop and power-plant machinery	5,923.49		5,923.49	
Steam locomotives—Repairs	9,010,801.20	7,134,698.88	1,876,102.32	
Other locomotives—Repairs	1,038,703.67	773,425.65	265,278.02	
Freight-train cars—Repairs	6,974,247.52	6,343,412.91	630,834.61	
Passenger-train cars—Repairs	2,803,287.47	2,118,032.08	685,255.39	
Floating equipment—Repairs	37,915.11	44,657.78		6,742.67
Work equipment—Repairs	653,031.56	504,950.23	148,081.33	
Miscellaneous equipment—Repairs	42,972.37	32,913.12	10,059.25	
Dismantling retired equipment	7,375.94	51,034.63		43,658.69
Equipment—Depreciation	6,351,260.04	6,330,727.67	20,532.37	
Equipment—Amortization of defense projects	544,188.88	188,851.43	355,337.45	
Injuries to persons	74,365.98	58,680.68	15,685.30	
Insurance	61,542.50	60,818.29	724.21	
Stationery and printing	27,216.51	28,552.89		1,336.38
Other expenses	65,401.85	379,311.30		313,909.45
Joint maintenance of equipment expenses—Debit	235,530.42	213,821.59	21,708.83	
Joint maintenance of equipment expenses—Credit	*22,537.74*	*27,555.08*		*5,017.34*
Deferred maintenance-Equipment	1,622,211.00		1,622,211.00	
Total maintenance of equipment	31,362,161.33	26,065,126.02	5,297,035.31	
TRAFFIC				
Superintendence	750,946.99	709,327.73	41,619.26	
Outside agencies	1,621,643.90	1,515,158.65	106,485.25	
Advertising	406,887.80	300,962.55	105,925.25	
Traffic associations	99,670.19	100,499.22		829.03
Industrial and immigration bureaus	78,359.41	57,679.63	20,679.78	
Insurance	392.39	383.42	8.97	
Stationery and printing	143,516.21	137,893.54	5,622.67	
Other expenses	186.00	941.40		755.40
Total traffic expenses	3,101,602.89	2,822,846.14	278,756.75	

RAILWAY OPERATING REVENUES AND EXPENSES—Concluded

RAILWAY OPERATING EXPENSES—Concluded

Transportation	1943	1942	Increase	Decrease
Superintendence	$ 1,573,577.37	$ 1,222,302.56	$ 351,274.81	
Dispatching trains	787,172.23	672,149.28	115,022.95	
Station employees	10,118,674.67	7,770,038.72	2,348,635.95	
Weighing, inspection, and demurrage bureaus	175,307.72	181,703.00		$ 6,395.28
Station supplies and expenses	471,536.61	410,866.43	60,670.18	
Yardmasters and yard clerks	1,664,434.41	1,504,755.68	159,678.73	
Yard conductors and brakemen	4,832,615.30	4,357,868.98	474,746.32	
Yard switch and signal tenders	321,874.20	303,431.83	18,442.37	
Yard enginemen	2,557,836.50	2,308,476.77	249,359.73	
Yard motormen	758,603.41	673,597.86	85,005.55	
Yard switching fuel	1,400,415.05	1,131,970.59	268,444.46	
Yard switching power purchased	10,516.70	9,865.96	650.74	
Water for yard locomotives	139,222.28	129,016.02	10,206.26	
Lubricants for yard locomotives	59,366.72	51,063.99	8,302.73	
Other supplies for yard locomotives	38,449.47	31,048.89	7,400.58	
Enginehouse expenses—Yard	1,046,784.56	744,634.55	302,150.01	
Yard supplies and expenses	96,144.23	86,098.76	10,045.47	
Operating joint yards and terminals—Debit	2,324,442.28	2,051,996.98	272,445.30	
Operating joint yards and terminals—Credit	*248,709.77*	*247,557.39*	*1,152.38*	
Train enginemen	6,744,707.23	5,803,152.22	941,555.01	
Train motormen	994,179.20	830,055.20	164,124.00	
Train fuel	8,983,686.27	6,988,750.97	1,994,935.30	
Train power purchased	1,535,921.34	1,387,370.06	148,551.28	
Water for train locomotives	682,322.42	600,209.86	82,112.56	
Lubricants for train locomotives	329,163.38	278,318.12	50,845.26	
Other supplies for train locomotives	140,778.98	103,855.62	36,923.36	
Enginehouse expenses—Train	2,015,330.74	1,485,643.44	529,687.30	
Trainmen	8,981,878.27	7,715,540.09	1,266,338.18	
Train supplies and expenses	4,046,526.94	2,899,876.58	1,146,650.36	
Operating sleeping cars	337,071.40	294,780.14	42,291.26	
Signal and interlocker operation	437,476.33	416,317.04	21,159.29	
Crossing protection	517,219.50	449,614.05	67,605.45	
Drawbridge operation	84,093.41	74,722.05	9,371.36	
Telegraph and telephone operation	466,985.49	392,697.52	74,287.97	
Operating floating equipment	149,929.50	191,156.20		41,226.70
Stationery and printing	231,762.77	212,454.47	19,308.30	
Other expenses	752,780.70	135,168.97	617,611.73	
Operating joint tracks and facilities—Debit	691,762.19	725,366.67		33,604.48
Operating joint tracks and facilities—Credit	*331,200.10*	*325,474.61*	*5,725.49*	
Insurance	36,497.57	39,965.05		3,467.48
Clearing wrecks	204,174.86	124,716.95	79,457.91	
Damage to property	69,277.74	47,557.55	21,720.19	
Damage to live stock on right of way	64,498.14	47,129.23	17,368.91	
Loss and damage—Freight	886,262.77	607,222.33	279,040.44	
Loss and damage—Baggage	6,253.58	2,321.90	3,931.68	
Injuries to persons	608,676.29	478,500.43	130,175.86	
Total transportation expenses	67,796,280.85	55,400,317.56	12,395,963.29	
Miscellaneous Operations				
Dining and buffet service	2,224,945.52	1,483,056.74	741,888.78	
Hotels and restaurants	1,447.32	24,549.26		23,101.94
Stockyards	50,142.54	39,011.26	11,131.28	
Producing power sold	64,270.58	41,248.59	23,021.99	
Total miscellaneous operations	2,340,805.96	1,587,865.85	752,940.11	
General				
Salaries and expenses of general officers	380,094.49	371,586.09	8,508.40	
Salaries and expenses of clerks and attendants	3,679,893.41	3,188,146.73	491,746.68	
General office supplies and expenses	183,916.24	188,735.37		4,819.13
Law expenses	333,972.03	320,024.88	13,947.15	
Insurance	2,628.43	2,499.32	129.11	
Pensions	41,125.28	40,214.57	910.71	
Stationery and printing	110,233.62	165,229.73		54,996.11
Valuation expenses	26,020.47	25,089.66	930.81	
Other expenses	116,755.99	114,967.23	1,788.76	
General joint facilities—Debit	114,571.42	114,282.59	288.83	
General joint facilities—Credit	*3,472.44*	*2,852.77*	*619.67*	
Total general expenses	4,985,738.94	4,527,923.40	457,815.54	
Total railway operating expenses	145,735,800.77	115,963,263.55	29,772,537.22	

NET RAILWAY OPERATING INCOME ITEMS—1943, 1942 AND 1929 SHOWING PERCENTAGES OF RAILWAY OPERATING REVENUES

Items	1943 Amount	1943 Per Cent Ry. Opr. Revs.	1942 Amount	1942 Per Cent Ry. Opr. Revs.	1929 Amount	1929 Per Cent Ry. Opr. Revs.
Railway Operating Revenues:						
Freight	$ 174,018,632	77.51	$ 146,466,550	81.43	$ 137,176,431	80.05
Passenger	31,010,174	13.81	17,772,714	9.88	16,753,297	9.78
Mail	3,442,965	1.53	3,260,298	1.81	3,845,985	2.24
Express	4,428,612	1.97	3,003,575	1.67	4,573,529	2.67
Switching	3,844,297	1.72	3,579,379	1.99	3,732,424	2.18
All other transportation	1,486,352	.66	959,583	.54	2,295,273	1.34
Incidental	4,047,490	1.80	2,610,305	1.45	2,377,511	1.39
Joint facility—Net Cr.	2,236,718	1.00	2,214,876	1.23	606,935	.35
Total	224,515,240	100.00	179,867,280	100.00	171,361,385	100.00
Railway Operating Expenses:						
*Maintenance of way and structures	36,149,211	16.10	25,559,185	14.21	27,885,867	16.27
=Maintenance of equipment	31,362,161	13.97	26,065,126	14.49	31,136,446	18.17
Traffic expenses	3,101,603	1.38	2,822,846	1.57	3,863,536	2.26
Transportation expenses	67,796,281	30.20	55,400,318	30.80	60,471,448	35.29
Miscellaneous operations	2,340,806	1.04	1,587,866	.88	1,346,620	.78
General expenses	4,985,739	2.22	4,527,923	2.52	4,647,003	2.71
Transportation for investment—Cr.	....	....	....	....	*550,059*	*.32*
Total	145,735,801	64.91	115,963,264	64.47	128,800,861	75.16
Net Revenue From Railway Operations	78,779,439	35.09	63,904,016	35.53	42,560,524	24.84
Tax Accruals:						
Federal income and excess profits	14,295,000	6.36	15,282,000	8.50	....	....
Property, payroll and other	11,735,000	5.23	10,419,000	5.79	9,648,912	5.63
Total	26,030,000	11.59	25,701,000	14.29	9,648,912	5.63
Uncollectible Railway Revenues	....	....	....	....	12,589	.01
Equipment Rents—Net Dr.	*165,524*	*.07*	456,818	.26	3,995,309	2.33
Joint Facility Rents—Net Dr.	2,246,009	1.00	3,241,544	1.80	2,629,391	1.54
Net Railway Operating Income	50,668,954	22.57	34,504,654	19.18	26,274,323	15.33
*Includes for depreciation, amortization and retirement charges—Road	5,053,719	2.25	3,646,641	2.03	1,426,685	.83
=Includes for depreciation, amortization and retirement charges—Equipment	7,124,832	3.17	6,757,566	3.76	6,486,835	3.79

RAILWAY OPERATING REVENUES, EXPENSES, TAXES AND INCOME BY MONTHS FOR THE YEAR ENDED DECEMBER 31, 1943

1943	Railway Operating Revenues	Railway Operating Expenses	Net Revenue from Railway Operations	Railway Tax Accruals	Railway Operating Income	Equipment Rents Credit Bal.	Joint Facility Rents Debit Bal.	Net Railway Operating Income
January	$ 16,206,387.14	$ 9,887,272.83	$ 6,319,114.31	$2,575,000.00	$ 3,744,114.31	$ 46,280.12	$ 209,379.96	$ 3,581,014.47
February	16,786,277.05	9,452,718.06	7,333,558.99	2,850,000.00	4,483,558.99	*20,635.44*	224,728.87	4,238,194.68
March	18,216,814.33	10,407,245.43	7,809,568.90	1,932,000.00	5,877,568.90	78,262.94	201,328.85	5,754,502.99
April	17,703,181.70	10,613,252.58	7,089,929.12	1,616,000.00	5,473,929.12	53,238.01	201,050.02	5,326,117.11
May	17,672,898.35	10,991,748.11	6,681,150.24	1,448,000.00	5,233,150.24	52,812.72	201,899.07	5,084,063.89
June	18,949,856.19	11,806,624.18	7,143,232.01	2,870,000.00	4,273,232.01	*10,812.30*	208,085.61	4,054,334.10
July	18,926,881.98	11,373,471.54	7,553,410.44	3,136,000.00	4,417,410.44	*3,876.88*	159,576.33	4,253,957.23
August	19,786,743.78	12,048,955.07	7,737,788.71	3,271,000.00	4,466,788.71	*28,439.22*	185,601.52	4,252,747.97
September	20,548,401.33	11,736,097.47	8,812,303.86	3,411,000.00	5,401,303.86	*99,237.42*	173,971.36	5,128,095.08
October	21,490,656.77	12,024,727.28	9,465,929.49	3,816,000.00	5,649,929.49	*69,245.24*	171,169.62	5,409,514.63
November	19,508,371.46	12,167,629.67	7,340,741.79	2,214,000.00	5,126,741.79	68,115.55	168,424.79	5,026,432.55
December	18,718,769.56	23,226,058.55	*4,507,288.99*	*3,109,000.00*	*1,398,288.99*	99,061.56	140,793.45	*1,440,020.88*
Total	224,515,239.64	145,735,800.77	78,779,438.87	26,030,000.00	52,749,438.87	165,524.40	2,246,009.45	50,668,953.82

Italics indicate contra items.

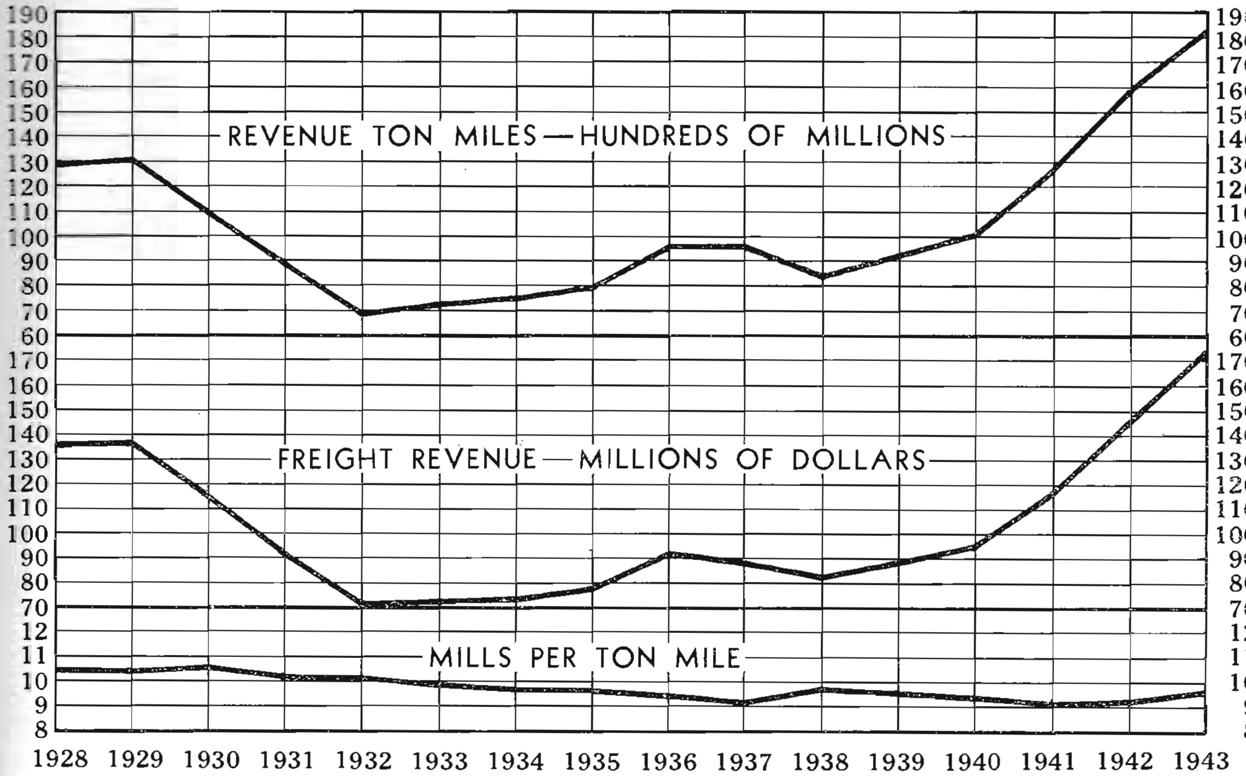
REVENUE FREIGHT TRAFFIC STATISTICS—EXCLUDING TRUCK SERVICE—TEN YEARS, 1934–1943

Year	Tons Carried	Ton Miles	Average Haul—Miles	Freight Revenue		
				Total	Per Ton	Per Ton Mile (Cents)
1934	28,098,754	7,540,899,349	268.37	$ 73,382,543	$2.61	.973
1935	29,682,938	7,978,909,250	268.80	77,311,239	2.60	.969
1936	36,233,222	9,689,405,998	267.42	91,560,382	2.53	.945
1937	35,392,439	9,691,026,608	273.82	88,580,700	2.50	.914
1938	30,934,327	8,479,448,397	274.11	82,220,776	2.66	.970
1939	33,841,422	9,234,307,122	272.87	88,623,648	2.62	.960
1940	35,320,967	10,097,196,568	285.87	95,115,270	2.69	.942
1941	42,907,270	12,804,595,331	298.42	117,247,949	2.73	.916
1942	48,718,373	15,908,488,274	326.54	146,598,183	3.01	.922
1943	53,824,310	18,209,707,441	338.32	173,866,487	3.23	.955

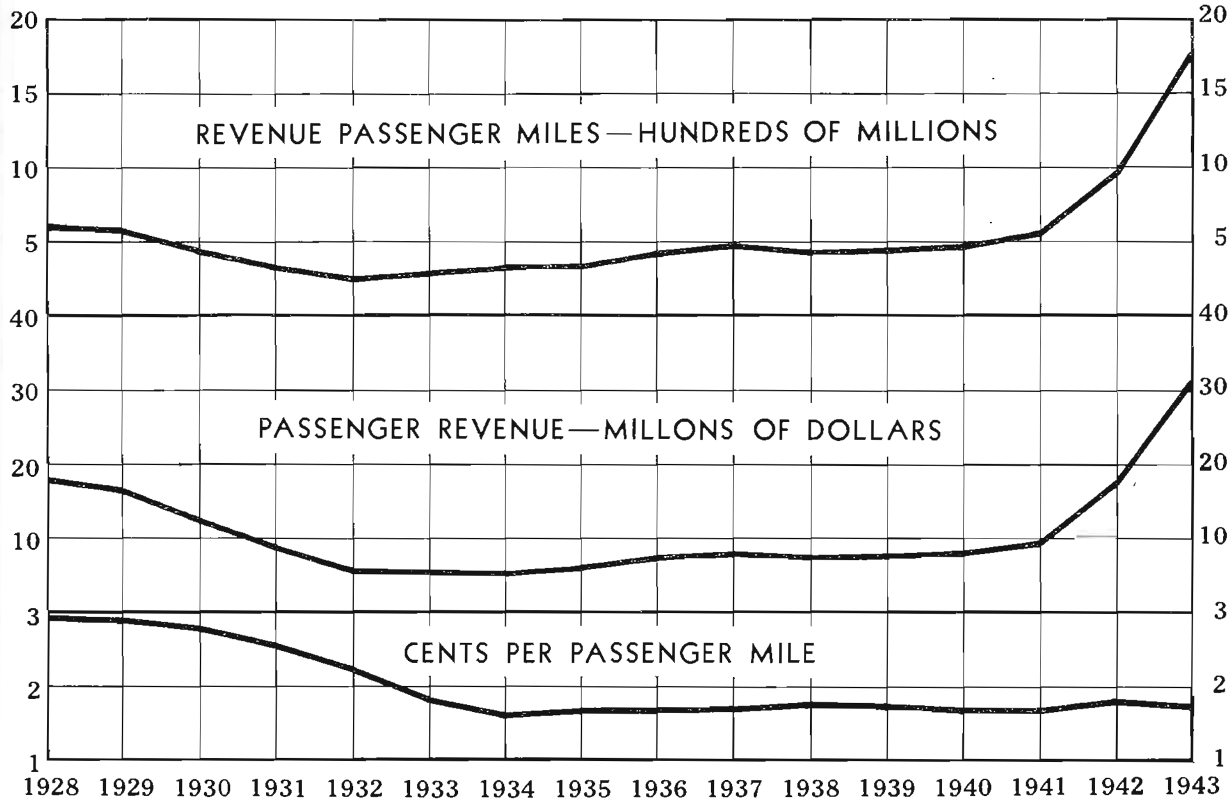
REVENUE PASSENGER STATISTICS—EXCLUDING BUS SERVICE—TEN YEARS, 1934–1943

Year	Passengers Carried	Passenger Miles	Average Distance Traveled—Miles	Passenger Revenue		
				Total	Per Passenger	Per Passenger Mile (Cents)
			Other Than Commutation			
1934	1,869,510	313,075,659	167.46	$ 5,357,231	$2.87	1.711
1935	2,068,950	321,432,967	155.36	5,799,191	2.80	1.804
1936	2,571,157	405,470,074	157.70	7,236,300	2.81	1.785
1937	2,724,890	447,224,211	164.13	7,996,878	2.93	1.788
1938	2,414,120	398,409,465	165.03	7,493,412	3.10	1.881
1939	2,419,949	406,766,397	168.09	7,562,557	3.13	1.859
1940	2,521,805	429,870,167	170.46	7,735,173	3.07	1.799
1941	2,854,905	515,785,044	180.67	9,226,806	3.23	1.789
1942	4,587,449	919,502,420	200.44	17,221,694	3.75	1.873
1943	6,765,399	1,702,392,425	251.63	30,390,960	4.49	1.785
			Commutation			
1934	1,668,705	28,666,649	17.18	252,042	.15	.879
1935	1,628,084	28,505,801	17.51	252,294	.15	.885
1936	1,695,549	30,274,718	17.86	266,340	.16	.880
1937	1,803,136	33,300,871	18.47	293,237	.16	.881
1938	1,835,672	35,504,859	19.34	309,708	.17	.872
1939	1,992,809	38,670,537	19.41	336,233	.17	.869
1940	2,172,714	42,743,602	19.67	370,206	.17	.866
1941	2,455,023	48,727,616	19.85	419,878	.17	.862
1942	3,049,365	62,902,363	20.63	544,191	.18	.865
1943	3,368,241	69,407,765	20.61	613,078	.18	.883
			Total			
1934	3,538,215	341,742,308	96.59	5,609,273	1.59	1.641
1935	3,697,034	349,938,768	94.65	6,051,485	1.64	1.729
1936	4,266,706	435,744,792	102.13	7,502,640	1.76	1.722
1937	4,528,026	480,525,082	106.12	8,290,115	1.83	1.725
1938	4,249,792	433,914,324	102.10	7,803,120	1.84	1.798
1939	4,412,758	445,436,934	100.94	7,898,790	1.79	1.773
1940	4,694,519	472,613,769	100.67	8,105,379	1.73	1.715
1941	5,309,928	564,512,660	106.31	9,646,684	1.82	1.709
1942	7,636,814	982,404,783	128.64	17,765,885	2.33	1.808
1943	10,133,640	1,771,800,190	174.84	31,004,038	3.06	1.750

FREIGHT TRAFFIC



PASSENGER TRAFFIC



TRANSPORTATION STATISTICS—RAIL LINE—AGGREGATES, 1943-1939

Items	1943	1942	1941	1940	1939
PASSENGER TRAIN SERVICE					
Average Mileage of Road Operated in Passenger Service	6,978.35	7,078.69	7,121.10	7,115.58	7,169.94
TRAIN-MILES:					
With Locomotives—Ordinary	11,964,434	10,659,298	10,313,847	10,094,743	10,024,407
Without Locomotives—Motor Cars	885,828	864,975	892,060	910,999	927,959
Total	12,850,262	11,524,273	11,205,907	11,005,742	10,952,366
Train-Hours	349,504	307,645	297,215	298,356	299,097
LOCOMOTIVE-MILES:					
Principal	11,964,434	10,659,298	10,313,847	10,094,743	10,024,407
Helper	479,160	298,912	196,089	141,609	130,349
Light	323,006	258,203	195,763	157,375	158,428
Train Switching	522	468	2,184	2,364	186
Yard Switching	580,014	512,578	494,688	492,822	482,310
Total	13,347,136	11,729,459	11,202,571	10,888,913	10,795,680
CAR-MILES:					
Passenger Coaches	32,642,079	24,343,188	20,727,084	19,311,698	18,500,844
Sleeping and Parlor Cars	32,540,458	25,599,584	21,786,214	19,997,255	20,383,837
Club, Lounge, Dining, and Observation Cars	6,494,935	6,099,048	7,113,289	6,306,396	6,358,318
Business Cars	102,502	90,173	115,742	114,560	106,161
Mail, Express, and Baggage Cars, and Combination Cars other than Passenger	27,900,203	25,465,820	24,687,011	24,751,910	24,616,140
Combination Passenger Cars (Mail, Express, or Baggage with Passenger)	1,881,815	1,715,280	1,645,998	1,734,934	1,784,609
Total Passenger Train Cars	101,561,992	83,313,093	76,075,338	72,216,753	71,749,909
Freight Train Cars in Passenger Trains	1,701,015	1,533,665	670,937	818,517	580,244
Total all Cars	103,263,007	84,846,758	76,746,275	73,035,270	72,330,153
Gross Ton-Miles (Thousands) Passenger Trains, including Locomotives and Tenders	10,389,554	8,616,190	7,884,113	7,467,031	7,473,357
FREIGHT TRAIN SERVICE					
Average Mileage of Road Operated in Freight Service	10,753.08	10,813.12	10,838.05	10,866.33	10,912.40
TRAIN-MILES WITH LOCOMOTIVES:					
Ordinary	18,886,346	17,844,594	16,852,194	14,723,437	14,546,280
Light	134,861	111,646	84,207	73,593	71,187
Total	19,021,207	17,956,240	16,936,401	14,797,030	14,617,467
Train-Hours	1,223,332	1,119,644	1,033,654	899,765	893,722
LOCOMOTIVE-MILES:					
Principal	19,041,876	17,982,688	16,956,336	14,814,415	14,634,359
Helper	1,204,320	887,334	695,196	604,907	478,138
Light	917,116	804,331	671,255	602,262	536,867
Train Switching	1,639,759	1,652,213	1,629,294	1,481,351	1,515,946
Yard Switching	8,496,751	7,999,634	7,621,269	6,648,177	6,320,314
Total	31,299,822	29,326,200	27,573,350	24,151,112	23,485,624

(Concluded on page 40)

TRANSPORTATION STATISTICS—RAIL LINE—AGGREGATES, 1938-1934

ITEMS	1938	1937	1936	1935	1934
PASSENGER TRAIN SERVICE					
Average Mileage of Road Operated in Passenger Service	7,113.65	6,980.02	7,043.35	7,030.46	* 6,966.14
TRAIN-MILES:					
With Locomotives—Ordinary	10,038,604	10,051,657	10,117,550	10,222,528	9,771,588
Without Locomotives—Motor Cars	988,905	997,567	975,394	915,480	1,104,428
Total	11,027,509	11,049,224	11,092,944	11,138,008	10,876,016
Train-Hours	303,094	308,250	314,383	* 315,703	* 308,277
LOCOMOTIVE-MILES:					
Principal	10,038,604	10,051,657	10,117,550	10,222,609	9,771,588
Helper	146,982	231,620	227,503	118,762	124,313
Light	162,968	164,457	148,430	135,801	139,224
Train Switching	138	36	540	1,164	3,193
Yard Switching	463,146	474,480	459,750	424,179	429,561
Total	10,811,838	10,922,250	10,953,773	10,902,515	10,467,879
CAR-MILES:					
Passenger Coaches	18,087,276	18,478,885	17,818,452	16,861,932	* 18,378,309
Sleeping and Parlor Cars	20,448,324	20,951,970	20,212,171	19,222,559	* 19,440,892
Club, Lounge, Dining, and Observation Cars	6,381,891	6,547,559	6,322,149	5,899,908	* 5,967,672
Business Cars	95,732	105,631	100,011	111,824	* 102,104
Mail, Express, and Baggage Cars, and Combination Cars other than Passenger	24,682,951	24,635,826	23,935,818	24,060,334	* 22,051,796
Combination Passenger Cars (Mail, Express, or Baggage with Passenger)	1,742,678	1,569,333	1,626,426	1,343,021	* 1,231,093
Total Passenger Train Cars	71,438,852	72,289,204	70,015,027	67,499,578	* 67,171,866
Freight Train Cars in Passenger Trains	501,240	479,178	838,326	445,647	* 414,598
Total all Cars	71,940,092	72,768,382	70,853,353	67,945,225	* 67,586,464
Gross Ton-Miles (Thousands) Passenger Trains, including Locomotives and Tenders	7,473,959	7,467,533	* 7,342,636	* 7,133,488	* 7,009,752
FREIGHT TRAIN SERVICE					
Average Mileage of Road Operated in Freight Service	10,945.56	11,088.47	11,117.22	11,120.97	11,163.80
TRAIN-MILES WITH LOCOMOTIVES:					
Ordinary	14,041,371	16,199,230	16,581,490	14,565,612	14,241,710
Light	79,651	80,968	91,478	66,738	65,310
Total	14,121,022	16,280,198	16,672,968	14,632,350	14,307,020
Train-Hours	864,449	1,022,242	1,071,598	925,781	914,065
LOCOMOTIVE-MILES:					
Principal	14,136,883	16,293,142	16,683,662	14,641,021	14,312,762
Helper	455,034	1,123,098	1,206,469	822,439	787,833
Light	524,403	753,460	819,165	692,480	681,534
Train Switching	1,507,407	1,666,812	1,772,527	1,617,636	1,606,235
Yard Switching	6,100,648	7,038,707	7,116,759	6,187,857	6,057,714
Total	22,724,375	26,875,219	27,598,582	23,961,433	23,446,078

(Concluded on page 41)

*Partly estimated; not required at time.

TRANSPORTATION STATISTICS—RAIL LINE—AGGREGATES, 1943-1939—CONCLUDED

ITEMS	1943	1942	1941	1940	1939
FREIGHT TRAIN SERVICE—CONCLUDED					
CAR-MILES:					
Loaded Freight Cars	610,642,234	563,994,742	526,776,845	436,986,309	410,720,188
Empty Freight Cars	294,075,268	309,314,166	306,917,054	272,939,359	256,205,639
Cabooses	18,800,936	17,636,198	16,602,937	14,619,838	14,222,160
Total Freight Cars	923,518,438	890,945,106	850,296,836	724,545,506	681,147,987
Passenger Train Cars in Freight Trains	4,591,075	6,015,279	5,390,615	4,706,740	4,608,381
Total all Cars	928,109,513	896,960,385	855,687,451	729,252,246	685,756,368
GROSS TON-MILES (THOUSANDS) FREIGHT TRAINS:					
Locomotives and Tenders	5,379,531	5,010,431	4,660,334	4,039,405	3,858,435
TRAILING:					
Freight Train Cars, Contents, and Cabooses	41,498,929	38,147,796	34,101,425	28,160,255	26,325,863
Passenger Train Cars, and Contents	263,441	388,067	329,504	285,636	279,890
Total Trailing	41,762,370	38,535,863	34,430,929	28,445,891	26,605,753
Total Locomotives, Tenders and Trailing Cars	47,141,901	43,546,294	39,091,263	32,485,296	30,464,188
FREIGHT TRAFFIC					
TONS OF FREIGHT CARRIED:					
Revenue	53,824,310	48,718,373	42,907,270	35,320,967	33,841,422
Non-Revenue	6,319,452	5,306,315	5,423,509	4,629,323	4,556,700
Total	60,143,762	54,024,688	48,330,779	39,950,290	38,398,122
TON-MILES (THOUSANDS):					
Revenue Freight in Road Service	18,188,790	15,883,931	12,778,408	10,082,050	9,224,104
Revenue Freight in Water Transfer Service	20,917	24,557	26,187	15,146	10,203
Total	18,209,707	15,908,488	12,804,595	10,097,196	9,234,307
Non-Revenue Freight in Road Service	1,909,397	1,712,672	1,732,702	1,468,357	1,488,232
Non-Revenue Freight in Water Transfer Service	280	673	1,623	704	965
Total	1,909,677	1,713,345	1,734,325	1,469,061	1,489,197
Total Revenue and Non-Revenue Ton-Miles	20,119,384	17,621,833	14,538,920	11,566,257	10,723,504
WORK TRAIN SERVICE					
Train-Miles	1,014,427	834,938	697,472	541,650	667,617
Locomotive-Miles	1,490,826	1,322,740	1,178,719	989,886	1,062,482
Car-Miles	8,849,063	7,958,407	7,909,132	5,758,649	8,034,151

TRANSPORTATION STATISTICS—RAIL LINE—AGGREGATES, 1938-1934—Concluded

Items	1938	1937	1936	1935	1934
Freight Train Service—Concluded					
Car-Miles:					
Loaded Freight Cars	377,330,888	437,162,686	443,109,307	379,713,993	* 365,055,879
Empty Freight Cars	241,782,469	265,588,588	276,792,502	248,125,412	* 242,220,114
Cabooses	13,511,287	15,516,843	16,139,481	14,067,065	* 13,837,728
Total Freight Cars	632,624,644	718,268,117	736,041,290	641,906,470	* 621,113,721
Passenger Train Cars in Freight Trains	4,573,092	5,186,029	5,577,409	5,492,605	* 5,321,581
Total all Cars	637,197,736	723,454,146	741,618,699	647,399,075	* 626,435,302
Gross Ton-Miles (Thousands) Freight Trains:					
Locomotives and Tenders	3,679,141	3,877,368	3,940,757	3,391,750	3,272,186
Trailing:					
Freight Train Cars, Contents, and Cabooses	24,209,979	27,576,810	27,927,551	* 23,758,333	* 22,825,650
Passenger Train Cars, and Contents	281,395	307,936	319,362	* 314,507	* 304,714
Total Trailing	24,491,374	27,884,746	28,246,913	24,072,840	* 23,130,364
Total Locomotives, Tenders and Trailing Cars	28,170,515	31,762,114	32,187,670	27,464,590	* 26,402,550
Freight Traffic					
Tons of Freight Carried:					
Revenue	30,934,327	35,392,439	36,233,222	29,682,938	28,098,754
Non-Revenue	3,914,675	4,910,724	4,831,210	4,675,249	3,871,327
Total	34,849,002	40,303,163	41,064,432	34,358,187	31,970,081
Ton-Miles (Thousands):					
Revenue Freight in Road Service	8,468,589	9,676,985	9,677,384	7,969,180	7,531,544
Revenue Freight in Water Transfer Service	10,859	14,042	12,022	9,729	9,355
Total	8,479,448	9,691,027	9,689,406	7,978,909	7,540,899
Non-Revenue Freight in Road Service	1,271,223	1,586,206	1,615,909	1,530,188	1,238,452
Non-Revenue Freight in Water Transfer Service	720	931	797	645	621
Total	1,271,943	1,587,137	1,616,706	1,530,833	1,239,073
Total Revenue and Non-Revenue Ton-Miles	9,751,391	11,278,164	11,306,112	9,509,742	8,779,972
Work Train Service					
Train-Miles	499,569	748,042	856,368	631,437	361,965
Locomotive-Miles	870,688	1,174,661	1,284,390	1,006,935	710,902
Car-Miles	4,741,553	7,935,272	10,620,716	9,978,301	3,176,880

*Partly estimated; not required at time.

TRANSPORTATION STATISTICS—RAIL LINE—AVERAGES, 1943-1939

Items	1943	1942	1941	1940	1939
Averages Per Mile of Road					
Freight (Per Mile of Freight Operated Lines):					
Freight-train miles	1,769	1,661	1,563	1,362	1,340
Freight-train car-miles	86,311	82,951	78,952	67,111	62,842
Freight Revenue	$ 16,169	$ 13,557	$ 10,818	$ 8,753	$ 8,121
Passenger (Per Mile of Passenger Operated Lines):					
Passenger-train miles	1,841	1,628	1,574	1,547	1,528
Passenger-train car-miles	14,798	11,986	10,777	10,264	10,088
Passenger service train revenue	$ 5,776	$ 3,524	$ 2,157	$ 1,892	$ 1,829
Freight and Passenger (Per Mile of All Lines Operated):					
Transportation service train-miles	2,962	2,724	2,595	2,373	2,342
Work-train miles	94	77	64	50	61
Operating revenues	$ 20,840	$ 16,625	$ 12,868	$ 10,512	$ 9,781
Operating expenses	$ 13,476	$ 10,708	$ 9,007	$ 8,010	$ 7,825
Net Operating Revenues	$ 7,364	$ 5,917	$ 3,861	$ 2,502	$ 1,956
Net Railway Operating Income	$ 4,753	$ 3,201	$ 2,599	$ 1,274	$ 744
Ton-Miles—Revenue Freight—Road Service	1,690,268	1,467,890	1,178,183	927,158	844,682
Ton-Miles—All Freight—Road Service	1,867,707	1,626,164	1,337,940	1,062,190	980,964
Revenue Passenger Miles	164,652	90,787	52,049	43,462	40,790
Averages Per Train-Mile					
Freight:					
Loaded Freight car-miles	32.10	31.41	31.10	29.53	28.10
Empty Freight car-miles	15.46	17.23	18.12	18.45	17.53
Total Freight car-miles	47.56	48.64	49.22	47.98	45.63
Ton-miles—Revenue Freight	957.34	885.96	756.04	682.38	631.73
Ton-miles—All Freight	1,057.73	981.38	858.44	781.66	733.61
Freight Gross Ton-miles, excluding Locomotives and Tenders	2,181.72	2,124.49	2,013.50	1,903.10	1,800.99
Locomotive-miles	1.11	1.10	1.08	1.08	1.07
Freight Revenue	$ 9.14	$ 8.16	$ 6.92	$ 6.43	$ 6.06
Passenger:					
Passenger-train car-miles	8.04	7.36	6.85	6.64	6.60
Revenue Passenger-miles	137.88	85.25	50.38	42.94	40.67
Passenger Service Train Revenue	$ 3.14	$ 2.16	$ 1.37	$ 1.22	$ 1.20
Locomotive-miles	1.07	1.05	1.04	1.03	1.03
Freight and Passenger:					
Operating Revenues	$ 7.04	$ 6.10	$ 4.96	$ 4.43	$ 4.18
Operating Expenses	$ 4.55	$ 3.93	$ 3.47	$ 3.38	$ 3.34
Net Operating Revenues	$ 2.49	$ 2.17	$ 1.49	$ 1.05	$ .84
Averages—Miscellaneous					
Per Freight Train-Hour:					
Freight train-miles	15.5	16.0	16.4	16.4	16.4
Net ton-miles, Revenue and Non-revenue, in Freight Trains	16,424	15,716	14,046	12,831	11,978
Gross ton-miles, Trailing, in Freight Trains	34,138	34,418	33,310	31,615	29,770
Per Loaded Freight Car-Mile:					
Ton-miles, All Freight (Revenue and Non-revenue)	32.87	31.18	27.57	26.42	26.08
Freight Revenue	$ .28408	$ .25939	$ .22232	$ .21728	$ .21550
Per Freight Car-Day:					
Car-miles, Loaded and Empty, in Freight Trains	46.6	43.2	38.1	31.6	29.8
Percent Freight Cars Unserviceable:					
Owned cars on line of Total Ownership	1.3	1.2	1.7	2.9	2.8
Owned and Foreign cars on line of Total cars on line	1.5	1.3	1.6	2.8	2.6
Percent Empty of Loaded Freight Car-Miles	48.08	54.78	58.20	62.35	62.30
Percent Revenue ton-miles of Gross ton-miles, excluding Locomotives and Tenders	43.88	41.70	37.55	35.86	35.08
Miles per Non-revenue Ton	302.19	322.89	319.78	317.34	326.81
Miles per Revenue and Non-revenue Ton	334.52	326.18	300.82	289.52	279.27
Pounds of Coal Consumed (Other fuels equated to Coal):					
Per 1,000 gross ton miles of Freight Trains (including Locomotives)	122	116	115	118	118
Per Passenger-train car-mile	17.3	17.4	17.2	17.0	16.6
Per Yard Switching Locomotive Hour	763	729	742	770	782

TRANSPORTATION STATISTICS—RAIL LINE—AVERAGES, 1938-1934

Items	1938	1937	1936	1935	1934
Averages Per Mile of Road					
Freight (Per Mile of Freight Operated Lines):					
Freight-train miles	1,290	1,468	1,500	1,316	1,282
Freight-train car-miles	58,215	65,244	66,709	58,214	56,113
Freight Revenue	$ 7,512	$ 7,989	$ 8,236	$ 6,952	$ 6,573
Passenger (Per Mile of Passenger Operated Lines):					
Passenger-train miles	1,550	1,583	1,575	1,584	1,561
Passenger-train car-miles	10,113	10,425	10,060	9,664	9,702
Passenger service train revenue	$ 1,801	$ 1,934	$ 1,841	$ 1,582	$ 1,537
Freight and Passenger (Per Mile of All Lines Operated):					
Transportation service train-miles	2,296	2,463	2,496	2,316	2,254
Work-train miles	46	67	77	57	32
Operating revenues	$ 9,072	$ 9,695	$ 9,790	$ 8,286	$ 7,863
Operating expenses	$ 7,359	$ 7,846	$ 7,657	$ 6,860	$ 6,231
Net Operating Revenues	$ 1,713	$ 1,849	$ 2,133	$ 1,426	$ 1,632
Net Railway Operating Income	$ 482	$ 792	$ 836	$ 410	$ 588
Ton-Miles—Revenue Freight—Road Service	773,135	872,053	869,834	716,054	674,137
Ton-Miles—All Freight—Road Service	889,191	1,014,996	1,015,077	853,546	784,989
Revenue Passenger Miles	39,614	43,303	39,166	31,443	30,589
Averages Per Train-Mile					
Freight:					
Loaded Freight car-miles	26.72	26.85	26.58	25.95	25.52
Empty Freight car-miles	17.12	16.31	16.60	16.96	16.93
Total Freight car-miles	43.84	43.16	43.18	42.91	42.45
Ton-miles—Revenue Freight	600.48	595.26	581.14	545.29	527.08
Ton-miles—All Freight	690.56	692.75	678.11	649.91	613.68
Freight Gross Ton-miles, excluding Locomotives and Tenders	1,714.46	1,693.89	1,675.02	1,623.69	1,595.42
Locomotive-miles	1.07	1.12	1.12	1.10	1.10
Freight Revenue	$ 5.82	$ 5.44	$ 5.49	$ 5.28	$ 5.13
Passenger:					
Passenger-train car-miles	6.52	6.59	6.39	6.10	6.21
Revenue Passenger-miles	39.35	43.49	39.28	31.42	31.42
Passenger Service Train Revenue	$ 1.16	$ 1.22	$ 1.17	$ 1.00	$ .98
Locomotive-miles	1.03	1.04	1.04	1.02	1.03
Freight and Passenger:					
Operating Revenues	$ 3.95	$ 3.94	$ 3.92	$ 3.58	$ 3.49
Operating Expenses	$ 3.20	$ 3.19	$ 3.07	$ 2.96	$ 2.77
Net Operating Revenues	$ .75	$ .75	$ .85	$ .62	$ .72
Averages—Miscellaneous					
Per Freight Train-Hour:					
Freight train-miles	16.3	15.9	15.6	15.8	15.7
Net ton-miles, Revenue and Non-revenue, in Freight Trains	11,265	11,027	10,542	10,273	9,607
Gross ton-miles, Trailing, in Freight Trains	28,332	27,278	26,360	26,003	25,305
Per Loaded Freight Car-Mile:					
Ton-miles, All Freight (Revenue and Non-revenue)	25.81	25.77	25.47	25.02	24.03
Freight Revenue	$ .21765	$ .20243	$ .20630	$ .20340	$ .20082
Per Freight Car-Day:					
Car-miles, Loaded and Empty, in Freight Trains	27.0	30.6	30.2	26.1	23.3
Percent Freight Cars Unserviceable:					
Owned cars on line of Total Ownership	3.0	2.8	3.1	3.1	5.3
Owned and Foreign cars on line of Total cars on line	2.8	2.6	2.9	2.9	4.9
Percent Empty of Loaded Freight Car-Miles	64.01	60.70	62.39	65.29	66.29
Percent Revenue ton-miles of Gross ton-miles, excluding Locomotives and Tenders	35.02	35.14	34.69	33.58	33.04
Miles per Non-revenue Ton	324.92	323.20	334.64	327.43	320.06
Miles per Revenue and Non-revenue Ton	279.82	279.83	275.33	276.78	274.63
Pounds of Coal Consumed (Other fuels equated to Coal):					
Per 1,000 gross ton miles of Freight Trains (including Locomotives)	118	125	127	125	123
Per Passenger-train car-mile	16.3	16.3	17.1	15.7	14.9
Per Yard Switching Locomotive Hour	780	785	768	753	728

REVENUE FREIGHT BY PRINCIPAL COMMODITIES—1943 AND 1942

Commodities	1943		1942		Increase + or Decrease —	
	Tons Carried	Percent of Total	Tons Carried	Percent of Total	Tons	Percent
Products of Agriculture:						
Wheat	3,338,050	6.2	1,977,465	4.1	+ 1,360,585	+ 68.8
Corn	1,693,228	3.2	1,816,355	3.7	— 123,127	— 6.8
Barley and rye	1,403,057	2.6	1,037,682	2.1	+ 365,375	+ 35.2
Other grain	649,372	1.2	393,349	.8	+ 256,023	+ 65.1
Flour, meal, and mill products	1,988,562	3.7	1,436,871	2.9	+ 551,691	+ 38.4
Citrus fruits	120,473	.2	116,078	.2	+ 4,395	+ 3.8
Other fresh fruits	101,649	.2	111,111	.2	— 9,462	— 8.5
Potatoes, other than sweet	159,372	.3	133,530	.3	+ 25,842	+ 19.4
Other fresh vegetables	107,276	.2	100,223	.2	+ 7,053	+ 7.0
Sugar beets	69,107	.1	228,887	.5	— 159,780	— 69.8
Other products of agriculture	1,511,923	2.8	999,716	2.1	+ 512,207	+ 51.2
Total	11,142,069	20.7	8,351,267	17.1	+ 2,790,802	+ 33.4
Animals and Products:						
Cattle, calves, sheep and goats	460,357	.9	412,832	.8	+ 47,525	+ 11.5
Hogs	405,030	.7	323,087	.7	+ 81,943	+ 25.4
Fresh meats	635,052	1.2	551,217	1.1	+ 83,835	+ 15.2
Poultry, eggs, butter and cheese	272,879	.5	273,617	.6	— 738	— .3
Wool, hides and leather	209,457	.4	213,448	.4	— 3,991	— 1.9
Other animals and products	447,706	.8	315,852	.7	+ 131,854	+ 41.7
Total	2,430,481	4.5	2,090,053	4.3	+ 340,428	+ 16.3
Products of Mines:						
Bituminous coal	10,845,218	20.1	10,230,455	21.0	+ 614,763	+ 6.0
Coke	459,710	.9	443,183	.9	+ 16,527	+ 3.7
Ores and concentrates	178,657	.3	184,501	.4	— 5,844	— 3.2
Gravel and sand	1,964,740	3.7	2,227,659	4.6	— 262,919	— 11.8
Stone, broken, ground or crushed	790,420	1.5	1,138,035	2.3	— 347,615	— 30.5
Stone, rough and finished	60,023	.1	107,358	.2	— 47,335	— 44.1
Asphalt	128,779	.2	129,732	.3	— 953	— .7
Salt	164,621	.3	145,199	.3	+ 19,422	+ 13.4
Other products of mines	683,238	1.3	683,993	1.4	— 755	— .1
Total	15,275,406	28.4	15,290,115	31.4	— 14,709	— .1
Products of Forests:						
Logs, posts, poles and cordwood	3,168,623	5.9	2,956,179	6.1	+ 212,444	+ 7.2
Pulpwood	271,158	.5	413,089	.8	— 141,931	— 34.4
Lumber and mill products	2,707,219	5.0	2,704,938	5.6	+ 2,281	+ .1
Veneer and built-up wood	190,913	.3	187,200	.4	+ 3,713	+ 2.0
Other products of forests	298,302	.6	317,255	.6	— 18,953	— 6.0
Total	6,636,215	12.3	6,578,661	13.5	+ 57,554	+ .9
Manufactures and Miscellaneous:						
Refined petroleum and products	1,765,007	3.3	2,089,851	4.3	— 324,844	— 15.5
Sugar, table sirups and molasses	365,742	.7	334,800	.7	+ 30,942	+ 9.2
Iron and steel products	3,102,161	5.8	2,678,949	5.5	+ 423,212	+ 15.8
Machinery and boilers	445,650	.8	295,647	.6	+ 150,003	+ 50.7
Cement	770,934	1.4	974,398	2.0	— 203,464	— 20.9
Brick, building tile and artificial stone	163,195	.3	196,291	.4	— 33,096	— 16.9
Lime and plaster	93,459	.2	120,221	.2	— 26,762	— 22.3
Agricultural implements, tractors and parts	165,830	.3	184,706	.4	— 18,876	— 10.2
Autos, trucks, parts and tires	191,456	.4	176,916	.4	+ 14,540	+ 8.2
Beverages	927,803	1.7	759,929	1.6	+ 167,874	+ 22.1
Ice	103,134	.2	116,353	.2	— 13,219	— 11.4
Fertilizers	246,269	.5	205,705	.4	+ 40,564	+ 19.7
Paper and paper products	621,177	1.1	655,773	1.3	— 34,596	— 5.3
Canned food products	912,625	1.7	802,387	1.7	+ 110,238	+ 13.7
Scrap iron and scrap steel	479,560	.9	594,899	1.2	— 115,339	— 19.4
Building paper, roofing and woodwork	170,951	.3	177,505	.4	— 6,554	— 3.7
Other manufactures and miscellaneous	5,872,797	10.9	4,567,252	9.4	+ 1,305,545	+ 28.6
Total	16,397,750	30.5	14,931,582	30.7	+ 1,466,168	+ 9.8
*Grand Total Carload Traffic	53,085,974	98.6	48,045,897	98.6	+ 5,040,077	+ 10.5
All L. C. L. Freight	738,336	1.4	672,476	1.4	+ 65,860	+ 9.8
*Grand Total Carload and L. C. L. Traffic	53,824,310	100.0	48,718,373	100.0	+ 5,105,937	+ 10.5

*Data for certain classes of commodities have been omitted in the foregoing details.

NUMBER OF EMPLOYEES AND COMPENSATION 1928–1943 INCLUSIVE

Year	Regular Employees: Average No. of Employees (Middle of Month Count)	Regular Employees: Compensation	Regular Employees: Average Compensation per Employee	*Part Time Employees Compensation	Total Compensation All Employees: Total Compensation	Charged To: Operating Expenses	Charged To: Additions and Betterments and Other Accounts
1928	48,129	$ 81,744,769	$ 1,698	$ 135,855	$ 81,880,624	$ 75,548,543	$ 6,332,081
1929	47,995	83,540,420	1,741	137,631	83,678,051	76,795,279	6,882,772
1930	42,326	71,198,791	1,682	149,072	71,347,863	65,531,534	5,816,329
1931	34,569	56,871,675	1,645	150,722	57,022,397	52,891,878	4,130,519
1932	28,827	43,014,585	1,492	135,511	43,150,096	40,271,832	2,878,264
1933	26,493	39,042,823	1,474	129,469	39,172,292	36,740,362	2,431,930
1934	28,065	42,385,752	1,510	130,799	42,516,551	39,186,108	3,330,443
1935	30,109	48,398,365	1,607	139,536	48,537,901	44,788,277	3,749,624
1936	32,178	54,061,839	1,680	148,763	54,210,602	49,472,441	4,738,161
1937	32,784	56,372,965	1,720	127,669	56,500,634	51,078,213	5,422,421
1938	28,988	52,830,262	1,822	112,370	52,942,632	48,236,913	4,705,719
1939	30,224	55,042,582	1,821	122,809	55,165,391	50,465,157	4,700,234
1940	29,674	55,664,577	1,876	136,211	55,800,788	50,954,049	4,846,739
1941	31,583	63,000,300	1,995	169,287	63,169,587	57,796,806	5,372,781
1942	33,253	74,673,850	2,246	171,679	74,845,529	68,157,394	6,688,135
1943	35,377	85,217,993	2,409	178,602	85,396,595	79,260,743	6,135,852

*Employees not subject to the continuing authority of the Railroad.

NUMBER OF EMPLOYEES AND COMPENSATION BY STATES — 1943

State	Regular Employees: Average Number	Regular Employees: Total Compensation	Regular Employees: Average Compensation per Employee	Part Time Employees Total Compensation	Total Compensation All Employees
Illinois	8,142	$ 19,292,980	$ 2,370	$ 39,687	$ 19,332,667
Iowa	4,463	9,990,480	2,239	22,210	10,012,690
Wisconsin	9,067	21,498,571	2,371	41,217	21,539,788
Minnesota	4,274	9,921,630	2,321	19,627	9,941,257
Michigan	239	456,280	1,909	2,819	459,099
Missouri	541	1,255,773	2,321	7,322	1,263,095
Indiana	1,154	2,788,634	2,416	5,100	2,793,734
South Dakota	2,165	4,864,327	2,247	8,771	4,873,098
North Dakota	225	482,850	2,146	1,591	484,441
Montana	2,177	6,306,649	2,897	16,972	6,323,621
Idaho	303	797,321	2,631	80	797,401
Washington	2,474	7,102,536	2,871	8,436	7,110,972
New York	36	122,029	3,390	600	122,629
All Other	117	337,933	2,888	4,170	342,103
Total	35,377	85,217,993	2,409	178,602	85,396,595

MILES OF ROAD BY STATES, DECEMBER 31, 1943

State	Road Operated						
	Owned Solely		Owned Jointly		Leased	Trackage Rights	Total
	Main Line	Branch Line	Main Line	Branch Line			
Idaho	112.72	117.92	....	....	....	2.10	232.74
Illinois	337.29	141.42	2.67	.19	115.16	154.69	751.42
Indiana	....	....	....	....	196.59	....	196.59
Iowa	#1,199.73	535.95	.05	.04	.10	66.51	1,802.38
Kansas	....	....	....	....	....	2.69	2.69
Michigan	57.82	121.34	....	.25	....	.98	180.39
Minnesota	764.26	393.14	5.03	22.70	....	193.58	1,378.71
Missouri	138.42	....	....	....	....	9.20	147.62
Montana	747.89	473.33	....	29.99	....	....	1,251.21
Nebraska	....	....	....	....	....	5.62	5.62
North Dakota	102.50	263.28	....	1.10	....	....	366.88
South Dakota	1,040.03	695.39	....	....	....	....	1,735.42
Washington	314.69	492.50	26.88	50.10	....	201.11	1,085.28
Wisconsin	1,056.16	499.63	....	16.58	....	32.39	1,604.76
Total	5,871.51	3,733.90	34.63	120.95	311.85	668.87	10,741.71

#Includes .97 mile owned by C. M. St. P. & P. R. R., leased to Des Moines Union Ry. Co. but used by C. M. St. P. & P. R. R. under contract.

MILES OF TRACK, DECEMBER 31, 1943

Items	Owned Solely	Owned Jointly	Leased	Trackage Rights	Total
Miles of 1st Main (Road):					
Operated	*9,605.41	155.58	311.85	668.87	10,741.71
Not operated	12.21	....	....	....	12.21
Additional Main Tracks:					
Operated	885.89	9.75	46.86	274.69	1,217.19
Not operated	15.32	.70	....	....	16.02
Yard Tracks and Sidings:					
Operated	*3,051.10	196.84	196.33	512.35	3,956.62
Not operated	7.79	36.37	....	....	44.16
Total operated	13,542.40	362.17	555.04	1,455.91	15,915.52
Total not operated	35.32	37.07	....	....	72.39
Grand Total	13,577.72	399.24	555.04	1,455.91	15,987.91

*Miles of 1st main "operated" includes .97 mile; Yard tracks and Sidings "operated" includes 1.24 miles; owned by C. M. St. P. & P. R. R., leased to Des Moines Union Ry. Co. but used by C. M. St. P. & P. R. R. under contract.

THE MILWAUKEE MOTOR TRANSPORTATION COMPANY

(Commenced Operations April 5, 1943)

GENERAL BALANCE SHEET

DECEMBER 31, 1943

ASSET SIDE

Current Assets:	
Cash	$ 7,862.67
Working fund	25.00
Receivables from associated companies	4,372.66
Material and supplies	1,144.39
Total Current Assets	13,404.72
Tangible Property:	
Carrier operating property	33,576.83
Deferred Debits:	
Prepayments	5,984.28
Other deferred debits	50.00
Total Deferred Debits	6,034.28
Miscellaneous Debit Items:	
Commission and expense on capital stock	55.00
Total Assets	53,070.83

LIABILITY SIDE

Current Liabilities:	
Audited vouchers	1,837.33
Wages payable	486.88
Taxes accrued	235.71
Other current liabilities	403.48
Total Current Liabilities	2,963.40
Deferred Credits:	
Other deferred credits	107.43
Capital Stock:	
Common capital stock	50,000.00
Total Liabilities	53,070.83

INCOME ACCOUNT

FOR THE PERIOD APRIL 5 TO DECEMBER 31, 1943, INCLUSIVE

Revenues:	
Receipts (From C. M. St. P. & P. R. R. Co.)	34,696.63
Expenses:	
Equipment maintenance and garage expense	5,875.59
Transportation expense	16,396.99
Insurance and safety expense	841.63
Administrative and general expense	367.29
Depreciation expense	4,258.62
Operating taxes and licenses	6,956.51
Total Expenses	34,696.63
Net Income	None

CHICAGO, TERRE HAUTE AND SOUTHEASTERN RAILWAY CO.

GENERAL BALANCE SHEET

DECEMBER 31, 1943 AND DECEMBER 31, 1942

ASSET SIDE	1943	1942	Increase	Decrease
Investments:				
Road and equipment property	$ 27,199,513.19	$ 27,291,805.13		$ 92,291.94
Donations and grants (*Credits*)	*162,084.96*	# *162,999.20*	$ 914.24	
Deposits in lieu of mortgaged property sold	5,749.95	3,500.00	2,249.95	
Miscellaneous physical property	170,749.04	169,057.42	1,691.62	
Affiliated companies	4.00	4.00		
Total Investments	27,213,931.22	27,301,367.35		87,436.13
Current Assets:				
Cash	1,117.33	1,117.33		
Special deposits	187.50	187.50		
Rents receivable	266,925.84	266,925.84		
Other current assets	733,380.25	658,545.25	74,835.00	
Total Current Assets	1,001,610.92	926,775.92	74,835.00	
Deferred Assets:				
Other deferred assets	2,727,811.11	2,820,799.74		92,988.63
Unadjusted Debits:				
Other unadjusted debits	2,673.41	2,558.41	115.00	
Grand Total	30,946,026.66	31,051,501.42		105,474.76
LIABILITY SIDE				
Capital Stock:				
Common stock	4,300,000.00	4,300,000.00		
Less: Stock held in treasury	127,005.00	127,005.00		
Total Capital Stock	4,172,995.00	4,172,995.00		
Long Term Debt:				
Funded debt unmatured	23,360,000.00	23,360,000.00		
Less: Bonds held in treasury	166,200.00	166,200.00		
	23,193,800.00	23,193,800.00		
Debt in default	350,000.00	350,000.00		
Less: Bonds pledged	100,000.00	100,000.00		
	250,000.00	250,000.00		
Amounts payable to affiliated companies	673,542.97	673,542.97		
Total Long Term Debt	24,117,342.97	24,117,342.97		
Current Liabilities:				
Interest matured unpaid	733,567.75	658,732.75	74,835.00	
Unmatured interest accrued	266,925.84	266,925.84		
Total Current Liabilities	1,000,493.59	925,658.59	74,835.00	
Deferred Liabilities:				
Other deferred liabilities	341,970.35	522,530.16		180,559.81
Unadjusted Credits:				
Accrued depreciation—Equipment	59,208.50	59,208.50		
Surplus:				
Earned surplus, credit balance	1,254,016.25	1,253,766.20	250.05	
Grand Total	30,946,026.66	31,051,501.42		105,474.76

#Restated to conform to revised Interstate Commerce Commission Accounting Classification effective January 1, 1943.

CHICAGO, TERRE HAUTE AND SOUTHEASTERN RAILWAY CO.

INCOME ACCOUNT
FOR THE YEARS 1943 AND 1942

	1943	1942	INCREASE	DECREASE
INCOME:				
Income from lease of road and equipment	$ 1,108,352.26	$ 1,108,505.67		$ 153.41
Miscellaneous income	250.05	2,510.10		2,260.05
TOTAL INCOME	1,108,602.31	1,111,015.77		2,413.46
DEDUCTIONS FROM INCOME:				
Interest on funded debt	1,099,320.00	1,099,316.67	3.33	
Maintenance of investment organization	3,021.53	3,022.25		.72
Miscellaneous income charges	6,010.73	6,166.75		156.02
TOTAL DEDUCTIONS FROM INCOME	1,108,352.26	1,108,505.67		153.41
NET INCOME	250.05	2,510.10		2,260.05

EARNED SURPLUS
FOR THE YEARS 1943 AND 1942

	1943	1942	INCREASE	DECREASE
CREDITS:				
Credit balance at beginning of year	$ 1,253,766.20	$ 1,250,287.76	$ 3,478.44	
Credit balance transferred from income	250.05	2,510.10		$ 2,260.05
Donations	#	3,435.69		3,435.69
Miscellaneous credits		968.34		968.34
TOTAL CREDITS	1,254,016.25	1,257,201.89		3,185.64
DEBITS:				
Surplus appropriated for investment in physical property	#	3,435.69		3,435.69
TOTAL DEBITS		3,435.69		3,435.69
CREDIT BALANCE, DECEMBER 31, CARRIED TO GENERAL BALANCE SHEET	1,254,016.25	1,253,766.20	250.05	

#Not cleared through surplus account after January 1, 1943.

FUNDED DEBT, DECEMBER 31, 1943

DESCRIPTION OF BONDS	DATE OF MATURITY	TOTAL	IN TREASURY OF COMPANY	PLEDGED	IN HANDS OF PUBLIC	INTEREST RATE %	INTEREST PAYABLE	INTEREST ACCRUED DURING THE YEAR
UNMATURED:								
Southern Indiana Ry. Co., First Mortgage	Feb. 1, 1951	$ 7,287,000.00			$ 7,287,000.00	4	Feb. & Aug.	$ 291,480.00
First and Refunding Mortgage	Dec. 1, 1960	9,573,000.00	$ 2,000.00		(1)9,571,000.00	5	June & Dec.	478,550.00
Income Mortgage	Dec. 1, 1960	6,500,000.00	164,200.00		6,335,800.00	5	Mar. & Sept.	316,790.00
TOTAL		23,360,000.00	166,200.00		23,193,800.00			1,086,820.00
MATURED UNPAID:								
Bedford Belt Ry. Co., First Mortgage	July 1, 1938	350,000.00		(2)100,000.00	250,000.00	5	Jan. & July	12,500.00
GRAND TOTAL		23,710,000.00	166,200.00	100,000.00	23,443,800.00			1,099,320.00

The rental paid by C. M. St. P. & P. R. R. Co. for the lease of the property includes the interest on the above bonds.
(1) Includes $1,515,000.00 pledged with Trustee under C. M. St. P. & P. R. R. Co. First and Refunding Mortgage.
(2) Pledged with Trustee under C. T. H. & S. E. Ry. Co. First and Refunding Mortgage.

WHITE SULPHUR SPRINGS & YELLOWSTONE PARK RAILWAY COMPANY

GENERAL BALANCE SHEET AS OF DECEMBER 31, 1943 AND DECEMBER 31, 1942

ASSET SIDE	1943	1942	Increase	Decrea[illegible]
Investment:				
Road property	$ 335,015.69	$ 337,949.69		$ 2,934[illegible]
Equipment property	3,244.09	3,244.09		
Donations and grants (*Credits*)	*678.35*	# *678.35*		
Total road and equipment property	337,581.43	340,515.43		2,934[illegible]
Current Assets:				
Cash	14,076.60	9,284.39	$ 4,792.21	
Net balance receivable from agents and conductors	272.45	1,146.00		873[illegible]
Miscellaneous accounts receivable	395.50	619.35		223[illegible]
Material and supplies	1,984.61	2,260.13		275[illegible]
Other current assets	168.07	57.48	110.59	
Total current assets	16,897.23	13,367.35	3,529.88	
Deferred Assets:				
Working fund advances	366.94	366.94		
Other deferred assets	18.54		18.54	
Total deferred assets	385.48	366.94	18.54	
Unadjusted Debits:				
Rents and insurance premiums paid in advance	629.82	29.82	600.00	
Other unadjusted debits	1,497.67	2,699.83		1,202[illegible]
Total unadjusted debits	2,127.49	2,729.65		602[illegible]
Grand Total	356,991.63	356,979.37	12.26	

LIABILITY SIDE	1943	1942	Increase	Decrea[illegible]
Stock:				
Capital stock	300,000.00	300,000.00		
Premiums and assessments on capital stock	26,628.95	26,628.95		
Total stock	326,628.95	326,628.95		
Current Liabilities:				
Traffic and car-service balances—Cr.	911.27	1,674.96		763[illegible]
Audited accounts and wages payable	7,422.69	4,044.98	3,377.71	
Accrued tax liability	1,227.51	1,035.17	192.34	
Other current liabilities	20.52	29.50		8[illegible]
Total current liabilities	9,581.99	6,784.61	2,797.38	
Unadjusted Credits:				
Accrued depreciation—Road and equipment	4,325.65	2,685.17	1,640.48	
Other unadjusted credits	357.31	5.00	352.31	
Total unadjusted credits	4,682.96	2,690.17	1,992.79	
Surplus:				
Appropriated surplus	10,952.48	# 13,886.48		2,934[illegible]
Earned surplus	5,145.25	6,989.16		1,843[illegible]
Total surplus	16,097.73	20,875.64		4,777[illegible]
Grand Total	356,991.63	356,979.37	12.26	

#Restated to conform to revised Interstate Commerce Commission Accounting Classification effective January 1, 1943.

WHITE SULPHUR SPRINGS & YELLOWSTONE PARK RAILWAY COMPANY

INCOME ACCOUNT FOR THE YEARS 1943 AND 1942

	1943	1942	Increase	Decrease
I. Operating Income				
Railway Operating Income:				
Railway operating revenues	$ 20,646.15	$ 22,382.22		$ 1,736.07
Railway operating expenses	22,630.58	17,835.14	$ 4,795.44	
Net Revenue from Railway Operations	*1,984.43*	4,547.08		6,531.51
Railway tax accruals	1,956.59	1,992.01		35.42
Railway Operating Income	*3,941.02*	2,555.07		6,496.09
Rents Payable:				
Hire of freight cars—Debit balance	468.97	439.51	29.46	
Joint facility rents	41.88	41.88		
Total Rents Payable	510.85	481.39	29.46	
Net Railway Operating Income	*4,451.87*	2,073.68		6,525.55
II. Other Income				
Miscellaneous rent income	145.00	145.00		
Total Income	*4,306.87*	2,218.68		6,525.55
III. Miscellaneous Deductions From Income				
Income Available for Fixed Charges	*4,306.87*	2,218.68		6,525.55
IV. Fixed Charges				
Interest on unfunded debt	29.56	.07	29.49	
Rent for leased roads and equipment	441.48	441.48		
Total Fixed Charges	471.04	441.55	29.49	
Net Income	*4,777.91*	1,777.13		6,555.04

Italics indicate deficits.

WHITE SULPHUR SPRINGS & YELLOWSTONE PARK RAILWAY COMPANY

EARNED SURPLUS

	1943	1942
Credits:		
Credit balance at beginning of year	$ 6,989.16	$ 5,212.03
Credit balance transferred from income		1,777.13
Total Credits	6,989.16	6,989.16
Debits:		
Debit balance transferred from income	4,777.91	
Surplus appropriated for investment in physical property (*Credits*)	*2,934.00*	*6,237.31*
Debits from retired road and equipment		6,237.31
Total Debits	1,843.91	
Credit balance, December 31, carried to General Balance Sheet	5,145.25	6,989.16

REPUBLIC COAL COMPANY

GENERAL BALANCE SHEET

DECEMBER 31, 1943 AND DECEMBER 31, 1942

ASSET SIDE	1943	1942	Increase	Decrease
Investment:				
Property investment	$ 1,238,049.77	$ 1,234,426.67	$ 3,623.10	....
Less—Reserve for accrued amortization, depletion and depreciation	975,447.95	953,547.87	21,900.08	....
Net property investment	262,601.82	280,878.80	....	$ 18,276.9[illegible]
U. S. Government Savings Bonds	39,980.00	39,200.00	780.00	....
Total Investment	302,581.82	320,078.80	....	17,490.9[illegible]
Current Assets:				
Cash	198,295.49	162,038.96	36,256.53	....
U. S. War savings bonds collections	7,505.25	6,830.50	674.75	....
U. S. Treasury tax notes	5,005.44	5,005.44	....	....
Interest accrued on U. S. Treasury tax notes	100.32	33.12	67.20	....
Audited bills	95,432.05	95,377.39	54.66	
Material and supplies	62,416.03	78,437.39	....	16,021.36
Total Current Assets	368,754.58	347,722.80	21,031.78	....
Deferred Assets:				
Advance royalty paid Roundup Coal Mining Company	13,037.16	13,037.16	....	....
Mine clerk's working fund	5,000.00	5,000.00	....	....
Prepaid insurance	484.63	643.99	....	159.36
Total Deferred Assets	18,521.79	18,681.15	....	159.36
Unadjusted Debits:				
Other unadjusted debits	167.00	153.20	13.80	....
Grand Total	690,025.19	686,635.95	3,389.24	....
LIABILITY SIDE				
Capital Stock:				
Common stock	100,000.00	100,000.00	....	....
Current Liabilities:				
Payrolls and vouchers	88,706.26	109,090.45	....	20,384.19
Federal insurance contributions act—Employees' tax deductions	1,374.65	1,599.91	....	225.26
Employees' payroll deductions for purchase of U. S. War savings bonds	4,388.75	4,918.75	....	530.00
Taxes accrued not yet payable	23,648.01	18,261.04	5,386.97	....
Other current liabilities	....	306.25	....	306.25
Total Current Liabilities	118,117.67	134,176.40	....	16,058.73
Deferred Liabilities:				
Reserve for personal injuries	39,859.12	39,704.32	154.80	....
Unadjusted Credits:				
Other unadjusted credits	75.00	....	75.00	....
Profit and Loss:				
Credit balance	431,973.40	412,755.23	19,218.17	....
Grand Total	690,025.19	686,635.95	3,389.24	....

REPUBLIC COAL COMPANY

INCOME ACCOUNT

FOR THE YEARS 1943 AND 1942

	1943	1942	Increase	Decrease
Operating Income:				
Coal sales	$ 994,468.30	$ 888,779.48	$ 105,688.82	....
Operating expenses	917,125.53	840,768.13	76,357.40	....
Taxes	66,863.36	61,928.59	4,934.77	....
Total Expenses	983,988.89	902,696.72	81,292.17	....
Net Operating Income	10,479.41	*13,917.24*	24,396.65	....
Other Income:				
Interest received	847.20	759.28	87.92	....
Coal delivery	142.37	49.56	92.81	....
House rents	6,643.65	7,202.68	....	$ 559.03
Income from lands	449.81	376.00	73.81	....
Miscellaneous income	1,842.28	489.70	1,352.58	....
Total Other Income	9,925.31	8,877.22	1,048.09	....
Total Income	20,404.72	*5,040.02*	25,444.74	....
Deductions From Income:				
Interest paid	....	1.83	....	1.83
Maintenance of tenements	290.50	436.27	....	145.77
Taxes—Townsite property	637.69	553.09	84.60	....
Depreciation—Townsite property	258.36	250.81	7.55	....
Total Deductions	1,186.55	1,242.00	....	55.45
Net Income	19,218.17	*6,282.02*	25,500.19	....

Italics indicate deficits.

PROFIT AND LOSS ACCOUNT

	1943	1942	Increase	Decrease
Credits:				
Credit balance at beginning of year	$ 412,755.23	$ 419,037.25	....	$ 6,282.02
Credit balance transferred from income	19,218.17	....	$ 19,218.17	....
Total Credits	431,973.40	419,037.25	12,936.15	....
Debits:				
Debit balance transferred from income	....	6,282.02	....	6,282.02
Credit balance, December 31, carried to General Balance Sheet	431,973.40	412,755.23	19,218.17	....

MILWAUKEE LAND COMPANY

GENERAL BALANCE SHEET

DECEMBER 31, 1943 AND DECEMBER 31, 1942

ASSET SIDE		1943	1942	Increase	Decrease
Current Assets:					
Cash		$ 235,341.76	$ 96,413.51	$ 138,928.25	
Notes receivable		78,864.50	33,262.08	45,602.42	
Interest accrued on notes receivable—Timber division		2,202.04	654.03	1,548.01	
Contracts uncompleted—Farm land, sales—Timber division		2,660.00	2,015.00	645.00	
Purchase contracts—Town lots and acreage		2,760.50	5,532.07		$ 2,771.57
Audited bills—Timber division		88,417.91	95,276.20		6,858.29
Rudolph and Mary Johnson mortgage			2,557.86		2,557.86
Total Current Assets		410,246.71	235,710.75	174,535.96	
Investment Securities:					
Puget Sound Log Scaling and Grading Bureau—Capital stock		100.00	100.00		
Deferred Assets:					
Ozette Timber Company—Stock		138,065.19	138,065.19		
Crown Zellerbach Corporation—Suspense		139,977.91	137,300.33	2,677.58	
Dungeness Timber Co.—Suspense			17,897.84		17,897.84
Other deferred assets		8.00	33.70		25.70
Total Deferred Assets		278,051.10	293,297.06		15,245.96
Capital Assets:					
Land and timber		4,419,206.96	5,391,921.40		972,714.44
Real estate—Town lots and acreage		129,306.84	137,253.81		7,946.97
St. Joe, Idaho powersite lands		50,047.55	50,047.55		
Spokane, Wash.—Industrial tract		31,706.72	31,706.72		
Equipment—Automobiles	$ 8,538.63				
Less: Accrued depreciation	1,833.07	6,705.56	4,715.47	1,990.09	
Furniture and fixtures	4,975.47				
Less: Accrued depreciation	2,598.49	2,376.98	2,976.71		599.73
Government land scrip		1.00	1.00		
Total Capital Assets		4,639,351.61	5,618,622.66		979,271.05
Grand Total		5,327,749.42	6,147,730.47		819,981.05
LIABILITY SIDE					
Current Liabilities:					
Audited vouchers and payrolls		8,229.28	6,121.40	2,107.88	
Employees payroll deductions—Purchase of U. S. War savings bonds		146.76	119.00	27.76	
Total Current Liabilities		8,376.04	6,240.40	2,135.64	
Deferred Liabilities:					
Taxes accrued not yet payable		75,384.69	77,739.88		2,355.19
Advances received on cutting contracts		236,451.76	282,777.25		46,325.49
Interest accrued on advances—C. M. St. P. & P. R. R. Co.		54,887.96	54,887.96		
Interest accrued on notes payable—C. M. St. P. & P. R. R. Co.		5,821,280.98	6,083,104.78		261,823.80
Other deferred liabilities		3,124.73	10,966.00		7,841.27
Total Deferred Liabilities		6,191,130.12	6,509,475.87		318,345.75
Unadjusted Credits:					
Suspense account		294.30	382.10		87.80
Advances billed on cutting contracts		17,006.40	19,473.80		2,467.40
Advances billed on coal leases		3,468.11		3,468.11	
U. S. condemnation suit—Suspense			73,250.00		73,250.00
Total Unadjusted Credits		20,768.81	93,105.90		72,337.09
Capital Liabilities:					
Capital Stock		500,000.00	500,000.00		
Notes payable—C. M. St. P. & P. R. R. Co		4,046,000.00	5,300,000.00		1,254,000.00
Total Capital Liabilities		4,546,000.00	5,800,000.00		1,254,000.00
Profit and Loss:					
Profit and Loss—*Debit balance*		*5,438,525.55*	*6,261,091.70*	822,566.15	
Grand Total		5,327,749.42	6,147,730.47		819,981.05

MILWAUKEE LAND COMPANY

INCOME ACCOUNT

FOR THE YEARS 1943 AND 1942

INCOME	1943	1942	INCREASE	DECREASE
TOWNSITE DIVISION:				
SALES:				
Real estate sales	$ 5,740.65	$ 365.00	$ 5,375.65	
Book value of lots and acreage sold	*7,946.97*	*101.44*		$ 7,845.53
GROSS PROFIT FROM SALES	*2,206.32*	263.56		2,469.88
OTHER INCOME:				
Rents	7,295.04	2,008.69	5,286.35	
Interest and discount	332.12	311.89	20.23	
Miscellaneous income	30.00	88.00		58.00
TOTAL OTHER INCOME	7,657.16	2,408.58	5,248.58	
TOTAL INCOME—TOWNSITE DIVISION	5,450.84	2,672.14	2,778.70	
TIMBER DIVISION:				
SALES:				
Stumpage sales	2,257,712.65	1,550,850.71	706,861.94	
Acreage sales	21,559.15	14,403.56	7,155.59	
St. Joe, Idaho powersite land sales		898.50		898.50
Cost of land and timber sold	*972,714.44*	*983,085.46*	10,371.02	
Cost of St. Joe Idaho powerside land sold		*2,715.33*	2,715.33	
GROSS PROFIT FROM SALES	1,306,557.36	580,351.98	726,205.38	
OTHER INCOME:				
Rents	2,305.74	2,303.87	1.87	
Trespass	3,297.77	1,640.38	1,657.39	
Coal mine royalties	483.48	475.67	7.81	
Interest on notes receivable—Timber	4,606.33	2,978.90	1,627.43	
Interest on miscellaneous bills and other accounts	3,795.58	2,788.81	1,006.77	
Dividends	500.00	3,000.00		2,500.00
TOTAL OTHER INCOME	14,988.90	13,187.63	1,801.27	
TOTAL INCOME—TIMBER DIVISION	1,321,546.26	593,539.61	728,006.65	
TOTAL INCOME—TOWNSITE AND TIMBER DIVISIONS	1,326,997.10	596,211.75	730,785.35	
EXPENSES				
TOWNSITE DIVISION:				
Salaries	3,003.19	3,536.25		533.06
Advertising		55.99		55.99
Salaries and expenses—Real estate department	*66.66*	853.43		920.09
General office supplies and expenses	54.83	70.06		15.23
Commissions		10.25		10.25
Taxes accrued	1,116.01	1,011.78	104.23	
Spokane East Side Syndicate Addition expense	1,929.18		1,929.18	
Interest on notes payable	64,043.76	64,043.76		
Depreciation on furniture and fixtures	855.60		855.60	
TOTAL EXPENSE—TOWNSITE DIVISION	70,935.91	69,581.52	1,354.39	

(Concluded on next page)

MILWAUKEE LAND COMPANY

INCOME ACCOUNT

FOR THE YEARS 1943 AND 1942

EXPENSES—CONCLUDED	1943	1942	INCREASE	DECREASE
TIMBER DIVISION:				
Fire protection	$ 9,932.70	$ 10,463.66	....	$ 530.96
Office expense	16,239.17	18,333.09	....	2,093.92
Officers salaries	12,822.00	12,822.00	....	....
Real estate expense	28,819.19	30,980.36	....	2,161.17
Timber cutting contracts expense	46,727.85	45,644.85	$ 1,083.00	....
Legal expense	829.60	1,536.61	....	707.01
Taxes accrued	77,276.25	62,986.68	14,289.57	....
Interest on notes payable	220,132.44	299,747.48	....	79,615.04
Pension account	775.37	698.40	76.97	....
Depreciation on automobiles, furniture and fixtures	3,595.96	....	3,595.96	....
TOTAL EXPENSE—TIMBER DIVISION	417,150.53	483,213.13	....	66,062.60
TOTAL EXPENSE—TOWNSITE AND TIMBER DIVISION	488,086.44	552,794.65	....	64,708.21
NET INCOME	838,910.66	43,417.10	795,493.56	....

PROFIT AND LOSS ACCOUNT

FOR THE YEARS 1943 AND 1942

	1943	1942	INCREASE	DECREASE
CREDITS:				
Credit balance transferred from income	$ 838,910.66	$ 43,417.10	$ 795,493.56	....
DEBITS:				
Debit balance at beginning of year	6,261,091.70	6,304,508.80	....	$ 43,417.10
Miscellaneous debits	16,344.51	....	16,344.51	....
TOTAL DEBITS	6,277,436.21	6,304,508.80	....	27,072.59
DEBIT BALANCE, DECEMBER 31, CARRIED TO GENERAL BALANCE SHEET	5,438,525.55	6,261,091.70	....	822,566.15

EQUIPMENT OWNED (INCLUDING C. T. H. & S. E. RY.) END OF YEARS 1934-1943

LOCOMOTIVES

Kind	Year	Number by Services as Assigned					Tractive Power (Pounds)		Weight (Tons)		
									Excl. of Tender		On Drivers Average Per Loco.
		Frt.	Passenger	Yard	Other #	Total	Total	Av. Per Loco.	Total	Av. Per Loco.	
Steam	1934	671	218	367	3	1,259	54,878,998	43,589	148,852	118.23	90.67
	1935	652	212	357	3	1,224	53,636,099	43,820	145,313	118.72	90.85
	1936	644	199	353	5	1,201	52,679,254	43,863	142,718	118.83	91.11
	1937	653	203	351	3	1,210	53,583,834	44,284	145,718	120.43	91.75
	1938	651	189	371	13	1,224	54,758,724	44,738	150,187	122.70	92.60
	1939	618	186	386	11	1,201	54,006,115	44,968	147,895	123.14	93.04
	1940	589	174	341	8	1,112	50,965,795	45,833	140,103	125.99	94.64
	1941	591	172	332	16	1,111	50,937,637	45,848	140,045	126.05	94.67
	1942	579	169	319	31	1,098	50,633,668	46,114	139,258	126.83	95.07
	1943	589	164	314	29	1,096	50,563,571	46,135	139,129	126.94	95.13
Electric	1934	39	15	6	......	60	6,566,900	109,448	16,917	281.95	218.90
(Decline in number due mainly to	1935	37	15	6	......	58	6,546,475	112,870	16,876	290.97	225.74
re-arrangement of units in loco-	1936	36	15	6	......	57	6,560,975	115,105	16,780	294.39	230.21
motives.)	1937	36	15	6	......	57	6,564,600	115,168	16,787	294.51	230.34
	1938	35	15	6	1	57	6,579,100	115,423	16,691	292.82	230.85
	1939	36	15	5	......	56	6,565,250	117,237	16,570	295.89	234.47
	1940	34	15	5	1	55	6,565,250	119,368	16,570	301.27	238.74
	1941	34	15	5	......	54	6,565,250	121,579	16,570	306.85	243.16
	1942	33	14	3	1	51	6,460,250	126,672	16,260	318.82	253.34
	1943	34	14	4	......	52	6,460,250	124,236	16,260	312.69	248.47
Diesel Electric	1934	......	......	2	......	2	91,390	45,695	183	91.39	91.39
(Including Oil and Gas Electric.)	1935	......	......	2	......	2	91,390	45,695	183	91.39	91.39
	1936	......	......	2	......	2	91,390	45,695	183	91.39	91.39
	1937	......	......	2	......	2	91,390	45,695	183	91.39	91.39
	1938	......	......	2	......	2	91,390	45,695	183	91.39	91.39
	1939	......	......	9	......	9	465,890	51,766	932	103.56	103.56
	1940	2	......	43	......	45	2,313,949	51,421	4,716	104.80	104.80
	1941	12	2	44	......	58	3,091,491	53,302	6,400	110.34	106.60
	1942	11	2	46	......	59	3,072,886	52,083	6,363	107.85	104.16
	1943	13	2	56	......	71	3,960,243	55,778	8,138	114.62	111.55
Total	1934	710	233	375	3	1,321	61,537,288	46,584	165,952	125.63	96.49
	1935	689	227	365	3	1,284	60,273,964	46,942	162,372	126.46	96.95
	1936	680	214	361	5	1,260	59,331,619	47,089	159,681	126.73	97.40
	1937	689	218	359	3	1,269	60,239,824	47,470	162,688	128.20	97.98
	1938	686	204	379	14	1,283	61,429,214	47,879	167,061	130.21	98.74
	1939	654	201	400	11	1,266	61,037,255	48,213	165,397	130.65	99.37
	1940	625	189	389	9	1,212	59,844,994	49,377	161,389	133.16	101.55
	1941	637	189	381	16	1,223	60,594,378	49,546	163,015	133.29	101.79
	1942	623	185	368	32	1,208	60,166,804	49,807	161,881	134.01	102.20
	1943	636	180	374	29	1,219	60,984,064	50,028	163,527	134.15	102.63

#Work service, leased to others and held for demolishment.

EQUIPMENT OWNED (INCLUDING C. T. H. & S. E. RY.) END OF YEARS 1934-1943—CONTINUED

FREIGHT TRAIN CARS

YEAR	BOX	AUTO 40′	AUTO 50′	GONDOLA	HOPPER	BALLAST	ORE	STOCK	FLAT & MISCL.	CABOOSE	REFRIGERATOR	TOTAL
1934	30,051	3,888	1,375	12,861	1,114	1,605	1,374	4,125	4,554	918	9	61,874
1935	29,548	3,316	1,251	12,435	1,065	1,556	1,204	4,084	4,227	929	9	59,624
1936	29,259	2,945	1,591	11,438	1,029	999	1,063	4,063	3,914	898	8	57,207
1937	28,644	3,336	2,099	11,342	2,014	999	977	4,050	4,014	910	6	58,391
1938	27,508	3,310	2,052	11,871	2,002	999	805	3,974	4,364	880	3	57,768
1939	27,430	3,227	2,030	11,465	2,001	999	800	3,927	4,438	889	....	57,206
1940	27,659	3,108	2,023	11,319	2,035	999	800	3,921	4,364	816	....	57,044
1941	27,421	3,104	1,996	11,273	2,033	999	800	3,921	4,269	815	....	56,631
1942	26,907	3,192	1,991	11,120	2,524	999	800	3,918	4,364	803	....	56,618
1943	26,376	3,391	1,982	11,746	2,516	999	800	3,910	4,732	790	....	57,242

PASSENGER TRAIN CARS

YEAR	COACHES	COMPANY SLEEPERS	PARLOR	PARLOR CAFE	DINING	TAP LOUNGE OBSERVATION	TAP EXPRESS	BAGGAGE EXP. MAIL	PASSENGER AND BAGGAGE	PASS. MAIL AND BAGGAGE	TOTAL
1934	377	88	19	6	38	25	....	376	56	....	985
1935	338	76	23	6	26	27	....	374	67	....	937
1936	347	76	29	6	24	27	2	382	66	....	959
1937	341	75	31	6	31	25	2	378	64	1	954
1938	358	72	29	8	35	25	6	380	55	11	979
1939	325	70	29	15	30	18	6	369	59	11	932
1940	324	66	29	15	30	15	6	370	57	11	923
1941	324	66	29	15	30	13	6	369	57	11	920
1942	354	66	26	13	36	13	4	369	58	11	950
1943	360	65	24	13	36	10	3	369	58	11	949

RAIL MOTOR CARS

YEAR	175 H. P. GAS-ELECTRIC		275 H. P. GAS-ELECTRIC			400 H. P. GAS-ELECTRIC		450 H. P. STEAM MAIL AND EXPRESS	TOTAL
	PASSENGER BAGGAGE	PASSENGER MAIL AND EXPRESS	PASSENGER MAIL AND EXPRESS	MAIL AND EXPRESS	PASSENGER BAGGAGE	MAIL AND EXPRESS	PASSENGER AND BAGGAGE		
1934	3	1	1	10	4	....	....	2	21
1935	3	1	1	10	4	....	....	2	21
1936	3	1	1	10	4	....	....	2	21
1937	3	1	1	10	4	....	....	2	21
1938	3	1	1	10	4	....	....	1	20
1939	1	1	1	10	4	....	....	1	18
1940	1	1	3	10	2	....	....	....	17
1941	1	1	3	10	2	....	2	....	19
1942	....	1	3	9	2	3	....	....	18
1943	....	1	3	9	2	3	....	....	18

EQUIPMENT OWNED (INCLUDING C. T. H. & S. E. RY.) END OF YEARS 1934-1943—CONCLUDED

HIGHWAY VEHICLES

Year	Revenue Service					Non-Revenue Service						
	Buses	Trucks	Tractors	Semi-Trailers	Trailers	Passenger Automobiles	Buses	Trucks	Tractors	Semi-Trailers	Trailers	Misc. Equip.
1934	7	....	....	....	....	23	....	39	....	1	....	7
1935	6	4	....	....	....	32	....	45	....	1	....	8
1936	8	3	1	....	....	41	....	44	....	1	....	9
1937	8	5	1	....	2	43	....	44	2	2	2	10
1938	7	4	2	2	2	46	....	47	2	2	2	10
1939	6	4	2	2	2	48	....	53	5	2	8	10
1940	8	5	2	2	2	51	....	62	5	2	10	10
1941	8	4	3	2	4	53	....	83	5	2	10	10
1942	8	3	7	4	11	76	....	100	5	....	10	10
1943	4	5	9	4	12	117	3	101	5	....	12	10

COMPANY SERVICE EQUIPMENT

Year	Business Cars	Derrick Cars	Steam Shovels	Bunk and Outfit Cars	Cinder Dump Cars	Water Cars	Snow Fighting Equipment	Other Company Service Equipment	Total
1934	15	31	2	1,115	218	207	152	431	2,171
1935	14	29	2	1,122	205	260	156	456	2,244
1936	14	27	1	1,298	698	246	154	436	2,874
1937	14	25	1	1,426	667	256	183	455	3,027
1938	14	25	1	1,417	621	243	183	437	2,941
1939	14	24	1	1,419	583	244	187	440	2,912
1940	13	25	1	1,461	541	261	187	428	2,917
1941	13	24	1	1,521	524	260	188	429	2,960
1942	13	24	1	1,543	507	254	187	430	2,959
1943	13	24	1	1,678	496	247	187	444	3,090

FLOATING EQUIPMENT

Year	Tugboats	Car Barges	Total
1934	1	6	7
1935	1	5	6
1936	1	5	6
1937	1	5	6
1938	1	5	6
1939	1	5	6
1940	1	5	6
1941	1	5	6
1942	1	5	6
1943	1	4	5

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