



**GREAT NORTHERN**

PRESIDENT'S FILE

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GREAT NORTHERN

G.N.

44424

**RAILWAY**

**59**

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**ANNUAL  
REPORT**

**1947**









59TH ANNUAL REPORT

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N O R T H E R N  
R A I L W A Y  
C O M P A N Y

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# GREAT NORTHERN RAILWAY COMPANY

## STOCKHOLDERS

35,712 Stockholders, November 10, 1947.

## BOARD OF DIRECTORS

Term Expires May 13, 1948

J. STEWART BAKER . . . . . New York  
FRANK J. GAVIN . . . . . St. Paul  
LOUIS W. HILL . . . . . St. Paul  
FREDERICK K. WEYERHAEUSER . . St. Paul

Term Expires May 12, 1949

T. L. DANIELS . . . . . Minneapolis  
FRANK F. HENRY . . . . . Buffalo  
WILLIAM L. McKNIGHT . . . . . St. Paul  
ARCHIBALD W. WITHERSPOON . . . . Spokane

Term Expires May 11, 1950

F. PEAVEY HEFFELFINGER . . . . . Minneapolis  
GRANT KEEHN . . . . . New York  
RICHARD C. LILLY . . . . . St. Paul  
WALTER G. SEEGER . . . . . St. Paul

## EXECUTIVE COMMITTEE

FRANK J. GAVIN . . . . . F. PEAVEY HEFFELFINGER  
FRANK F. HENRY . . . . . LOUIS W. HILL  
RICHARD C. LILLY

## OFFICERS

F. J. GAVIN, President . . . . . St. Paul  
V. P. TURNBURKE, Vice President, Executive Department . . . . . St. Paul  
T. BALMER, Vice President . . . . . Seattle  
T. F. DIXON, Vice President, Operating Department . . . . . St. Paul  
E. C. MATTHIAS, Vice President and General Counsel . . . . . St. Paul  
C. E. FINLEY, Vice President, Traffic Department . . . . . St. Paul  
F. L. PAETZOLD, Secretary and Treasurer . . . . . St. Paul  
J. A. TAUER, Comptroller . . . . . St. Paul  
V. N. WAHLBERG, General Auditor . . . . . St. Paul  
M. J. WELSH, General Manager, Lines East of Williston . . . . . Duluth  
I. E. MANION, General Manager, Lines West of Williston . . . . . Seattle  
J. B. SMITH, General Superintendent Transportation . . . . . St. Paul  
I. G. POOL, General Superintendent Motive Power . . . . . St. Paul  
H. J. SEYTON, Chief Engineer . . . . . St. Paul  
A. N. CRENSHAW, Purchasing Agent . . . . . St. Paul  
J. GARING, Right of Way, Land and Tax Commissioner . . . . . St. Paul  
N. STOCKHAMMER, Assistant Secretary and Assistant Treasurer . . . . . New York  
H. F. SMITH, Assistant Secretary and Assistant Treasurer . . . . . New York  
C. F. ZIEGAHN, Assistant Secretary . . . . . St. Paul

## EMPLOYEES

28,428 Average Number For 1947

Principal Office: Great Northern Building, St. Paul (1), Minn.-  
Financial and Transfer Office: 2 Wall Street, New York (5), N. Y.  
Annual Meeting of Stockholders, St. Paul, Minnesota, May 13, 1948



# GREAT NORTHERN RAILWAY COMPANY

EXECUTIVE DEPARTMENT

F. J. GAVIN  
PRESIDENT

ST. PAUL 1, MINNESOTA

March 10, 1948.

To Great Northern Stockholders:

A record volume of peace-time freight and rate increases to partially offset higher Operating costs combined to produce Operating revenues for 1947 of 193.8 million dollars, a record total except for the three war years 1943-1945. In fact, 1947 revenues were only some 7 percent below the all-time peak of 207.7 million dollars for 1944. However, Operating expenses for 1947 were 8 percent greater than in 1944.

The 1947 Net income of 22.5 million dollars was nearly 1 million dollars less than in 1946, although Fixed charges were reduced nearly 1 million dollars - to 7.7 million dollars, the lowest in almost fifty years. Before Federal income taxes, Net income of 29.5 million dollars exceeded that of 1946 by over 9 million dollars. In addition to a 13.5 million dollar increase in taxes, Net income was affected adversely by these increases: 5.7 million dollars for wages and 3.4 million dollars for fuel. The \$3 per share dividend paid in 1947 was the same as in 1946.

The total cash outlay for new equipment in 1947 exceeded 10.7 million dollars, including principal payments of 4.6 million dollars on outstanding equipment obligations.

The new 12-car deluxe Empire Builder, with a 45-hour daily schedule between Chicago and the Pacific Northwest was placed in service in 1947, and was accorded enthusiastic approval and patronage by travelers.

There was a decrease of 1.8 million dollars in funded debt outstanding during 1947, the increase of 2.3 million dollars in equipment obligations being more than offset by retirement of 1.6 million dollars of Series E, 4-1/2%, Bonds on the first call date, July 1, 1947, and the purchase of 2.5 million dollars of Series E, 5-1/2%, Bonds.

Moisture conditions affecting crops in Great Northern territory are encouraging, and with industrial production at high levels it is not too much to expect that the 1948 traffic, moving on higher rates, will produce gross revenues somewhat greater than those for 1947.

For the Board of Directors,

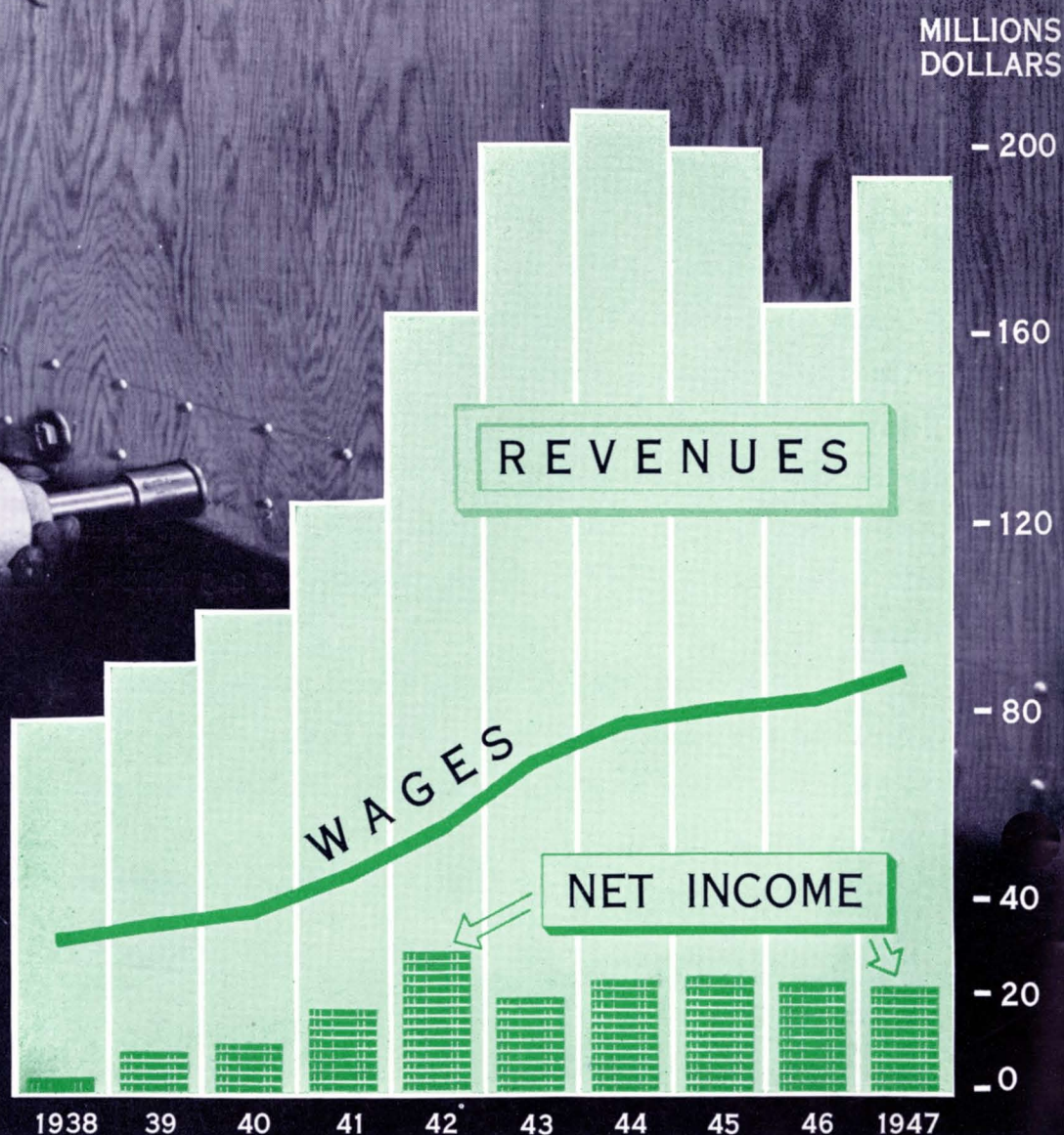
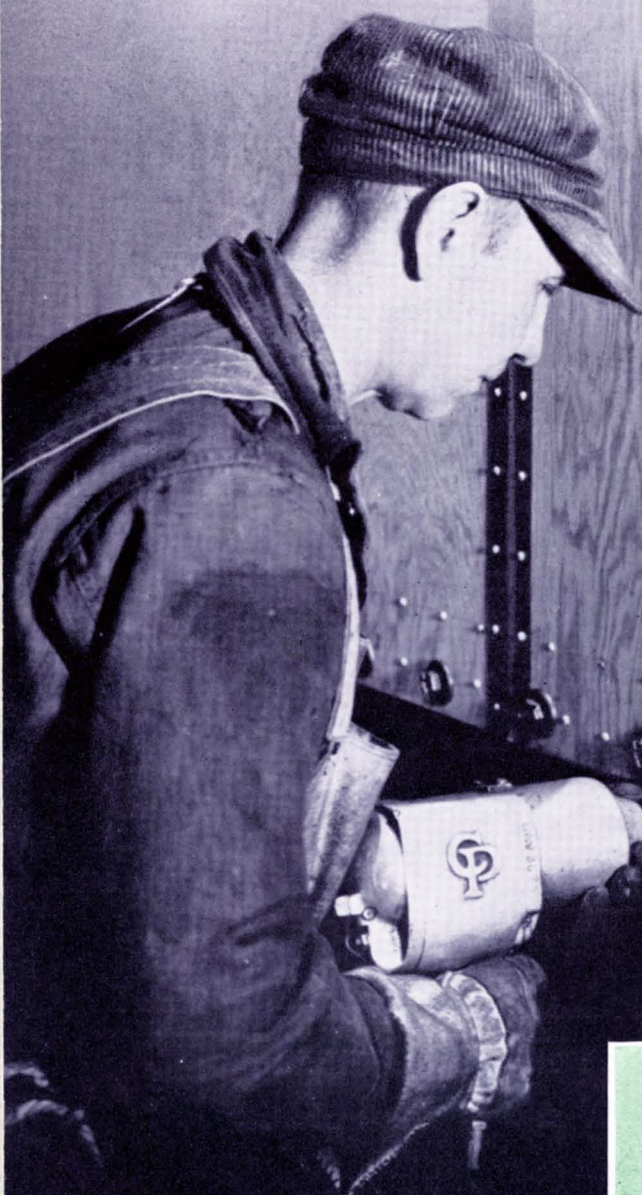


President.



# GREAT NORTHERN HIGHLIGHTS OF 1947

| ITEM                                       | 1947          | 1946          | 1945          | 1944          | 1943          |
|--|---------------|---------------|---------------|---------------|---------------|
| OPERATING REVENUES.....                    | \$193,751,851 | \$167,368,485 | \$200,124,504 | \$207,657,795 | \$200,573,426 |
| NET INCOME BEFORE FEDERAL INCOME TAXES. \$ | 29,496,697    | 20,329,703    | 22,331,708    | 49,310,658    | 54,773,783    |
| NET INCOME AFTER FEDERAL INCOME TAXES. \$  | 22,498,700    | 23,457,001    | 24,157,590    | 23,396,966    | 19,590,548    |
| DIVIDENDS PAID.....                        | \$ 9,277,647  | \$ 9,277,637  | \$ 9,255,749  | \$ 5,008,894  | \$ 4,997,798  |
| FIXED CHARGES.....                         | \$ 7,695,505  | \$ 8,669,288  | \$ 9,936,272  | \$ 12,919,278 | \$ 12,506,172 |
| TAXES.....                                 | \$ 24,486,576 | \$ 10,968,773 | \$ 11,347,504 | \$ 40,001,258 | \$ 48,461,070 |
| FUNDED DEBT OUTSTANDING, DEC. 31.....      | \$235,560,821 | \$237,328,276 | \$247,929,556 | \$267,089,527 | \$290,873,909 |
| NUMBER OF SHARES, DEC. 31.....             | 3,092,549     | 3,092,547     | 3,092,543     | 2,912,223     | 2,498,899     |
| NET INCOME PER SHARE.....                  | \$7.28        | \$7.59        | \$7.81        | \$8.03        | \$7.84        |
| DIVIDENDS PAID PER SHARE.....              | \$3.00        | \$3.00        | \$3.00        | \$2.00        | \$2.00        |
| FIXED CHARGES PER SHARE.....               | \$2.49        | \$2.80        | \$3.21        | \$4.44        | \$5.00        |
| PERCENT EXPENSES TO REVENUES.....          | 74.06         | 77.53         | 79.71         | 63.85         | 61.21         |
| TIMES FIXED CHARGES EARNED.....            | 3.92          | 3.71          | 3.43          | 2.81          | 2.57          |







EMPIRE BUILDER GETTING ITS DAILY BATH AT SEATTLE

## YOUR COMPANY'S EARNINGS, OR SIMPLIFIED INCOME ACCOUNT

| SOURCES OF INCOME  | 1947          | 1946          | INCREASE-I<br>DECREASE-D |
|--|---------------|---------------|--------------------------|
| FREIGHT REVENUES.....  | \$164,906,331 | \$137,660,549 | I- \$27,245,782          |
| PASSENGER REVENUES.....  | 13,089,446    | 15,985,382    | D- 2,895,936             |
| OTHER RAILWAY OPERATING REVENUES.....  | 15,756,074    | 13,722,554    | I- 2,033,520             |
| DIVIDENDS, INTEREST, ETC., RECEIVED.....   | 6,773,076     | 7,734,085     | D- 961,009               |
| MAKING TOTAL INCOME OF.....  | \$200,524,927 | \$175,102,570 | I- \$25,422,357          |
| DISPOSITION OF INCOME  |               |               |                          |
| WAGES.....   | \$ 89,238,123 | \$ 83,569,489 | I- \$ 5,668,634          |
| PAYROLL TAXES.....   | 7,498,556     | 5,201,251     | I- 2,297,305             |
| FEDERAL INCOME TAXES.....  | 6,997,997     | Cr. 3,127,298 | I- 10,125,295            |
| ALL OTHER TAXES.....   | 9,990,023     | 8,894,820     | I- 1,095,203             |
| FOR REPLACEMENTS.....  | 8,384,966     | 7,717,477     | I- 667,489               |
| LOCOMOTIVE FUEL AND POWER.....   | 13,483,756    | 10,094,896    | I- 3,388,860             |
| OTHER MATERIALS, RENTALS, ETC.....   | 34,737,301    | 30,625,646    | I- 4,111,655             |
| LEAVING FOR FIXED CHARGES.....   | \$ 30,194,205 | \$ 32,126,289 | D- \$ 1,932,084          |
| PAID FOR INTEREST ON BONDS, NOTES AND OTHER FIXED CHARGES.....   | 7,695,505     | 8,669,288     | D- 973,783               |
| RESULTING IN NET INCOME OF.....  | \$ 22,498,700 | \$ 23,457,001 | D- \$ 958,301            |
| DIVIDENDS PAID TO STOCKHOLDERS.....  | 9,277,647     | 9,277,637     | I- 10                    |
| BALANCE AVAILABLE FOR IMPROVEMENTS TO PROPERTY,<br>DEBT RETIREMENT, SINKING FUNDS, CONTINGENCIES, ETC. | \$ 13,221,053 | \$ 14,179,364 | D- \$ 958,311            |



## OPERATING REVENUES

1947—\$193,751,851

1946— 167,368,485

Incr.—\$ 26,383,366—15.8%

## TRAFFIC MOVEMENT

The freight traffic movement over your Company's lines in 1947 established a peacetime record. In fact the 16.3 billions of revenue tons carried one mile almost equalled the 16.7 billions produced in the war year of 1942. Freight revenues of nearly \$165 millions for 1947 substantially exceeded the \$143 millions reported for 1942.

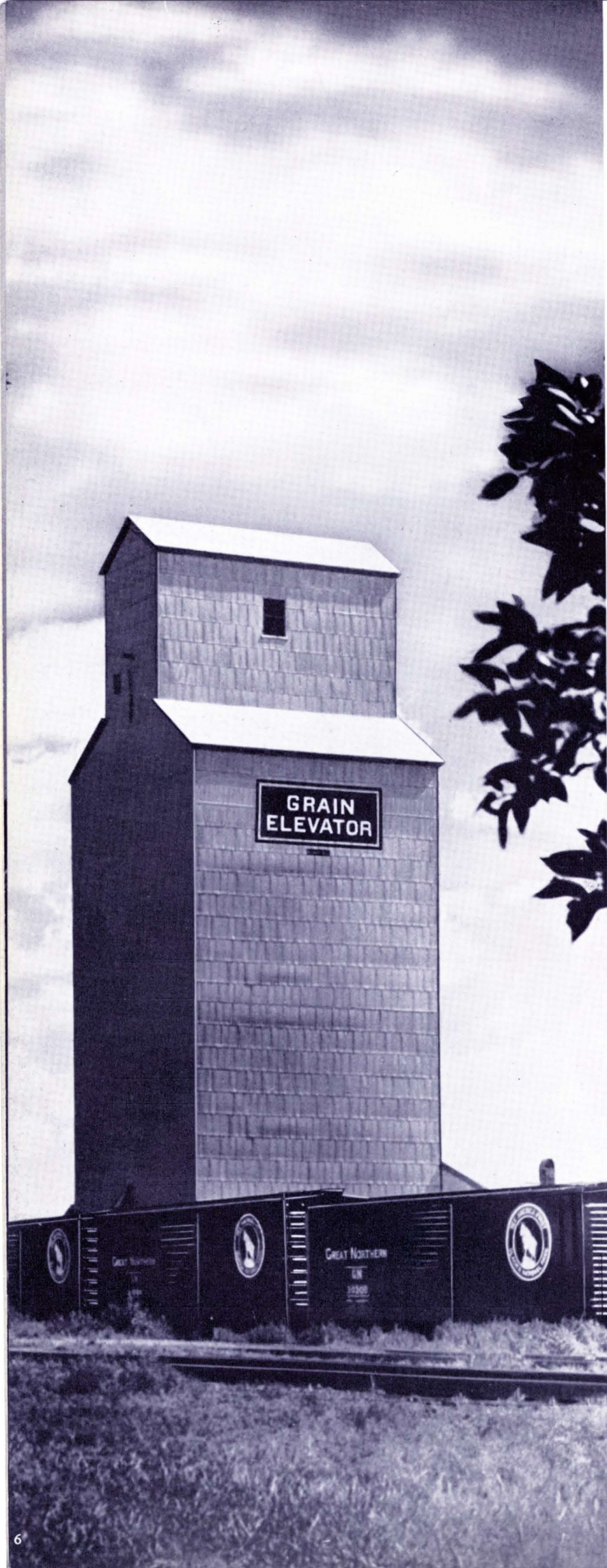
The 1947 grain harvest was a near-record production, with more than 202 million bushels of grain loaded at Great Northern stations, as compared with 206 million bushels in 1946. Increases were shown in long-haul lumber, fruit and copper. Less livestock was handled in 1947, and the potato movement was also smaller. Petroleum products from the Montana fields moved in approximately the same volume in both 1946 and 1947.

Iron ore from the Mesabi Range in Minnesota handled over the Company's docks at Allouez, Wis., totaled 23,131,944 long tons. Revenue from this traffic was 10.3% of all revenues. In 1946 iron ore tonnage was 17,217,388 long tons. An earlier start of the 1947 season was largely responsible for the increase of 5,914,556 tons.

Five new diesel-operated, 12-car Empire Builder passenger trains were placed in daily service on a 45-hour schedule between Chicago and Seattle and Portland on February 23, 1947. Immediate endorsement of this service by the traveling public resulted in an increase in passenger revenues from general business despite the almost complete elimination of travel by military personnel. Including military movements, passenger revenues of \$13,089,446 in 1947 showed a decrease of \$2,895,936 or 18%. Passenger revenues of all other railroads in the Western District decreased 32%.

Hotels, chalets and camps in Glacier National Park, Montana, had a record occupancy, with train arrivals increasing 40% over 1946.

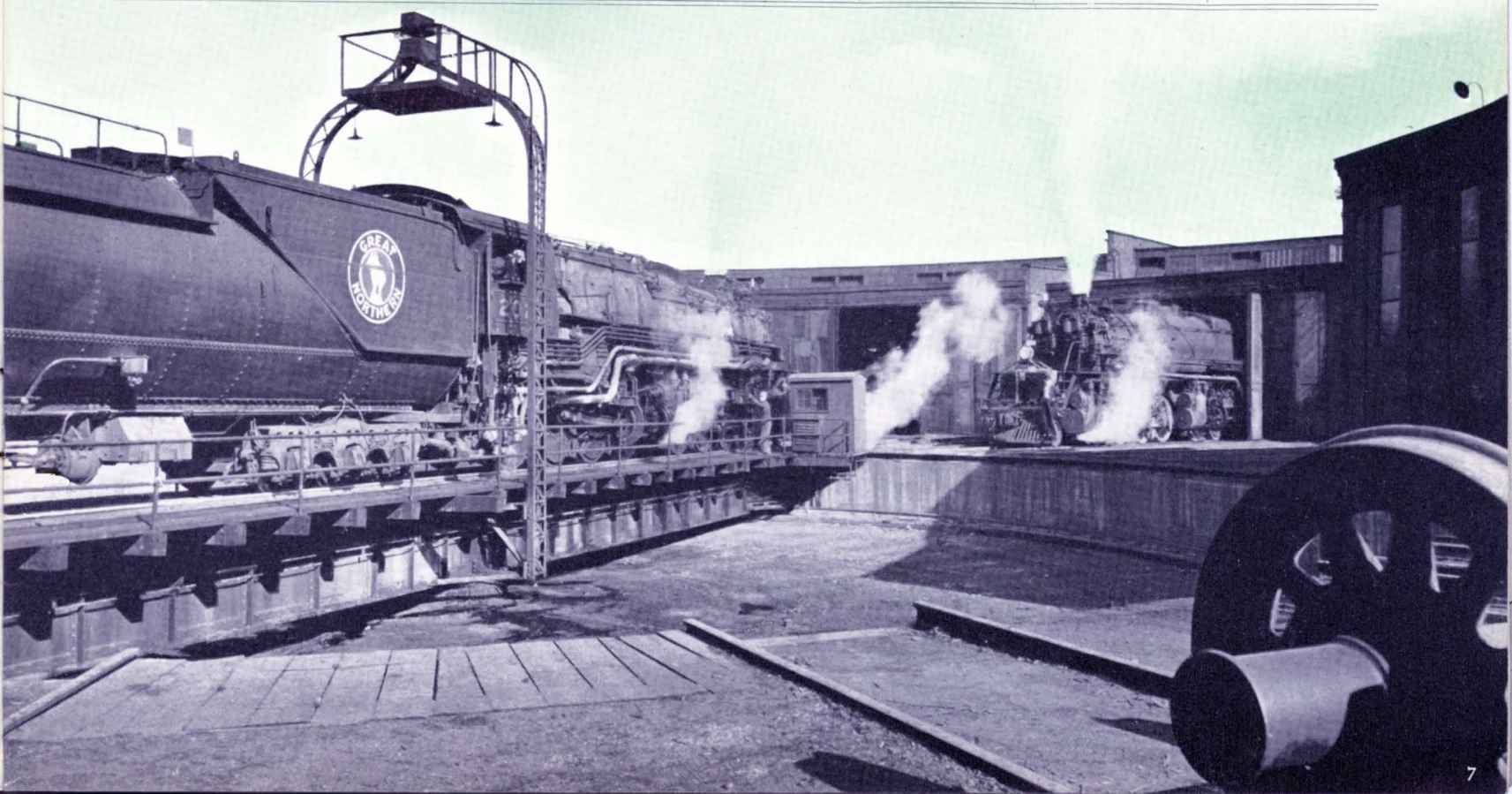
With a heavy volume of mail, and the increase in mail pay of 25% effective late in February, 1947, revenue from this source in 1947 amounted to \$5,515,840, more than double that of ten years ago.





# FINANCIAL POSITION OF YOUR COMPANY AT END OF YEAR, OR SIMPLIFIED BALANCE SHEET

|   | DECEMBER 31,<br>1947 | DECEMBER 31,<br>1946 | DECREASE-D<br>INCREASE-I |
|---|----------------------|----------------------|--------------------------|
| <b>QUICK ASSETS:</b>  |                      |                      |                          |
| CASH AND SPECIAL DEPOSITS.....  | \$ 52,296,310        | \$ 44,859,606        | I-\$ 7,436,704           |
| DUE FROM AGENTS, CONDUCTORS AND OTHERS.....   | 16,445,393           | 15,894,870           | I- 550,523               |
| MATERIAL AND SUPPLIES ON HAND.....  | 25,181,483           | 20,911,622           | I- 4,269,861             |
| TOTAL QUICK ASSETS, READILY CONVERTIBLE INTO CASH.....                                      | \$ 93,923,186        | \$ 81,666,098        | I-\$12,257,088           |
| <b>CURRENT LIABILITIES:</b>   |                      |                      |                          |
| EMPLOYEES' PAY CHECKS OUTSTANDING.....  | \$ 4,567,343         | \$ 4,320,209         | I-\$ 247,134             |
| TAXES NOT YET DUE.....  | 22,354,560           | 11,556,477           | I- 10,798,083            |
| BONDHOLDERS' INTEREST PAYABLE JANUARY 1.....  | 3,475,337            | 3,579,383            | D- 104,046               |
| OTHER CURRENT LIABILITIES.....  | 24,724,543           | 20,913,004           | I- 3,811,539             |
| TOTAL CURRENT LIABILITIES, DUE WITHIN TWO YEARS.....  | \$ 55,121,783        | \$ 40,369,073        | I-\$14,752,710           |
| <b>"WORKING CAPITAL," THE EXCESS OF QUICK ASSETS<br/>OVER CURRENT LIABILITIES.....</b>      | <b>\$ 38,801,403</b> | <b>\$ 41,297,025</b> | <b>D-\$ 2,495,622</b>    |
| <b>GREAT NORTHERN'S INVESTMENTS:</b>  |                      |                      |                          |
| ROAD, EQUIPMENT AND OTHER PROPERTY, LESS DEPRECIATION.....                                  | \$517,260,400        | \$505,998,993        | I-\$11,261,407           |
| 48.59% OF CHICAGO, BURLINGTON & QUINCY R. R. CO. STOCK.....                                 | 109,245,456          | 109,245,456          |                          |
| 50% OF SPOKANE, PORTLAND AND SEATTLE RY. CO. STOCK AND<br>BONDS.....                        | 45,798,500           | 45,798,500           |                          |
| OTHER STOCKS, BONDS, ETC.....   | 17,848,594           | 19,909,894           | D- 2,061,300             |
| DEFERRED AND UNADJUSTED ITEMS.....  | 7,983,216            | 7,780,987            | I- 202,229               |
| TOTAL INVESTMENTS.....  | \$698,136,166        | \$688,733,830        | I-\$ 9,402,336           |
| <b>GREAT NORTHERN'S OTHER OBLIGATIONS:</b>  |                      |                      |                          |
| TO INVESTORS FOR BONDS AND NOTES OUTSTANDING.....   | \$235,560,821        | \$237,328,276        | D-\$ 1,767,455           |
| TO ALL OTHERS.....  | 3,129,334            | 7,134,597            | D- 4,005,263             |
| TOTAL OWED IN ADDITION TO CURRENT LIABILITIES.....  | \$238,690,155        | \$244,462,873        | D-\$ 5,772,718           |
| <b>NET WORTH—"WORKING CAPITAL" PLUS "INVESTMENTS"<br/>MINUS "OTHER OBLIGATIONS".....</b>    | <b>\$498,247,414</b> | <b>\$485,567,982</b> | <b>I-\$12,679,432</b>    |
| <b>CAPITAL STOCK.....</b>   | <b>272,838,550</b>   | <b>272,838,550</b>   |                          |
| <b>BALANCE—"NET WORTH" MINUS "CAPITAL STOCK"—<br/>LARGELY INVESTED IN THE PROPERTY.....</b> | <b>\$225,408,864</b> | <b>\$212,729,432</b> | <b>I-\$12,679,432</b>    |





## RATE INCREASES

Increased operating costs for labor and materials resulted in important rate increases during 1947. The Interstate Commerce Commission permitted general increases in freight rates of approximately 11.5%, effective January 1, 1947, with certain specified maxima on many long-haul commodities. Effective October 13, an additional 10% increase was permitted. Both of the increases had specific limitations on rates for coal and coke and no increase on iron ore from mines to Upper Lake ports.

The Interstate Commerce Commission, in 1947, unfortunately continued the precedent now carried through five general rate advance cases, of denying your Company's requests for increases in rates on iron ore moving from mines to docks. The combined line haul and dock handling charge now is only 1.1% above that found not unreasonable by the Commission 25 years ago, regardless of the tremendous increases in costs of the service in the intervening period. The treatment accorded

this traffic results in shifting the burden of higher costs to other commodities.

The system-wide general freight rate increases necessarily have disrupted some established relationships. The effect of percentage general increases is particularly marked in connection with long-haul traffic. Many conditions, both those of a commercial nature and those arising from competitive forms of transportation, undoubtedly will require additional changes in individual phases of the general rate adjustment in order to permit free movement of traffic.

Increases also were granted during the year in passenger fares, sleeping car fares and for mail and express traffic. On the following page is a tabulation of the increases with approximate amount of additional revenue based on a full year's business.

A further temporary increase in interstate freight rates of 10% was allowed by the Interstate Commerce Commission on December 29, becoming generally effective January 5, 1948. Specific maxima were set, but again no increase was provided for iron ore from mines to Upper Lake ports.



POTATOES IRRIGATED BY PRIVATE SYSTEM OF WELLS AND PUMPS WITHIN COLUMBIA BASIN PROJECT NEAR QUINCY, WASHINGTON. YIELD 12 TONS PER ACRE.

FARM MACHINERY  
IMPORTANT TO  
MECHANIZED FARMS



| Traffic      | Increase   | Date Effective 1947 | Approximate Yearly Increase |
|--------------|--|---------------------|-----------------------------|
| Freight      | Approximately 11.5%, with certain maxima and no increase on iron ore to Upper Lake ports.....    | January 1           | \$12,000,000                |
| Freight      | 10%, with lower increases on coal and coke and no increase on iron ore to Upper Lake ports.....  | October 13          | 11,000,000                  |
| Passenger    | Increases for round trip sleeping car passengers from 7% to 11%. No increase in coach fares..... | June 1              | 300,000                     |
| Passenger    | Further increases for all classes except coach fares, 6% to 9%....                               | December 18         | 500,000                     |
| Sleeping Car | Approximately 10%.....   | October 1           | 100,000                     |
| Mail         | 25%.....   | February 19         | 1,100,000                   |
| Express      | Average approximately 17%.....   | October 25          | 500,000                     |

Additional revenue of about \$10,200,000 annually will result. Final and permanent increases will be fixed by the Commission later in 1948.

The Commission also authorized an increase in the basic one-way coach fares from 2.2 to 2.5 cents per mile, effective March 1, 1948. This will provide approximately \$950,000 additional revenues per year.

## INDUSTRIAL DEVELOPMENT

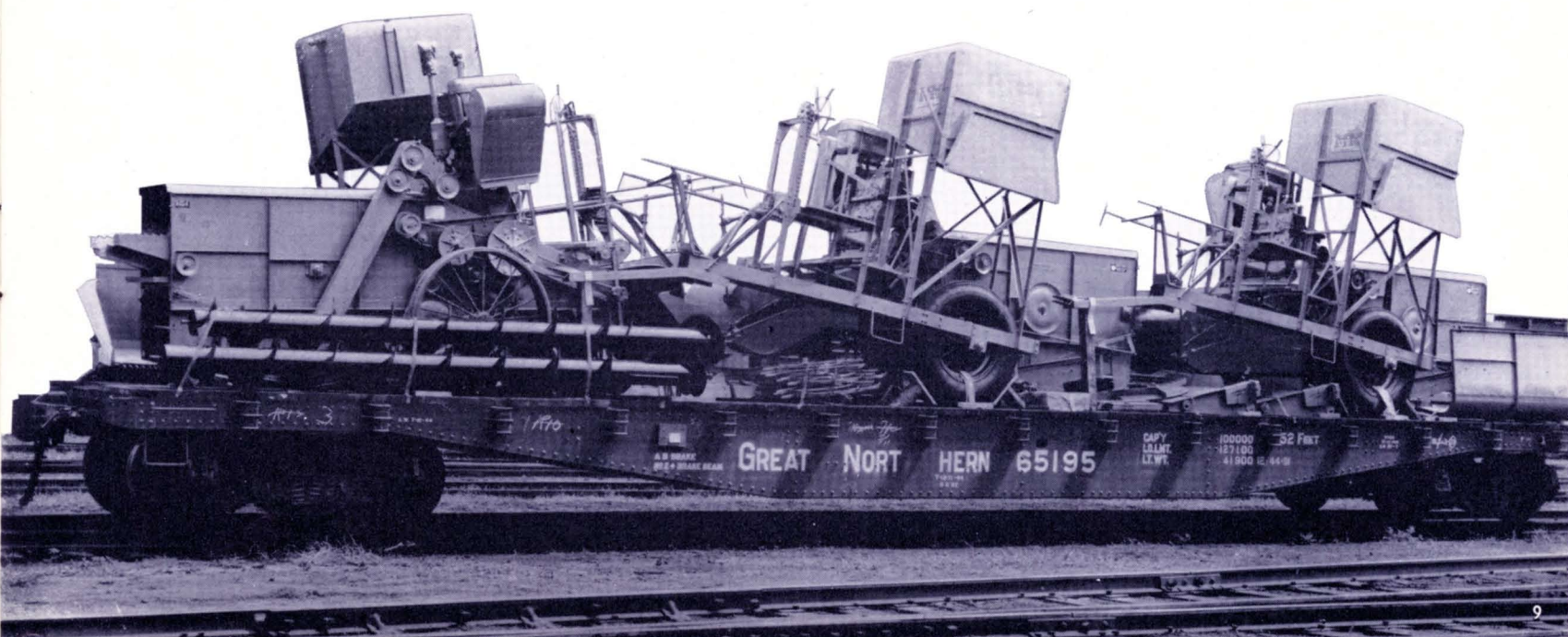
Approximately 380 new industries were located on your Company's lines during 1947, and a large number of others were established on privately-owned property served by the Company. New locations included grain elevators, general warehouses, potato warehouses, frozen food

plants, bulk oil facilities and various distributing industries.

A new sugar beet plant near Moorhead, Minnesota, is being constructed and will have capacity to handle beets from some 25,000 acres. This operation should result in substantially increased livestock feeding on farms in the Red River valley.

Considerable activity in the development of facilities for processing and handling frozen vegetables and berries has been noted in northwestern Washington along Great Northern. Additional plants have been constructed and others have been re-organized for increased production.

A nationally known grape juice concern plans to build a plant in the Wenatchee, Wash., area to process fruit from 1,200 acres of Concord grape vines already planted and contracted for. The vineyards will be in bearing in 1949.





road on the "Empire Builder"  
was like riding on a Magic  
Carpet. I remember my other  
of long ago as being

In the first place, we've been on time at every  
stop. It surely is nice to ride on a clean new train  
and we enjoyed our bedroom, the lounge car and all the  
new features. The steady flow of power, the imperceptible  
starts, the easy stops, and the good spring beds make  
it easy to sleep.

One of the pleasant surprises was when  
I enjoyed traveling on the Empire Builder. Being in a cast supporting a fractured spine, I  
the one who can really judge of a train's comfort and conven  
It was a cool, smooth and effortless trip and I revel  
attractiveness of the train, the excellent meals and the  
ed our trip on the Empire Builder.  
You certainly have  
ining ear that it  
som that I  
able  
We received Courtes  
February 5th  
the Empire Builder has  
from Seattle to Chicago.  
times & for the past  
about service  
never travelling

I assure you that when you are on a  
of this kind this type of service is  
inly appreciated.

Incidentally, I have been on most  
s streamliners in the country, a  
to say that without qualification  
Empire Builder is the most outstan  
in service today.

m not an  
dassing any pradu  
I cannot resist  
tunity to end  
Empire Builder.  
ized a train could  
many comforts, and  
extra charge.



**THE NEW EMPIRE BUILDER**  
BORN FEBRUARY 23, 1947, AFTER 2½  
YEARS OF PLANNING AND BUILDING

our new Empire  
leaving Lp1s March 16th-  
I MUST tell you about it- it may  
was a long train-

The train itself is gorgeous- a swell job fr  
inish- such smoothness of motion- almost imper  
starts and stops- no noise- no rattle and cla  
and the speed was thrilling- The Young  
tative, I think he was called  
willing to do all he possi  
wellbeing of the

finest trip of our lives - to Portland and back on the Empire  
Builder.  
We had expected great things of the train, but it surpassed any-  
thing we had hoped for. We enjoyed our rooms and the luxurious  
beds, the fine food and good service in the dining car, the  
gorgeous club car, and above all the courtesy shown by everyone  
with the train. We especially appreciated the opening  
one air-conditioning was perfect  
and the improved inclining seats with  
their abundant leg-Room was greatly



## AGRICULTURAL AND MINERAL DEVELOPMENT

Great Northern's Agricultural and Mineral Development Department has worked very closely with Federal, State and local organizations in 1947 to increase production along the lines of the railway. In western North Dakota, close to the North Dakota-Montana line, nearly 13,000 acres of irrigation were placed under diversified cultivation, and 4,700 irrigated acres were under crop for the first time in north-central Montana and the Great Falls, Mont., areas. An additional 13,000 acres were brought into cultivation in 1947, in the Deschutes irrigation project, near Bend, in central Oregon. The latter development is served by both Great Northern and Spokane, Portland and Seattle Railway System lines in which your Company owns a 50% interest. It is conservatively estimated that one car of freight is produced for each ten acres of irrigated land under diversified crops.

Work on the Columbia Basin Project was somewhat limited in 1947, but additional Congressional appropriations will permit active resumption of work in 1948. Contract has been approved for clearing timber for the Hungry Horse Dam near Coram, Montana, and it is expected that construction contracts will be let during 1948.

New soil conservation districts were organized and the work extended in existing districts. Complete reports are not available, but in four counties in Montana, around Great Falls and north of that city, 15,000 acres of wheat land was strip cropped for erosion control; control plowing systems were established on an additional 30,000 acres to hold the stubble in the soil rather than plowing it under entirely; nat-

ural springs were developed and stock water reservoirs constructed, etc.

The Rescue wheat referred to in the 1946 annual report stood up well under a heavy sawfly infestation and it is estimated that the wheat crop was increased 470,000 bushels thereby. There is an adequate supply of Rescue wheat for planting the entire spring wheat crop in Great Northern territory in the infested area in northeastern Montana. Chemical control of weeds is beginning to show results, and approximately 500 additional cars of wheat originated in Montana as the direct result of treating some 145,000 acres of growing grain.

New and recently-started movements of agricultural commodities included seed potatoes from British Columbia to California, green corn in bulk shipments from northwestern Washington to eastern markets, safflower seed in eastern Montana and sunflower seed in North Dakota and northwestern Minnesota (10,000 acres in 1947, with 27,500 acres estimated for 1948) for oil production and as rotation crop in connection with wheat, etc.

In addition to assisting in all of the above developments, Great Northern's Agricultural Department was instrumental in the establishment of a Junior 4-H Club feeding project in twelve counties in northwestern Minnesota. The feeding and fattening of western lambs and beef cattle provides practical experience in livestock-raising for these future farmers.

The Mineral Development Department, with its widespread knowledge of the location of raw materials in Great Northern territory is continually advising with industrial concerns interested in finding mineral sources for new developments or the expansion of existing operations.



## OPERATING EXPENSES

1947—\$143,488,995

1946— 129,757,846

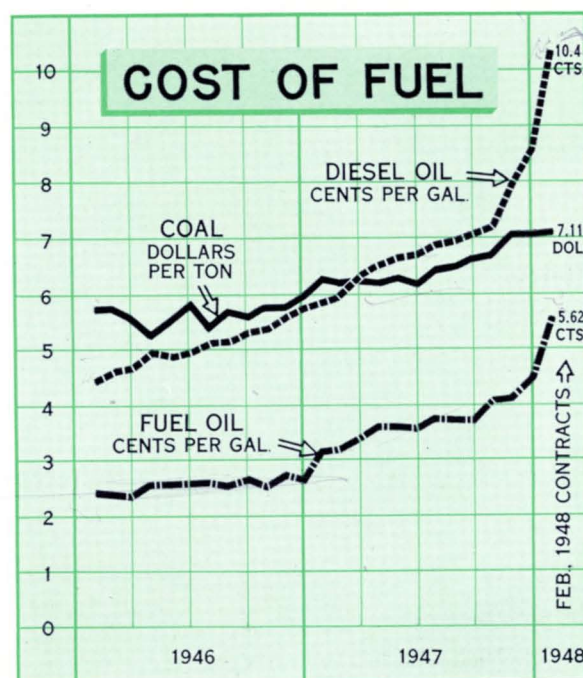
Incr.—\$ 13,731,149—10.6%

A larger volume of business, an advance of  $15\frac{1}{2}$  cents per hour—14.2%— in labor rates for most employes and continuous increases in material costs accounted for higher operating expenses in 1947. Contributing to the increase was the  $2\frac{1}{2}$  cents per hour wage boost, effective for the entire year 1947, but only included in 1946 accounts from May 22 onward.

Fuel is by far the most expensive single item of material purchased by your railway. Probably the greatest increase in fuel prices in any one year occurred in 1947, when the bill for locomotive fuel and power was \$13,483,756, compared with \$10,094,896 for 1946, increase \$3,388,860.

Freight and passenger trains were handled at the highest average speed ever recorded. Despite addition of another trans-continental train, the new Empire Builder, in February, 1947, the management was able to eliminate other passenger trains, particularly the second section of the Oriental Limited, with the result that the total passenger train miles for 1947 were slightly less than for 1946.

Somewhat less rail was laid in 1947, due to giving preferred attention to the track structure. However, more rail was distributed at the end of 1947 for application in 1948 than at the end of 1946. It is hoped that rail deliveries in 1948 will reach some



44,000 tons, an increase of 16,000 tons over 1947 deliveries. There was an increase of over 300,000 in ties placed, 350,000 more cubic yards of bank-widening and 231,000 more cubic yards of ballast were applied, while 7 miles of roadbed were stabilized by concrete grouting. A substantial decrease in percentage of locomotives unserviceable occurred for all classes of service. Unserviceable freight cars decreased from 2.7% at the end of 1946 to 2.0% at the end of 1947.

## VOLUME OF TRAFFIC AND OPERATING AVERAGES

| ITEM                                      | 1947       | 1946       | 1945       | 1944       | 1943       |
|---|------------|------------|------------|------------|------------|
| REVENUE NET TON MILES (1000's).....       | 16,276,479 | 14,769,179 | 17,836,467 | 19,586,780 | 18,574,596 |
| PASSENGERS CARRIED ONE MILE (1000's)..... | 630,362    | 869,967    | 1,305,138  | 1,258,930  | 1,107,901  |
| REVENUE PER NET TON MILE (cents).....     | 1.013      | .932       | .922       | .878       | .896       |
| REVENUE PER PASSENGER MILE (cents).....   | 2.076      | 1.837      | 1.600      | 1.653      | 1.702      |
| TRAIN LOAD—NET TONS ALL FREIGHT.....      | 1,284      | 1,216      | 1,352      | 1,359      | 1,350      |
| NET TON MILES PER TRAIN HOUR.....         | 19,991     | 18,652     | 20,879     | 20,586     | 20,328     |
| FREIGHT LOCO. MILES PER LOCO. DAY.....    | 89.8       | 82.1       | 90.8       | 98.1       | 95.6       |
| FREIGHT CAR MILES PER CAR DAY.....        | 48.5       | 47.3       | 55.5       | 54.6       | 50.2       |
| GROSS TON MILES PER TON OF FUEL.....      | 17,532     | 17,324     | 18,281     | 18,246     | 18,342     |
| NET TON MILES PER CAR DAY.....            | 1,074      | 996        | 1,281      | 1,302      | 1,231      |

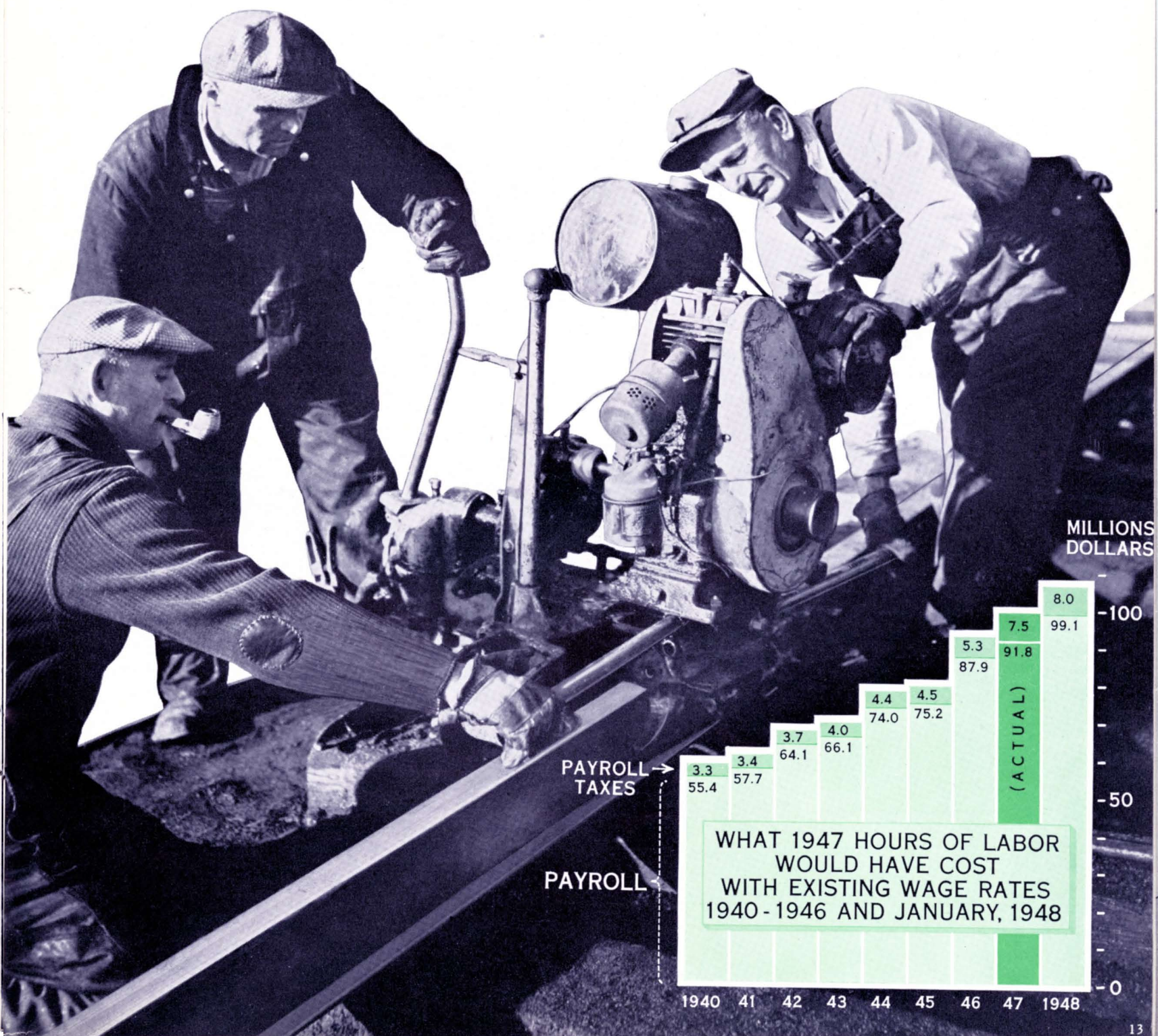


## WAGE INCREASES

A six-man Arbitration Board appointed to settle the wage dispute between the 17 non-operating unions and the railroads announced on September 2 its decision that wage rates for these employees be increased 15½ cents per hour, effective September 1, 1947. A similar increase later was agreed upon for trainmen and conductors, with some changes in working rules, effective November 1. The total annual cost for these higher wages, including pay-

roll taxes, will approximate \$11,400,000.

Agreement could not be obtained with the engineers, firemen and switchmen, whose demands included substantial changes in working rules in addition to wage increases. After the three crafts threatened to strike, the President of the United States appointed a three-man Emergency Board in January, 1948, to investigate the dispute. It is expected the board will report its findings in March, 1948.





## TAXES

### Federal income and excess profits taxes:

|   | 1947         | 1946          | Increase      |
|---|--------------|---------------|---------------|
| Current year.....                               | \$ 8,000,000 | \$ 2,872,702  | \$ 5,127,298  |
| Carry-back of unused excess profits credit..... | 1,002,003    | Cr. 6,000,000 | Cr. 4,997,997 |
| Payroll taxes.....                              | 7,498,556    | 5,201,251     | 2,297,305     |
| All other taxes.....                            | 9,990,023    | 8,894,820     | 1,095,203     |
| Total.....                                      | \$24,486,576 | \$10,968,773  | \$13,517,803  |

Net income before Federal income taxes for 1947 was \$29,496,697, compared with \$20,329,703 for 1946, an increase of \$9,166,994. In 1946 other items not included in the income account were available as deductions before computing income taxes, notably the \$7,511,879 premium and expenses paid on funded debt retired during the year. The similar figure for 1947 was \$471,216. These two items are the principal factors in the increase in Federal income taxes of over \$5,100,000. The \$6,000,000 credit from the carry-back of unused excess profits credit for 1946 with only \$1,002,003 credit for the same item in 1947, had the effect of increasing taxes nearly \$5,000,000.

Payroll taxes for 1947 of \$7,498,556 exceeded all railway taxes for each of the five years 1931 to 1935, and was more than

the interest on funded debt for 1947 of \$7,444,551.

Payroll taxes have been an increasing burden on your Company's earnings, not only because of the larger payroll base to which the tax rate is applied, but more importantly, the huge increase in rates from 1% in 1936, when this form of taxation was started, to 6½% in 1946, and 8¾% in 1947. The increase in payroll taxes in 1947 over 1946 was nearly \$2,300,000.

No other industry carries a Social Security burden as heavy as that imposed on railroads by the Crosser Act. The tax rate of 8¾% is applied on compensation up to \$300 per employe per month paid by the railroads, compared with 2.7% on compensation up to \$250 per month generally levied on employers in other industries.

## CAPITALIZATION

### Capital Stock

|                   | Dec. 31, 1947 | Dec. 31, 1946 | Increase or Decrease |
|-------------------|---------------|---------------|----------------------|
| Shares.....       | 3,092,549     | 3,092,547     | 2 Incr.              |
| Stated value..... | \$272,838,550 | \$272,838,550 |                      |

### Funded Debt

|                            |               |               |                   |
|----------------------------|---------------|---------------|-------------------|
| Mortgage bonds.....        | \$215,747,800 | \$219,813,300 | \$4,065,500 Decr. |
| Equipment obligations..... | 19,813,021    | 17,514,976    | 2,298,045 Incr.   |
| Total.....                 | \$235,560,821 | \$237,328,276 | \$1,767,455 Decr. |

The exchange of fractional shares outstanding for full shares explains the increase of two shares in capital stock.

The decrease of \$4,065,500 in mortgage bonds outstanding is accounted for by the retirement of the remaining \$1,551,000 of Series E, 4½%, Bonds outstanding on the first call date, July 1, 1947, as provided by the 1945 refinancing, and the purchase in the open market of \$2,514,500, par value, Series B, 5½%, Bonds at a cost of \$2,912,483. There remained outstanding December 31, 1947, a total of \$12,084,900, par value, of the Series B, 5½%, Bonds, due January 1, 1952, the earliest maturity of any mortgage bonds.

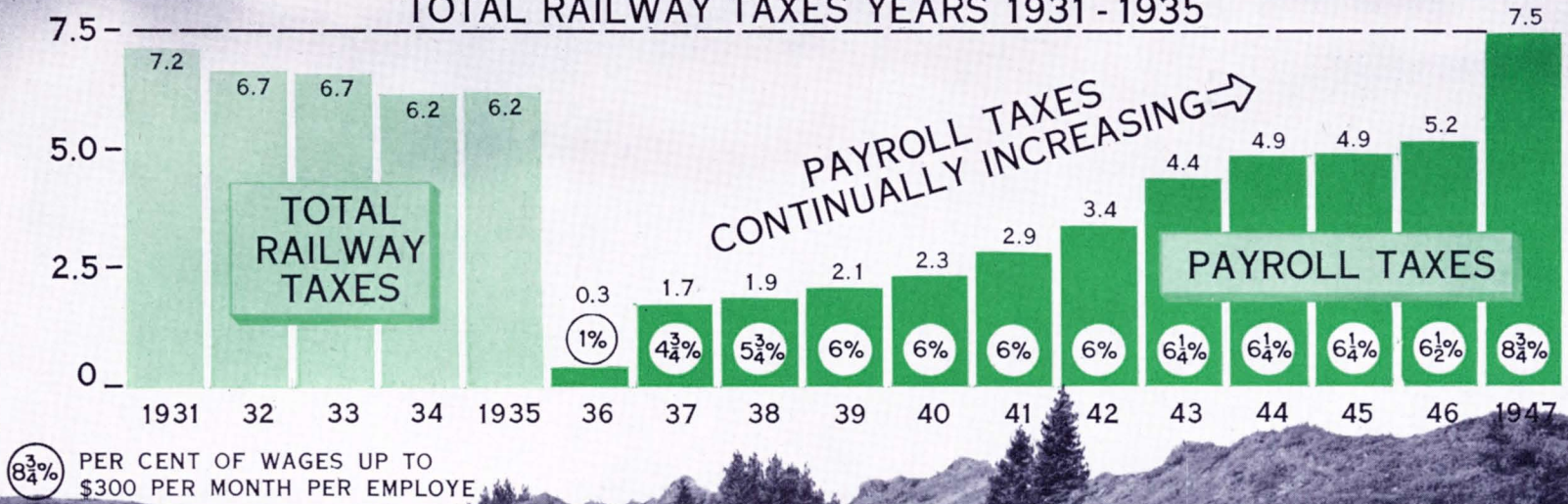
Although \$4,637,955 was paid on the

principal of equipment obligations during the year, the issuance of additional conditional sale contracts resulted in a net increase of \$2,298,045 in equipment obligations outstanding. Two new contracts were consummated in June and July, one for \$2,460,000 at 1.69% interest, the other for \$2,540,000 at 1.72% interest. These contracts assisted up to approximately 71% in financing the purchase of 21 diesel locomotives, with no payment on the principal for two years, followed by monthly payments for an additional five years. In addition, conditional sale contracts for \$1,936,000 were issued against the remaining 22 cars for the new Empire Builder delivered in 1947.

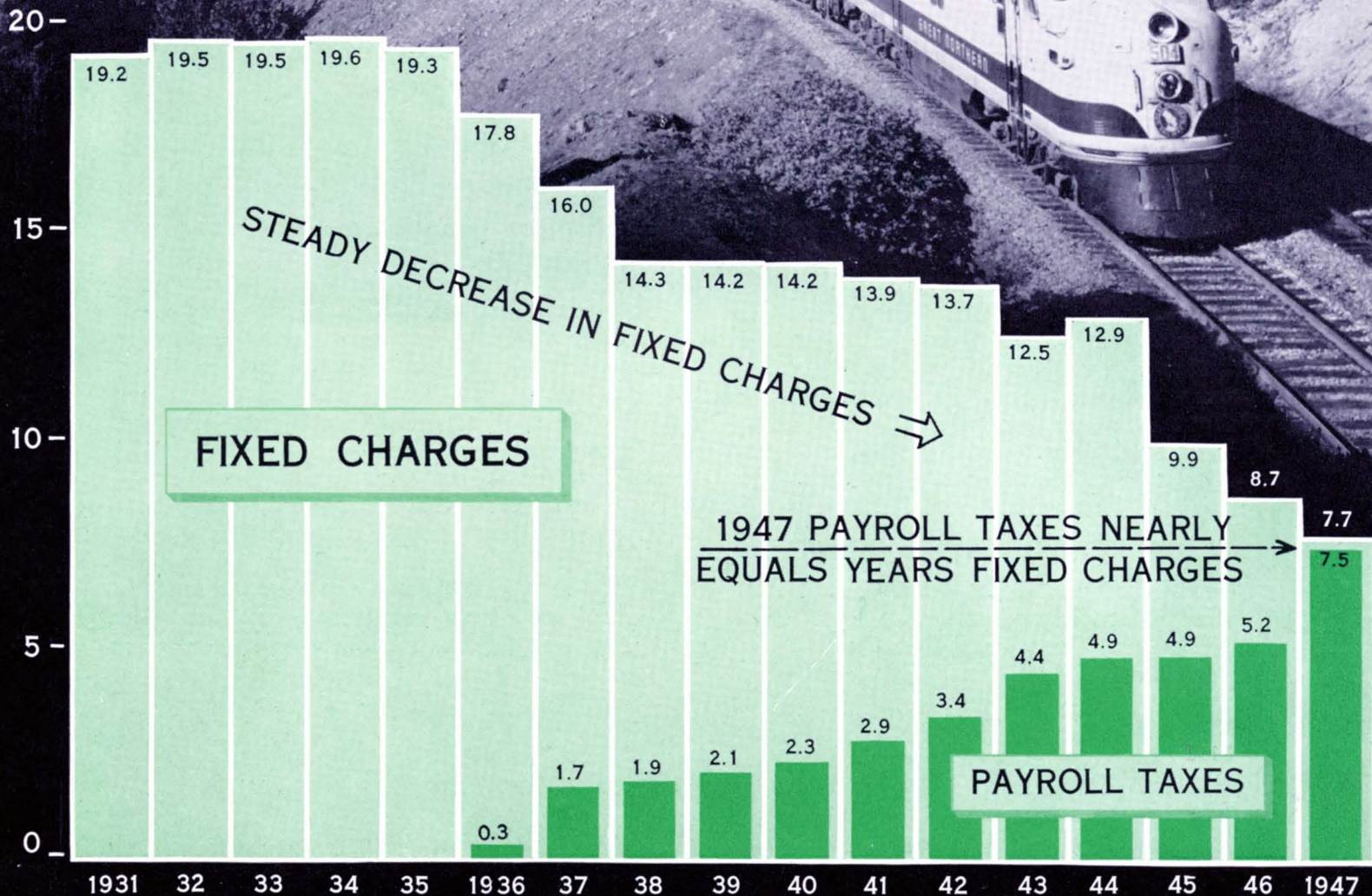


MILLIONS  
DOLLARS

# 1947 PAYROLL TAXES EXCEEDED TOTAL RAILWAY TAXES YEARS 1931 - 1935



MILLIONS  
DOLLARS





## PROPERTY IMPROVEMENTS

|                                       | Fixed Property |             | Equipment    |             |
|---------------------------------------|----------------|-------------|--------------|-------------|
|                                       | 1947           | 1946        | 1947         | 1946        |
| Cash expenditures.....                | \$6,475,666    | \$4,481,134 | \$14,484,251 | \$7,387,799 |
| Less cost of facilities retired.....  | 994,833        | 1,374,269   | 4,513,135    | 2,391,485   |
| Net change in investment account..... | \$5,480,833    | \$3,106,865 | \$ 9,971,116 | \$4,996,314 |

During 1947 construction was completed on the 1,250,000-bushel, reinforced concrete, grain elevator in Superior, Wisc., to replace the portion of the structure destroyed by fire. The installation of automatic block signals was completed between Fargo Junction and Surrey, North Dakota, via Grand Forks, furnishing added protection for 276 miles of road.

An important line change near Merritt, Wash., just east of the east entrance to the Cascade Tunnel, was authorized in 1947. The project will include a 740-foot tunnel and a 650-foot bridge, at an estimated cost of nearly 1 million dollars. The improvement will require 2 years to complete. Smaller changes which will materially improve the alignment also were authorized for near Penrith and Milan, Wash., Leonia, Idaho, and Yakt, Mont. (two changes). Yard and terminal improvements in St. Paul and Breckenridge, Minn., Grand Forks, N. D., and Appleyard (Wenatchee), Wash., also were begun. Improvements of the Seattle passenger terminal, including new central heating plant, storehouse and improved facilities for servicing passenger trains, also were started. Freight house extensions were begun in Minneapolis, Minn., and Great Falls, Mont., and new work at the St. Paul terminal included remodeling a portion of the roundhouse into a diesel repair shop and a new paint spray shop. New station buildings were authorized for Morris, Minn., and Cando and Hatton, N. D., in addition to facilities for housing and servicing diesel locomotives in Opheim, Helena and Butte, Mont. Two of the largest single cab electric locomotives ever built, each of 5000 horsepower, were placed in operation during the year on the electrified section of the line over the Cascade Mountains.

Twenty diesel freight, passenger and switch locomotives, consisting of 25 units, ordered in 1946, were delivered, in addition to 9 three-unit 4500-horsepower diesel passenger locomotives ordered in 1947. With this fleet of new passenger locomotives all three transcontinental passenger trains, the new Empire Builder, the Oriental Limited and the Fast Mail—are diesel operated. At the end of the year there were 146 diesel locomotives in service with 240 units, totaling approximately 310,000 horsepower.

Twenty-two passenger cars for the new Empire Builder were received during January and February, 1947. One 250-ton capacity, self-propelling, oil-burning crane also was delivered. Five hundred 50-ton capacity boxcars and four lightweight, all-steel baggage cars were built in Company shops during the year.

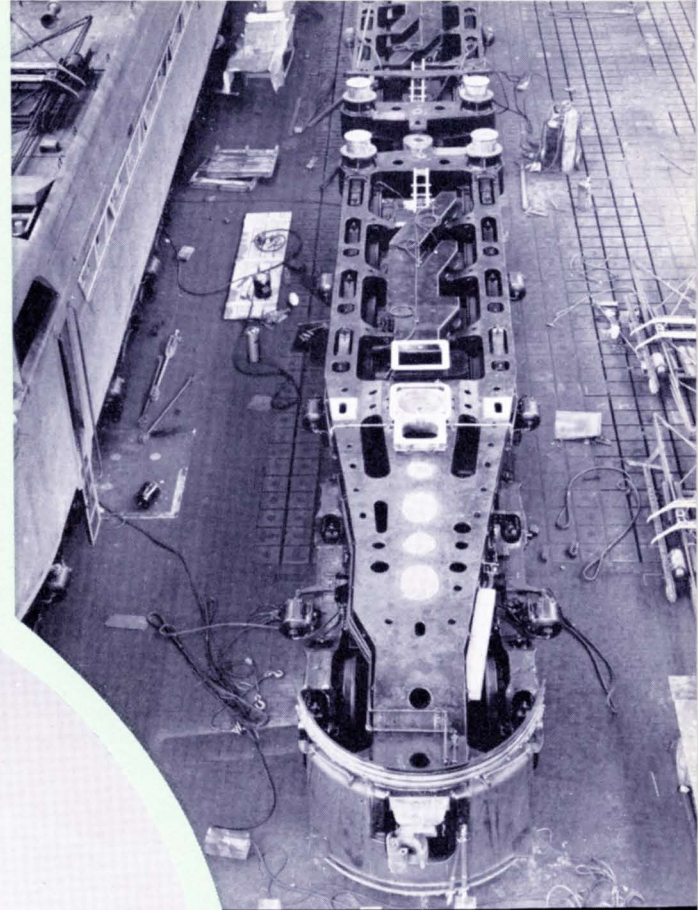
Total outlay of Company funds for new equipment constructed, the eight 1500-horsepower diesel switch locomotives and down payment on other equipment financed through conditional sale contracts amounted to \$6,046,755. Adding the \$4,637,955 paid on principal of equipment obligations maturing during the year produces a total expenditure for equipment for these purposes of \$10,684,710.

Equipment on order at the close of the year includes 1,000 50-ton capacity, all-steel boxcars, 4 lightweight all-steel baggage cars and 14 cabooses to be built in Company shops; 400 40-ton steel refrigerator cars; 200 50-ton capacity, all-steel, gondola cars; 75 70-ton capacity, all-steel, covered top, hopper bottom cars; 15 modern passenger train cars, and 1 250-ton capacity crane.





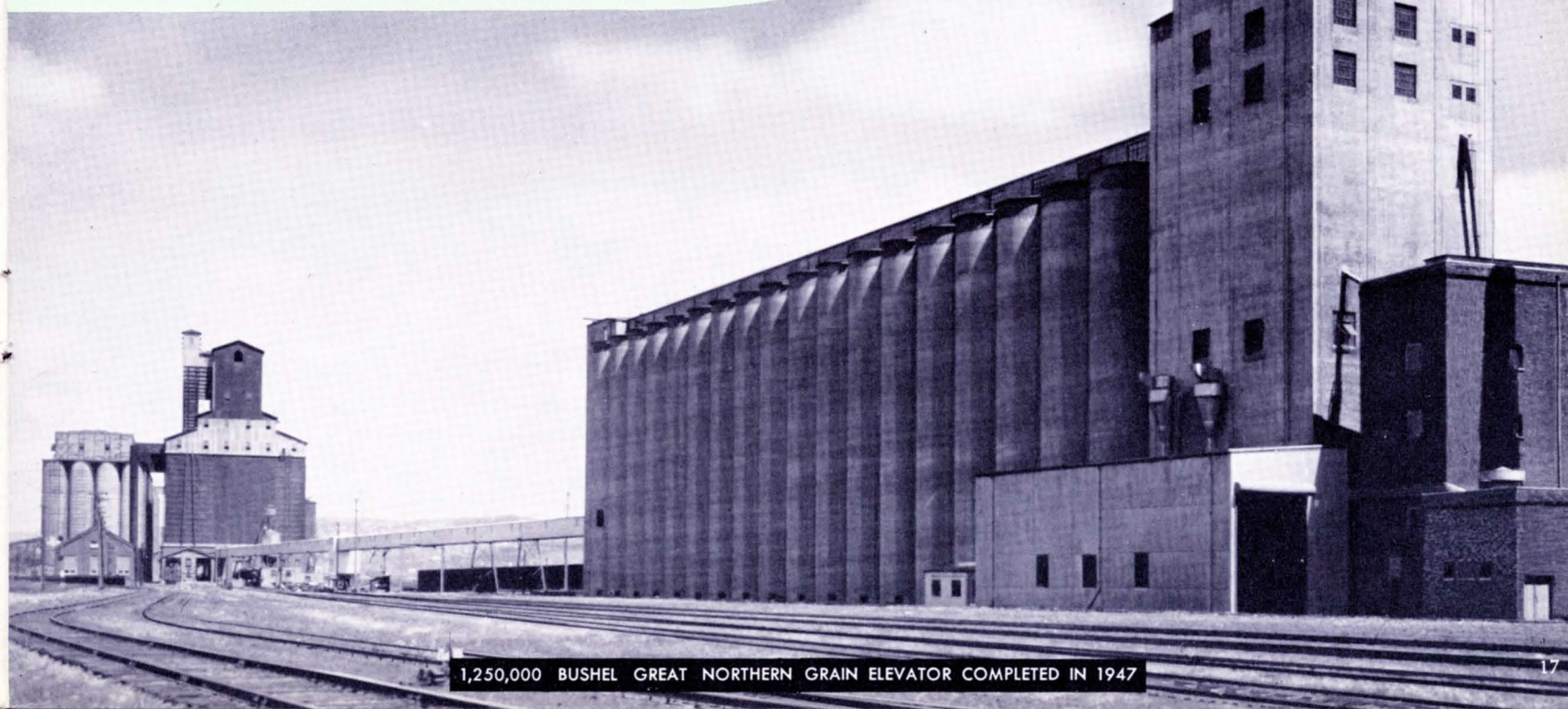
STEEL UNDERFRAMES FOR BOX CARS  
BUILT AT GREAT NORTHERN SHOPS



FOUNDATION FOR WORLD'S LARGEST  
SINGLE CAB ELECTRIC LOCOMOTIVE BUILT  
FOR GREAT NORTHERN



4500 HORSEPOWER DIESEL PASSENGER LOCOMOTIVE. COMPLETES DIESELIZATION  
OF ALL THREE GREAT NORTHERN TRANSCONTINENTAL PASSENGER TRAINS

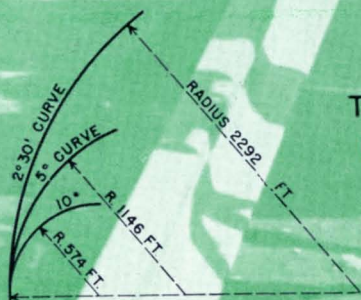
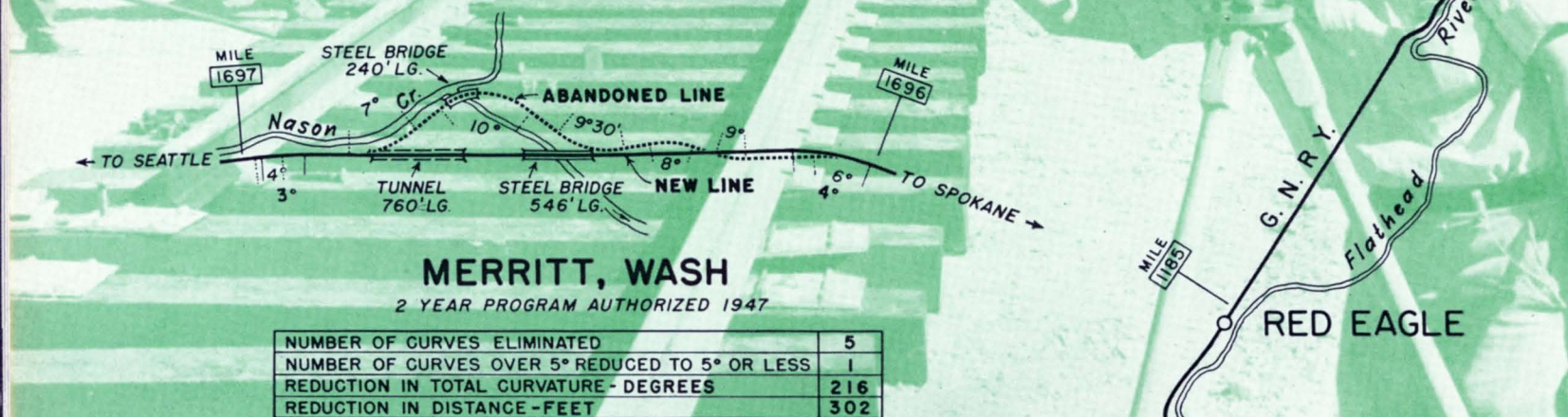
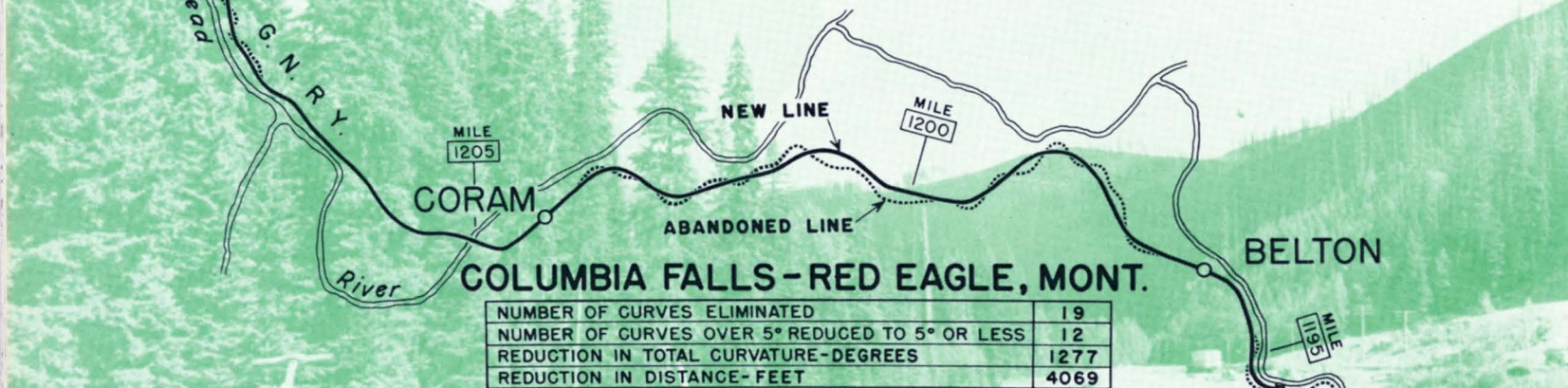
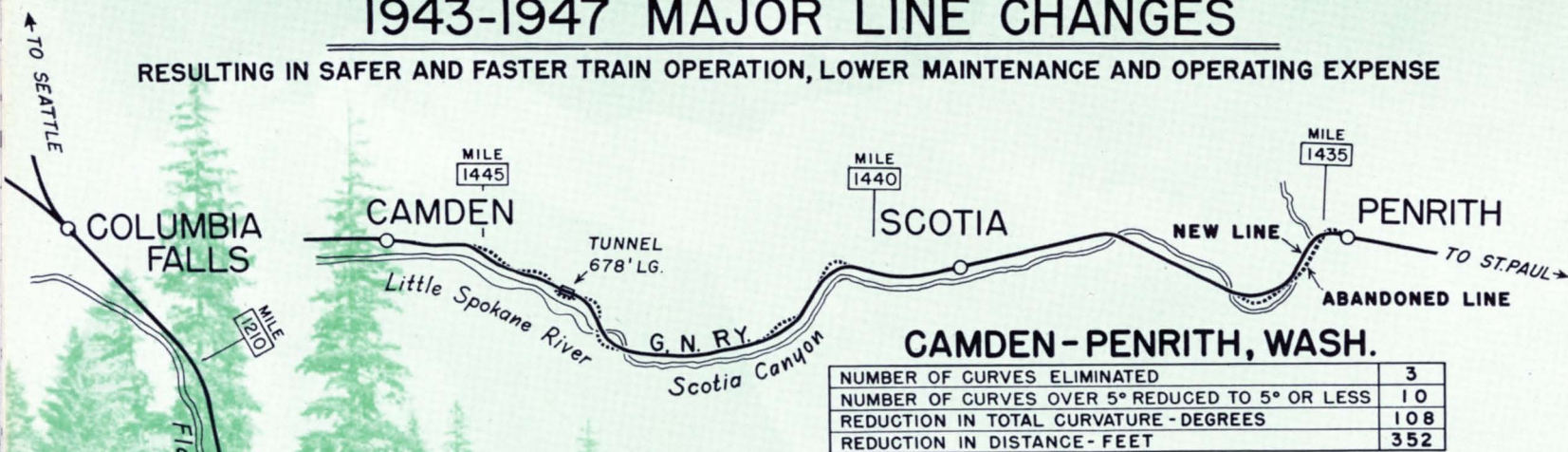


1,250,000 BUSHEL GREAT NORTHERN GRAIN ELEVATOR COMPLETED IN 1947



# 1943-1947 MAJOR LINE CHANGES

RESULTING IN SAFER AND FASTER TRAIN OPERATION, LOWER MAINTENANCE AND OPERATING EXPENSE





## GENERAL

Great Northern stockholders, as of November 10, 1947, numbered 35,712, with an average holding of 87 shares per stockholder. Almost two-thirds of the stockholders own less than 30 shares each.

In 1947 two dividends of \$1.50 per share each were paid to stockholders, the same as in 1945 and 1946.

Dividends received from Chicago, Burlington and Quincy Railroad Co. amounted to \$4,981,074 in both 1946 and 1947. Northland Greyhound Lines, Inc., stock owned by Great Northern paid \$600,246 in dividends for 1947, compared with \$833,675 for 1946.

Rate paid by railroads for use of freight cars owned by other railroads was increased from \$1.15 per car day to \$1.25 per car day on June 1, and to \$1.50 per car day on September 1. This is a favorable development for Great Northern, as the Company receives more per diem for the use of its cars than it pays to other railroads for use of their cars.

Sale of The Pullman Company to a buying group of railroads was consummated as of June 30, 1947. Great Northern paid \$587,921 as its share, based on proportion of sleeping cars operated.

Mr. Shreve M. Archer, a member of the Board of Directors for more than fifteen years, died on November 10, 1947. He had been a member of the Executive Committee of the Board of Directors since 1938, and was President and Chairman of the Board of Archer-Daniels-Midland Com-

pany, one of the world's largest grain handlers, flour millers and processors of vegetable oils. He was an outstanding civic and business leader. His wise counsel and advice always was helpful to the Board in considering the affairs of the Company. The Directors and officials of the Company have lost, not only the benefit of his excellent judgment, but in addition the friendship of a considerate man. The Board of Directors adopted, on December 12, a resolution of condolence for his family.

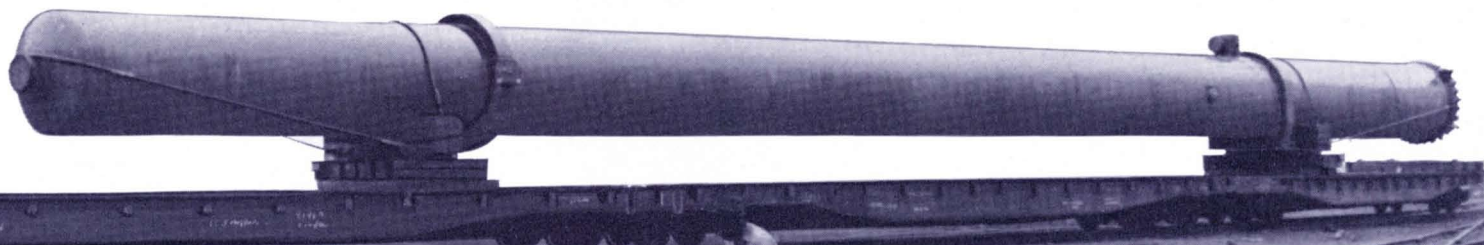
Mr. T. L. Daniels, President, Archer-Daniels-Midland Company, was elected to fill the unexpired term of Mr. Archer on December 12. Mr. F. Peavey Heffelfinger was elected to the vacancy on the Executive Committee.

Mr. Harry Dow, Vice President, Foreign Department, who had served the Company with distinction for more than fifty years, died on September 19.

Changes among Great Northern officials during 1947 included the retirement, after nearly 56 years of service, of Mr. C. O. Jenks, Vice President, Operating Department, who was succeeded by Mr. T. F. Dixon. Mr. C. McDonough, General Manager, Lines East of Williston, and Mr. W. L. Schoettler, Right of Way, Land and Tax Commissioner, also retired and were succeeded by Mr. M. J. Welsh and Mr. John Garing, respectively.

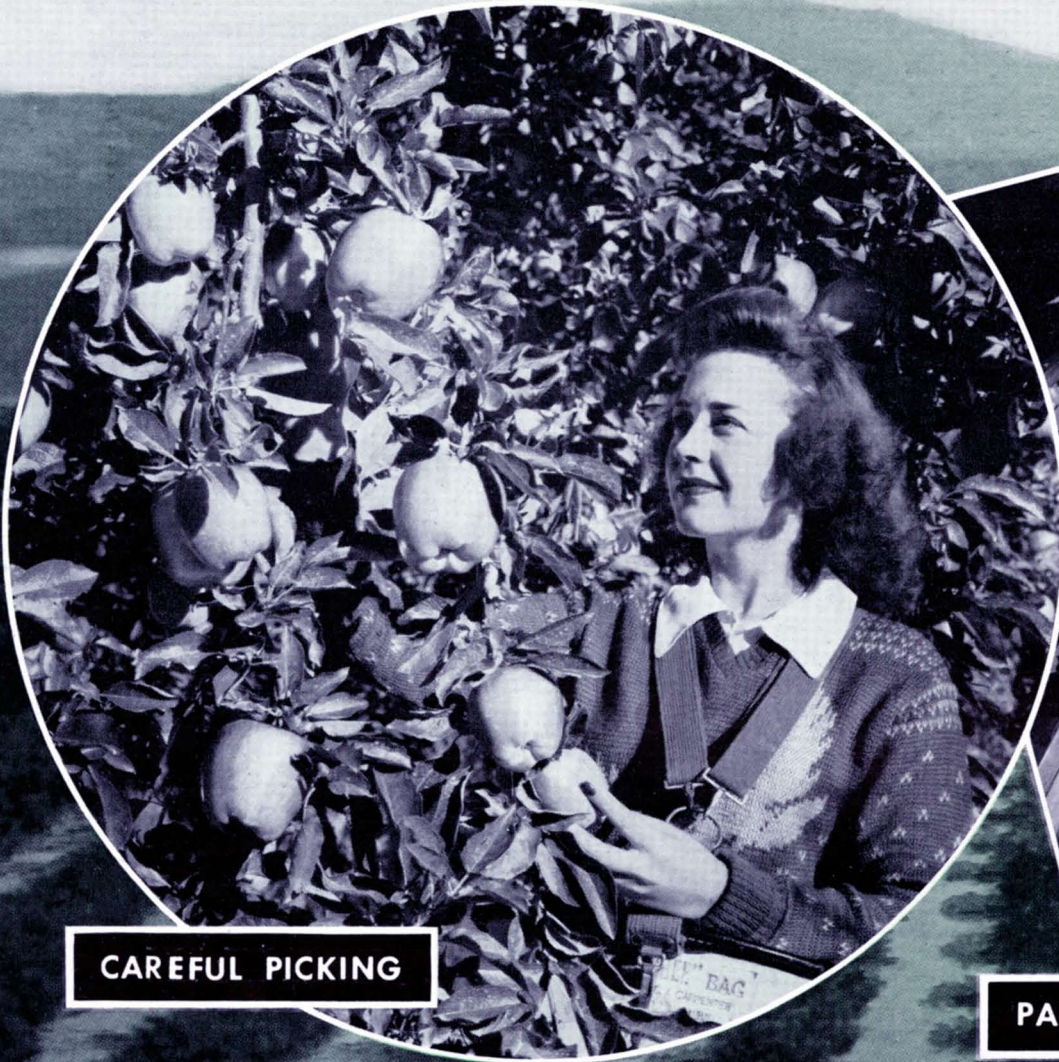
With the increase in industrial activity in the area served by your Company's lines and the prospect of continued high production in agriculture, forests and mines, it is believed that 1948 will develop a volume of traffic that will measure up with the larger peacetime years.

GIANT CREOSOTING CYLINDER—136 FEET LONG MOVED VIA GREAT NORTHERN, ST. PAUL TO EVERETT, WASH.





# *Largest Apple-Producing*



CAREFUL PICKING



PARTICULAR PACKING



GREAT NORTHERN'S  
LARGE APPELyard TERMINAL



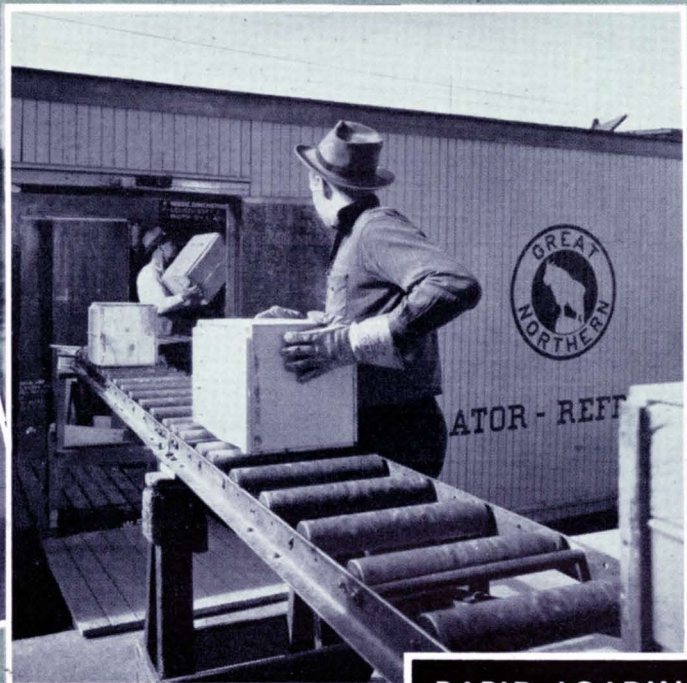
SKILLFUL



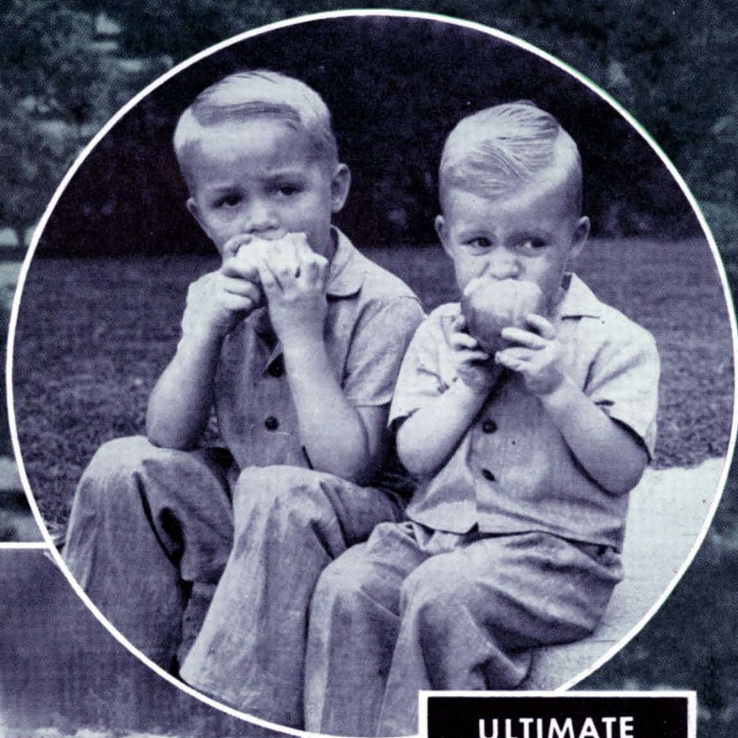
# ing Region in the United States

# The Wenatchee Valley

The 10,000th train load of apples and soft fruits from the Wenatchee Valley was moved eastward from the 'Apple Capital of the World' by Great Northern on October 18, 1947. The Railway moved the first car of apples in 1901.



**RAPID LOADING**



**ULTIMATE  
CONSUMERS**



**L ICING**



**APPLES MOVE TO MARKET  
OVER GREAT NORTHERN**



# GREAT NORTHERN RAILWAY COMPANY

## INCOME ACCOUNT—1940 to 1947

|  | 1947          | 1946          | 1945          | 1944          | 1943          | 1942          | 1941          | 1940          |
|--|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| Average mileage of road operated.....  | 8,332.74      | 8,332.33      | 8,364.80      | 8,372.03      | 8,209.57      | 8,094.73      | 8,071.53      | 8,068.72      |
| <b>1. OPERATING INCOME.</b>  |               |               |               |               |               |               |               |               |
| RAILWAY OPERATING REVENUES   |               |               |               |               |               |               |               |               |
| Freight.....   | \$164,906,331 | \$137,660,549 | \$164,379,347 | \$171,957,001 | \$166,429,112 | \$143,264,055 | \$110,505,561 | \$89,164,630  |
| Passenger.....   | 13,089,446    | 15,985,382    | 20,887,002    | 20,816,206    | 18,853,552    | 9,182,732     | 4,866,328     | 4,225,019     |
| Mail.....  | 5,515,840     | 3,981,226     | 3,658,526     | 3,768,714     | 3,890,653     | 3,458,225     | 3,298,849     | 2,862,642     |
| Express.....   | 2,711,064     | 3,018,796     | 3,471,124     | 3,399,586     | 2,883,274     | 2,020,939     | 1,105,241     | 1,039,827     |
| Switching.....   | 1,372,197     | 1,249,383     | 1,448,941     | 1,278,001     | 1,265,825     | 1,111,415     | 905,967       | 776,226       |
| Other transportation.....  | 370,511       | 478,070       | 747,494       | 698,025       | 579,795       | 403,519       | 224,598       | 212,342       |
| Incidental.....  | 5,845,754     | 5,060,440     | 5,936,849     | 6,083,114     | 6,536,930     | 5,707,485     | 4,267,612     | 3,460,498     |
| Joint facility—net.....  | Dr.— 59,292   | Dr.— 65,361   | Dr.— 404,779  | Dr.— 342,852  | Cr.— 134,285  | Cr.— 57,661   | Dr.— 129,273  | Cr.— 1,962    |
| Total railway oper. revs.....  | 193,751,851   | 167,368,485   | 200,124,504   | 207,657,795   | 200,573,426   | 165,206,031   | 125,044,883   | 101,743,146   |
| RAILWAY OPERATING EXPENSES   |               |               |               |               |               |               |               |               |
| Maintenance of way and struct.....   | 32,093,800    | 29,077,024    | 39,444,398    | 33,078,700    | 28,616,041    | 18,801,376    | 16,628,547    | 13,230,789    |
| Maintenance of equipment.....  | 31,196,663    | 29,690,375    | 50,547,917    | 35,443,596    | 35,530,748    | 26,300,208    | 21,236,550    | 17,436,498    |
| Traffic.....   | 3,729,221     | 3,541,538     | 2,878,029     | 2,186,816     | 3,176,345     | 2,509,275     | 2,492,003     | 2,359,067     |
| Transportation—rail line.....  | 69,550,264    | 61,321,193    | 60,904,897    | 56,180,890    | 49,779,649    | 41,672,967    | 34,862,432    | 30,034,420    |
| Miscellaneous operations.....  | 2,745,813     | 2,352,457     | 2,276,567     | 2,346,377     | 2,487,472     | 1,506,469     | 1,001,720     | 836,991       |
| General.....   | 4,173,234     | 3,775,259     | 3,462,624     | 3,359,081     | 3,181,612     | 2,528,181     | 2,317,214     | 2,161,732     |
| Transportation for invest.—Cr.....   |               |               |               |               |               |               | 215,100       | 157,774       |
| Total railway oper. exp.....   | 143,488,995   | 129,757,846   | 159,514,432   | 132,595,460   | 122,771,867   | 93,318,476    | 78,323,366    | 65,901,723    |
| Net rev. from railway oper.....  | 50,262,856    | 37,610,639    | 40,610,072    | 75,062,335    | 77,801,559    | 71,887,555    | 46,721,517    | 35,841,423    |
| RAILWAY TAX ACCRUALS   |               |               |               |               |               |               |               |               |
| U. S. income.....  | 6,997,997     | Cr. 3,127,298 | Cr. 1,825,882 | 25,913,692    | 35,183,235    | 18,845,802    | 6,052,829     | 2,953,761     |
| Payroll.....   | 7,498,556     | 5,201,251     | 4,891,520     | 4,854,908     | 4,420,448     | 3,382,621     | 2,845,229     | 2,330,983     |
| All other.....   | 9,990,023     | 8,894,820     | 8,281,866     | 9,232,658     | 8,857,387     | 8,498,917     | 7,968,965     | 6,988,462     |
| Total railway tax accruals.....  | 24,486,576    | 10,968,773    | 11,347,504    | 40,001,258    | 48,461,070    | 30,727,340    | 16,867,023    | 12,273,206    |
| Uncollectible railway revenues.....  |               |               |               |               |               |               |               |               |
| Railway operating income.....  | 25,776,280    | 26,641,866    | 29,262,568    | 35,061,077    | 29,340,489    | 41,160,215    | 29,854,494    | 23,568,217    |
| Equipment rents—Net debit.....   | 1,433,400     | 1,068,583     | 364,887       | 1,653,386     | 390,019       | 1,359,935     | 1,223,884     | 1,361,148     |
| Joint facility rent—Net debit.....   | 527,150       | 532,649       | 518,246       | 439,071       | 387,503       | 355,204       | 629,075       | 400,005       |
| NET RAILWAY OPER. INC.....   | 23,815,730    | 25,040,634    | 28,379,435    | 32,968,620    | 28,562,967    | 39,445,076    | 28,001,535    | 21,807,064    |
| <b>2. OTHER INCOME.</b>  |               |               |               |               |               |               |               |               |
| Revs. from miscellaneous oper.....   |               | 224,183       | 361,355       | 836,889       | 754,326       | 664,165       | 345,718       |               |
| Income from lease of rd. and equip.....  | 59,010        | 528           | 22,832        | 60,775        | 103,199       | 105,014       | 120,311       | 121,871       |
| Miscellaneous rent income.....   | 329,559       | 355,944       | 374,961       | 351,520       | 376,528       | 403,144       | 420,101       | 361,958       |
| Miscellaneous nonoper. phys. prop.....   | 295,949       | 286,446       | 243,853       | 333,004       | 340,536       | 239,890       | 229,785       | 225,183       |
| Separately oper. prop.—Profit.....   |               |               |               |               |               |               |               |               |
| Dividend income.....   | 5,705,684     | 5,909,272     | 5,292,975     | 2,794,819     | 3,146,776     | 2,984,686     | 2,308,934     | 2,318,489     |
| Income from funded securities.....   | 252,155       | 275,497       | 140,496       | 87,514        | 85,471        | 73,787        | 65,951        | 95,653        |
| Inc. from unfunded sec. and acct.....  | 43,296        | 588,622       | 129,348       | 218,097       | 132,402       | 40,583        | 49,190        | 10,568        |
| Release of premiums on funded debt.....  |               | 7,394         | 20,951        | 6,293         |               |               |               |               |
| Miscellaneous income.....  | 87,423        | 86,199        | 87,920        | 358,152       | 122,017       | 81,609        | 86,260        | 84,417        |
| Total other income.....  | 6,773,076     | 7,734,085     | 6,674,691     | 5,047,063     | 5,061,255     | 4,592,878     | 3,626,250     | 3,218,139     |
| Total income.....  | 30,588,806    | 32,774,719    | 35,054,126    | 38,015,683    | 33,624,222    | 44,037,954    | 31,627,785    | 25,025,203    |
| <b>3. MISCELLANEOUS DEDUCT'NS FROM INC.</b>  |               |               |               |               |               |               |               |               |
| Expenses of miscellaneous oper.....  |               | 213,463       | 339,196       | 790,838       | 708,523       | 619,782       | 323,419       |               |
| Taxes on miscellaneous oper. prop.....   |               | 10,720        | 22,159        | 46,051        | 45,802        | 44,383        | 21,515        |               |
| Miscellaneous rents.....   | 50,303        | 85,713        | 75,117        | 80,861        | 75,515        | 75,619        | 74,801        | 77,301        |
| Miscellaneous tax accruals.....  | 194,636       | 167,133       | 156,557       | 157,912       | 231,247       | 180,889       | 125,439       | 96,031        |
| Separately operated prop.—Loss.....  | 107,956       | 85,514        | 79,810        | 157,584       | 226,514       | 85,135        | 114,431       | 158,143       |
| Miscellaneous income charges.....  | 41,706        | 85,887        | 287,425       | 466,193       | 239,901       | 267,129       | 267,101       | 273,406       |
| Total miscel. deductions.....  | 394,601       | 648,430       | 960,264       | 1,699,439     | 1,527,502     | 1,272,937     | 926,706       | 604,881       |
| Inc. available for fixed chgs.....   | 30,194,205    | 32,126,289    | 34,093,862    | 36,316,244    | 32,096,720    | 42,765,017    | 30,701,079    | 24,420,322    |
| <b>4. FIXED CHARGES.</b>   |               |               |               |               |               |               |               |               |
| Rent for leased roads and equip.....   | 81,647        | 51,028        | 58,513        | 28,771        | 19,970        | 19,794        | 24,889        | 24,928        |
| Interest on funded debt—fixed int.....   | 7,444,551     | 8,120,262     | 9,843,989     | 12,862,604    | 12,477,361    | 13,283,890    | 13,484,625    | 13,722,692    |
| Interest on unfunded debt.....   | 89,025        | 436,513       | 16,816        | 27,903        | 8,829         | 407,312       | 406,406       | 464,508       |
| Amort. of discount on funded debt.....   | 80,282        | 61,485        | 16,954        |               | 12            |               |               |               |
| Total fixed charges.....   | 7,695,505     | 8,669,288     | 9,936,272     | 12,919,278    | 12,506,172    | 13,710,996    | 13,915,920    | 14,212,128    |
| NET INCOME (or Deficit).....   | \$ 22,498,700 | \$ 23,457,001 | \$ 24,157,590 | \$ 23,396,966 | \$ 19,590,548 | \$ 29,054,021 | \$ 16,785,159 | \$ 10,208,194 |
| NO. OF TIMES FIXED CHGS. EARNED.....   | 3.92          | 3.71          | 3.43          | 2.81          | 2.57          | 3.12          | 2.21          | 1.72          |
| RATIO OF OPER. EXP. TO REVS.—%   | 74.1          | 77.5          | 79.7          | 63.9          | 61.2          | 56.5          | 62.6          | 64.8          |
| RATIO OF TRANSP. EXP. TO REVS.—%   | 35.9          | 36.6          | 30.4          | 27.1          | 24.8          | 25.2          | 27.9          | 29.5          |
| <b>5. DISPOSITION OF NET INCOME</b>  |               |               |               |               |               |               |               |               |
| Inc. appl. to sink. and other res. fds.....  | \$ 1,375,000  | \$ 1,375,000  | \$ 1,000,000  | \$ 250,000    | \$ 250,000    | \$ 250,000    | \$ 259,899    | \$ 263,063    |
| Dividend appropriations of income.....   |               |               |               |               |               |               |               |               |
| Inc. approp. for invt. in phys. prop.....  |               |               |               |               |               | 1,250         | 15,000        | 15,000        |
| Miscellaneous approp. of inc.....  |               |               | 9,279         | 4,109         | 26            | 372           |               |               |
| Total appropriations of inc.....   | 1,375,000     | 1,375,000     | 1,009,279     | 254,109       | 250,026       | 251,622       | 274,899       | 278,063       |
| Inc. bal. transf. to Prof. & Loss.....   | 21,123,700    | 22,082,001    | 23,148,311    | 23,142,857    | 19,340,522    | 28,802,399    | 16,510,260    | 9,930,131     |
| <b>6. PROFIT AND LOSS.</b>   |               |               |               |               |               |               |               |               |
| Profit and loss, January 1.....  | 124,407,792   | 118,589,203   | 114,094,613   | 106,516,915   | *115,503,414  | 115,401,668   | 105,857,099   | 106,281,950   |
| Add: Credits to profit and loss.....   | 21,465,697    | 23,666,009    | 23,264,489    | 23,393,891    | 19,686,665    | 29,277,842    | 17,219,055    | 10,584,143    |
| Deduct: Debits to profit and loss.....   | 10,396,873    | 17,847,420    | 18,769,899    | 15,816,193    | 28,673,164    | 27,907,767    | 7,674,486     | 11,008,994    |
| Profit and loss, December 31.....  | 135,476,616   | 124,407,792   | 118,589,203   | 114,094,613   | 106,516,915   | 116,771,743   | 115,401,668   | 105,857,099   |
| <b>7. DIVIDENDS DECLARED.</b>  |               |               |               |               |               |               |               |               |
| Aggregate net income of subsidiaries in which the Company holds directly or indirectly a majority of the outstanding capital stock, not included above: Net Income (or Deficit)..... | \$ 534,239    | \$ 142,793    | \$ 418,802    | \$ 792,722    | \$ 204,688    | \$ 539,443    | \$ 206,077    | \$ 155,180    |

\*Revised to conform with changes in Interstate Commerce Commission accounting classification.



# ANNUAL REPORT FOR 1947

## INCOME ACCOUNT—1932 to 1939

|   | 1939         | 1938         | 1937         | 1936         | 1935         | 1934         | 1933         | 1932         |
|---|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Average mileage of road operated.....   | 8,071.68     | 8,071.54     | 8,087.49     | 8,188.15     | 8,278.28     | 8,344.39     | 8,445.12     | 8,408.70     |
| <b>1. OPERATING INCOME.</b>   |              |              |              |              |              |              |              |              |
| RAILWAY OPERATING REVENUES  |              |              |              |              |              |              |              |              |
| Freight.....  | \$80,001,678 | \$68,544,001 | \$81,560,214 | \$77,150,514 | \$70,211,977 | \$60,348,273 | \$52,673,934 | \$45,960,600 |
| Passenger.....  | 4,350,621    | 4,544,458    | 5,081,691    | 4,977,601    | 4,416,108    | 4,220,571    | 3,759,187    | 3,941,659    |
| Mail.....   | 2,783,864    | 2,734,684    | 2,797,474    | 2,719,087    | 2,592,247    | 2,612,588    | 2,626,891    | 2,824,801    |
| Express.....  | 1,037,877    | 866,567      | 923,423      | 965,414      | 939,960      | 879,234      | 673,704      | 787,220      |
| Switching.....  | 631,451      | 580,821      | 710,286      | 636,179      | 506,098      | 460,974      | 415,670      | 431,817      |
| Other transportation.....   | 220,952      | 189,955      | 396,398      | 291,394      | 319,343      | 278,170      | 271,178      | 392,626      |
| Incidental.....   | 2,767,503    | 1,963,103    | 3,450,360    | 2,862,617    | 2,206,630    | 1,950,567    | 1,543,912    | 1,261,738    |
| Joint facility—net.....   | Dr.—10,573   | Dr.—208,058  | Cr.—22,446   | Cr.—22,299   | Dr.—3,505    | Cr.—2,500    | Dr.—40,585   | Dr.—51,215   |
| Total railway oper. revs....  | 91,783,373   | 79,215,531   | 94,942,292   | 89,625,105   | 81,188,858   | 70,752,877   | 61,923,891   | 55,549,246   |
| RAILWAY OPERATING EXPENSES  |              |              |              |              |              |              |              |              |
| Maintenance of way and struct....   | 11,259,128   | 8,652,584    | 10,247,812   | 8,660,007    | 6,994,058    | 8,368,883    | 5,335,607    | 7,771,028    |
| Maintenance of equipment.....   | 15,431,415   | 13,257,006   | 14,927,846   | 13,623,780   | 12,630,006   | 11,846,694   | 10,961,690   | 12,428,089   |
| Traffic.....  | 2,276,335    | 2,254,863    | 2,282,051    | 2,152,655    | 2,029,222    | 1,899,765    | 1,864,188    | 2,177,887    |
| Transportation—rail line.....   | 28,501,753   | 27,296,664   | 30,709,734   | 29,098,139   | 25,801,313   | 23,032,746   | 20,434,097   | 20,592,335   |
| Miscellaneous operations.....   | 859,003      | 867,528      | 921,402      | 844,366      | 753,248      | 740,835      | 563,524      | 627,974      |
| General.....  | 2,284,773    | 2,246,750    | 2,380,052    | 2,556,346    | 1,908,037    | 2,778,343    | 2,429,557    | 2,284,343    |
| Transportation for invest.—Cr..   | 149,737      | 58,287       | 91,174       | 54,571       | 54,670       | 57,086       | 43,439       | 225,984      |
| Total railway oper. exp....   | 60,462,670   | 54,517,108   | 61,377,723   | 56,880,722   | 50,061,214   | 48,610,180   | 41,545,224   | 45,655,672   |
| Net rev. from railway oper..  | 31,320,703   | 24,698,423   | 33,564,569   | 32,744,383   | 31,127,644   | 22,142,697   | 20,378,667   | 9,893,574    |
| RAILWAY TAX ACCRUALS  |              |              |              |              |              |              |              |              |
| U. S. income.....   | 1,869,999    | 68,672       | 206,462      | 430,862      | 350,000      | Cr.—411,947  | .....        | Cr.—1,072    |
| Payroll.....  | 1,623,625    | 987,427      | 772,483      | 1,295,887    | .....        | .....        | .....        | .....        |
| All other.....  | 6,627,845    | 7,308,135    | 7,446,218    | 6,115,777    | 5,866,821    | 6,593,058    | 6,660,944    | 6,698,496    |
| Total railway tax accruals...   | 10,121,469   | 8,364,234    | 8,425,163    | 7,842,526    | 6,216,821    | 6,181,111    | 6,660,944    | 6,697,424    |
| Uncollectible railway revenues.....   | .....        | .....        | .....        | .....        | 9,257        | 10,528       | 7,213        | 14,210       |
| Railway operating income...   | 21,199,234   | 16,334,189   | 25,139,406   | 24,901,857   | 24,901,566   | 15,951,058   | 13,710,510   | 3,181,940    |
| Equipment rents—Net debit.....  | 1,314,181    | 1,479,331    | 965,016      | 889,029      | 997,612      | 1,381,666    | 1,301,953    | 1,513,915    |
| Joint facility rent—Net debit.....  | 300,458      | 375,582      | 404,982      | 453,257      | 420,100      | 467,742      | 598,330      | 377,474      |
| NET RAILWAY OPER. INC. ....   | 19,584,595   | 14,479,276   | 23,769,408   | 23,559,571   | 23,483,854   | 14,101,650   | 11,810,227   | 1,290,551    |
| <b>2. OTHER INCOME.</b>   |              |              |              |              |              |              |              |              |
| Revs. from miscellaneous oper....   | .....        | .....        | .....        | .....        | .....        | .....        | .....        | .....        |
| Income from lease of rd. and equip.   | 138,374      | 142,530      | 142,677      | 133,414      | 313          | 3,940        | 313          | 777          |
| Miscellaneous rent income.....  | 333,822      | 324,081      | 327,800      | 401,134      | 388,691      | 477,269      | 574,603      | 650,235      |
| Miscellaneous nonoper. phys. prop.  | 215,477      | 209,488      | 168,097      | 176,668      | 177,606      | 174,425      | 159,323      | 165,315      |
| Separately oper. prop.—Profit.....  | .....        | .....        | 45,875       | .....        | 48,316       | .....        | 4,178        | .....        |
| Dividend income.....  | 2,645,934    | 2,205,150    | 1,982,889    | 3,882,151    | 1,954,999    | 2,922,223    | 3,349,378    | 3,047,899    |
| Income from funded securities.....  | 637,272      | 534,637      | 396,348      | 238,755      | 958,176      | 775,222      | 464,732      | 656,306      |
| Inc. from unfunded sec. and accts.  | 65,020       | 3,841        | 11,231       | 5,716        | 12,373       | 174,576      | 40,114       | 367,835      |
| Release of premiums on funded debt  | .....        | .....        | .....        | .....        | .....        | .....        | .....        | .....        |
| Miscellaneous income.....   | 91,749       | 154,987      | 165,465      | 211,331      | 275,835      | 310,523      | 294,531      | 207,725      |
| Total other income.....   | 4,127,648    | 3,574,714    | 3,240,382    | 5,049,169    | 3,816,309    | 4,838,178    | 4,887,172    | 5,096,092    |
| Total income.....   | 23,712,243   | 18,053,990   | 27,009,790   | 28,608,740   | 27,300,163   | 18,939,828   | 16,697,399   | 6,386,643    |
| <b>3. MISCELLANEOUS DEDUCT'NS FROM INC.</b>   |              |              |              |              |              |              |              |              |
| Expenses of miscellaneous oper....  | .....        | .....        | .....        | .....        | .....        | .....        | .....        | .....        |
| Taxes on miscellaneous oper. prop.  | .....        | .....        | .....        | .....        | .....        | .....        | .....        | .....        |
| Miscellaneous rents.....  | 74,731       | 75,331       | 75,050       | 75,172       | 77,304       | 79,978       | 58,898       | 7,972        |
| Miscellaneous tax accruals.....   | 82,751       | 70,836       | 68,019       | 74,050       | 70,124       | 71,018       | 70,298       | 93,461       |
| Separately operated prop.—Loss..  | 466,918      | 652,464      | 503,538      | 541,191      | 440,552      | 1,995        | 76,348       | 110,719      |
| Miscellaneous income charges.....   | 185,648      | 269,435      | 250,299      | 246,805      | 244,096      | 289,152      | 218,355      | 72,495       |
| Total miscel. deductions....  | 810,048      | 1,068,066    | 896,906      | 937,218      | 832,076      | 442,143      | 423,899      | 284,647      |
| Inc. available for fixed chgs.  | 22,902,195   | 16,985,924   | 26,112,884   | 27,671,522   | 26,468,087   | 18,497,685   | 16,273,500   | 6,101,996    |
| <b>4. FIXED CHARGES.</b>  |              |              |              |              |              |              |              |              |
| Rent for leased roads and equipt..  | 23,539       | 30,835       | 25,530       | 3,495        | 1,176        | 18,186       | 100          | Cr.—87       |
| Interest on funded debt—fixed int.  | 14,032,595   | 14,121,823   | 15,571,487   | 17,298,166   | 18,755,665   | 18,816,884   | 18,965,541   | 18,933,208   |
| Interest on unfunded debt.....  | 159,636      | 120,706      | 18,361       | 39,833       | 141,900      | 302,889      | 110,928      | 323,146      |
| Amort. of discount on funded debt.  | .....        | .....        | 407,586      | 426,042      | 429,486      | 434,206      | 384,691      | 251,168      |
| Total fixed charges.....  | 14,215,770   | 14,273,364   | 16,022,964   | 17,767,536   | 19,328,227   | 19,572,165   | 19,461,260   | 19,507,435   |
| NET INCOME (or Deficit).....  | \$ 8,686,425 | \$ 2,712,560 | \$10,089,920 | \$ 9,903,986 | \$ 7,139,860 | \$ 1,074,480 | \$ 3,187,760 | \$13,405,439 |
| NO. OF TIMES FIXED CHGS. EARNED   | 1.61         | 1.19         | 1.63         | 1.56         | 1.37         | .95          | .84          | .31          |
| RATIO OF OPER. EXP. TO REVS.—%  | 65.9         | 68.8         | 64.6         | 63.5         | 61.7         | 68.7         | 67.1         | 82.2         |
| RATIO OF TRANSP. EXP. TO REVS.—%  | 31.1         | 34.5         | 32.3         | 32.5         | 31.8         | 32.6         | 33.0         | 37.1         |
| <b>5. DISPOSITION OF NET INCOME.</b>  |              |              |              |              |              |              |              |              |
| Inc. appl. to sink. and other res. fds.   | \$ 263,000   | \$ 13,804    | \$ 15,067    | \$ 15,439    | \$ 14,993    | \$ 14,827    | \$ 14,270    | \$ 14,386    |
| Dividend appropriations of income   | .....        | .....        | 4,997,788    | .....        | .....        | .....        | .....        | .....        |
| Inc. approp. for invt. in phys. prop.   | 15,000       | 15,000       | 15,000       | 15,000       | 15,000       | 15,000       | .....        | .....        |
| Miscellaneous approp. of inc. ....  | .....        | .....        | .....        | .....        | .....        | .....        | 123,528      | 629,600      |
| Total appropriations of inc....   | 278,000      | 28,804       | 5,027,855    | 30,439       | 29,993       | 29,827       | 137,798      | 643,986      |
| Inc. bal. transf. to Prof. & Loss   | 8,408,425    | 2,683,756    | 5,062,065    | 9,873,547    | 7,109,867    | 1,104,307    | 3,325,558    | 14,049,425   |
| <b>6. PROFIT AND LOSS.</b>  |              |              |              |              |              |              |              |              |
| Profit and loss, January 1.....   | 98,853,566   | 90,835,358   | 106,586,171  | 102,731,957  | 102,202,449  | 104,655,903  | 109,307,501  | 120,551,319  |
| Add: Credits to profit and loss....   | 8,565,003    | 34,492,004   | 5,527,901    | 10,270,045   | 7,364,108    | 281,740      | 286,615      | 6,317,767    |
| Deduct: Debits to profit and loss..   | 1,136,619    | 26,473,796   | 21,278,714   | 6,415,831    | 6,834,600    | 2,735,194    | 4,938,213    | 17,561,585   |
| Profit and loss, December 31.....   | 106,281,950  | 98,853,566   | 90,835,358   | 106,586,171  | 102,731,957  | 102,202,449  | 104,655,903  | 109,307,501  |
| <b>7. DIVIDENDS DECLARED.</b>   |              |              |              |              |              |              |              |              |
| Aggregate net income of subsidiaries in which the Company holds directly or indirectly a majority of the outstanding capital stock, not included above: Net Income (or Deficit) | \$ 2,110     | \$ 411,932   | \$ 420,633   | \$ 237,140   | \$ 64,460    | \$ 561,618   | \$ 16,911    | \$ 603,566   |



# GREAT NORTHERN RAILWAY COMPANY

## GENERAL BALANCE SHEET—ASSETS DECEMBER 31, 1947 AND 1946

| ASSETS   | December 31,<br>1947 | December 31,<br>1946 | INCREASE      | DECREASE  |
|--|----------------------|----------------------|---------------|-----------|
| <b>INVESTMENTS</b>   |                      |                      |               |           |
| Road and equipment property  |                      |                      |               |           |
| Road.....  | \$470,166,507        | \$467,890,631        | \$ 2,275,876  |           |
| Equipment.....   | 182,367,974          | 172,396,858          | 9,971,116     |           |
| General expenditures.....  | 6,901,345            | 3,695,818            | 3,205,527     |           |
| Total.....   | 659,435,826          | 643,983,307          | 15,452,519    |           |
| Improvements on leased property.....   | 454,608              | 455,178              |               | \$ 570    |
| Acquisition adjustment—Cr.....   | 6,212,305            | 6,212,305            |               |           |
| Donations and grants—Cr.....   | 3,826,520            | 3,803,213            | 23,307        |           |
| Total investment in transportation property.....                                       | 649,851,609          | 634,422,967          | 15,428,642    |           |
| Accrued depreciation—Road—Cr.....  | 17,807,367           | 15,082,450           | 2,724,917     |           |
| Accrued depreciation—Equipment—Cr.....   | 74,643,103           | 73,954,102           | 689,001       |           |
| Accrued amortization of defense projects—Road—Cr.....                                  | 7,059,742            | 7,030,135            | 29,607        |           |
| Accrued amortization of defense projects—Equipment—Cr.....                             | 46,304,645           | 45,489,819           | 814,826       |           |
| Investment in transportation property less recorded depreciation and amortization..... | 504,036,752          | 492,866,461          | 11,170,291    |           |
| Capital and other reserve funds.....   | 12,523               | 1,680,312            |               | 1,667,789 |
| Miscellaneous physical property.....   | 13,451,389           | 13,360,273           | 91,116        |           |
| Accrued depreciation—Miscellaneous physical property—Cr.....                           | 227,741              | 227,741              |               |           |
| Miscellaneous physical property less recorded depreciation.....                        | 13,223,648           | 13,132,532           | 91,116        |           |
| Investments in affiliated companies (Page 30):   |                      |                      |               |           |
| Stocks.....  | 141,389,477          | 140,993,762          | 395,715       |           |
| Bonds.....   | 26,508,601           | 26,508,601           |               |           |
| All other.....   | 4,584,727            | 5,249,727            |               | 665,000   |
| Total.....   | 172,482,805          | 172,752,090          |               | 269,285   |
| Other investments (Page 30):   |                      |                      |               |           |
| Stocks.....  | 2,297,743            | 2,316,878            |               | 19,135    |
| Bonds.....   | 548,000              | 548,000              |               |           |
| All other.....   | 3,925,961            | 4,041,612            |               | 115,651   |
| Total.....   | 6,771,704            | 6,906,490            |               | 134,786   |
| Deduct—Reserve for adjustment of investment in securities....                          | 6,374,482            | 6,385,042            |               | 10,560    |
| Total investments.....   | 690,152,950          | 680,952,843          | 9,200,107     |           |
| <b>CURRENT ASSETS</b>  |                      |                      |               |           |
| Cash.....  | 38,622,824           | 34,301,152           | 4,321,672     |           |
| Temporary cash investments and special deposits.....                                   | 13,673,486           | 10,558,454           | 3,115,032     |           |
| Loans and bills receivable.....  | 182,667              | 145,700              | 36,967        |           |
| Traffic and car-service balances—Dr.....   | 38,939               |                      | 38,939        |           |
| Net balance receivable from agents and conductors.....                                 | 1,957,989            | 1,808,096            | 149,893       |           |
| Miscellaneous accounts receivable.....   | 10,531,501           | 11,211,705           |               | 680,204   |
| Material and supplies.....   | 25,181,483           | 20,911,622           | 4,269,861     |           |
| Interest and dividends receivable.....   | 59,939               | 22,491               | 37,448        |           |
| Accrued accounts receivable.....   | 3,529,451            | 2,386,283            | 1,143,168     |           |
| Other current assets.....  | 144,907              | 320,595              |               | 175,688   |
| Total current assets.....  | 93,923,186           | 81,666,098           | 12,257,088    |           |
| <b>DEFERRED ASSETS</b>   |                      |                      |               |           |
| Working fund advances.....   | 49,432               | 46,698               | 2,734         |           |
| Other deferred assets.....   | 896,930              | 631,226              | 265,704       |           |
| Total deferred assets.....   | 946,362              | 677,924              | 268,438       |           |
| <b>UNADJUSTED DEBITS</b>   |                      |                      |               |           |
| Prepayments.....   | 229,183              | 241,757              |               | 12,574    |
| Discount on funded debt.....   | 2,947,041            | 2,906,653            | 40,388        |           |
| Other unadjusted debits.....   | 3,860,630            | 3,954,653            |               | 94,023    |
| Total unadjusted debits.....   | 7,036,854            | 7,103,063            |               | 66,209    |
| Grand total.....   | \$792,059,352        | \$770,399,928        | \$ 21,659,424 |           |



# ANNUAL REPORT FOR 1947

## GENERAL BALANCE SHEET—LIABILITIES DECEMBER 31, 1947 AND 1946

| LIABILITIES  | December 31,<br>1947 | December 31,<br>1946 | INCREASE     | DECREASE     |
|--|----------------------|----------------------|--------------|--------------|
| <b>STOCK</b>   |                      |                      |              |              |
| Capital stock—Book liability.....                          | \$274,028,150        | \$274,028,150        |              |              |
| Less—Held by or for the Company.....                       | 1,189,600            | 1,189,600            |              |              |
| Total stock.....   | 272,838,550          | 272,838,550          |              |              |
| <b>LONG TERM DEBT</b>                                      | Dec. 31, 1947        | Dec. 31, 1946        |              |              |
| Funded debt unmatured.....                                 | \$286,034,821        | \$287,802,276        |              |              |
| Less—Held by or for the Company.....                       | 50,474,000           | 50,474,000           |              |              |
| Actually outstanding.....                                  | \$235,560,821        | \$237,328,276        |              |              |
| Great Northern Railway Company—                            |                      |                      |              |              |
| General Mortgage Gold Bonds                                |                      |                      |              |              |
| Series B, 5½%, January 1, 1952.....                        | 12,084,900           | 14,599,400           |              | \$ 2,514,500 |
| Series C, 5%, January 1, 1973.....                         | 14,154,900           | 14,154,900           |              |              |
| Series D, 4½%, July 1, 1976.....                           | 14,508,000           | 14,508,000           |              |              |
| Series E, 4½%, July 1, 1977.....                           |                      | 1,551,000            |              | 1,551,000    |
| Series N, 3½%, January 1, 1990.....                        | 37,500,000           | 37,500,000           |              |              |
| Series O, 3½%, January 1, 2000.....                        | 37,500,000           | 37,500,000           |              |              |
| Series P, 2¾%, January 1, 1982.....                        | 40,000,000           | 40,000,000           |              |              |
| Series Q, 2½%, January 1, 2010.....                        | 35,000,000           | 35,000,000           |              |              |
| Series R, 2¼%, January 1, 1961.....                        | 25,000,000           | 25,000,000           |              |              |
| Equipment Obligations                                      |                      |                      |              |              |
| Equipment Trust—Series E, 2% serially to Mar. 1, 1947..... |                      | 465,000              |              | 465,000      |
| Notes evidencing conditional sale contracts (Page 36)....  | 19,813,021           | 17,049,976           | \$ 2,763,045 |              |
| Total funded debt outstanding.....                         | 235,560,821          | 237,328,276          |              | 1,767,455    |
| Amounts payable to affiliated companies.....               |                      | 14,008               |              | 14,008       |
| Total long-term debt.....                                  | 235,560,821          | 237,342,284          |              | 1,781,463    |
| Total capital liabilities.....                             | 508,399,371          | 510,180,834          |              | 1,781,463    |
| <b>CURRENT LIABILITIES</b>                                 |                      |                      |              |              |
| Traffic and car-service balances—Cr.....                   |                      | 395,373              |              | 395,373      |
| Audited accounts and wages payable.....                    | 11,405,386           | 11,348,474           | 56,912       |              |
| Miscellaneous accounts payable.....                        | 13,990,700           | 9,962,003            | 4,028,697    |              |
| Interest matured unpaid.....                               | 3,547,199            | 3,679,251            |              | 132,052      |
| Dividends matured unpaid.....                              | 288,836              | 241,644              | 47,192       |              |
| Unmatured interest accrued.....                            | 16,172               | 19,471               |              | 3,299        |
| Accrued accounts payable.....                              | 2,184,711            | 1,879,470            | 305,241      |              |
| Taxes accrued.....   | 22,354,560           | 11,556,477           | 10,798,083   |              |
| Other current liabilities.....                             | 1,334,219            | 1,286,910            | 47,309       |              |
| Total current liabilities.....                             | 55,121,783           | 40,369,073           | 14,752,710   |              |
| <b>DEFERRED LIABILITIES</b>                                |                      |                      |              |              |
| Other deferred liabilities.....                            | 333,558              | 315,253              | 18,305       |              |
| <b>UNADJUSTED CREDITS</b>                                  |                      |                      |              |              |
| Insurance reserves.....                                    | 4,886                | 7,550                |              | 2,664        |
| Other unadjusted credits.....                              | 2,748,154            | 6,765,266            |              | 4,017,112    |
| Accrued depreciation—Leased property.....                  | 42,736               | 32,520               | 10,216       |              |
| Total unadjusted credits.....                              | 2,795,776            | 6,805,336            |              | 4,009,560    |
| <b>SURPLUS</b>   |                      |                      |              |              |
| Unearned surplus.....                                      | 1,405,180            | 1,402,176            | 3,004        |              |
| Earned surplus—Appropriated.....                           | 88,527,068           | 86,919,464           | 1,607,604    |              |
| *Earned surplus—Unappropriated—Credit balance (Page 26)... | 135,476,616          | 124,407,792          | 11,068,824   |              |
| Total surplus.....   | 225,408,864          | 212,729,432          | 12,679,432   |              |
| Grand total.....   | \$792,059,352        | \$770,399,928        | \$21,659,424 |              |

\*Does not include aggregate net profit and loss credits to December 31, 1947, amounting to \$1,279,979 of subsidiaries in which this Company holds directly or indirectly a majority of the outstanding capital stock.

### CONTINGENT LIABILITY

The St. Paul Union Depot Company First and Refunding Mortgage Gold Bonds, Series B, 3½%, due October 1, 1971...\$14,017,000



# GREAT NORTHERN RAILWAY COMPANY

## EARNED SURPLUS ACCOUNT—DECEMBER 31, 1947

|   |               |               |               |
|---|---------------|---------------|---------------|
| CREDITS   |               |               |               |
| Credit balance December 31, 1946.....                             |               |               | \$124,407,792 |
| Credit balance transferred from income.....                       | \$ 21,123,700 |               |               |
| Miscellaneous credits.....  | 341,997       | \$ 21,465,697 |               |
| DEBITS  |               |               |               |
| Surplus applied to sinking and other reserve funds.....           | 232,604       |               |               |
| Dividend appropriations of surplus.....                           | 9,277,647     |               |               |
| Premium and expenses paid on funded debt retired during year..... | 471,216       |               |               |
| Miscellaneous debits.....   | 415,406       | 10,396,873    |               |
| *Net credit for year 1947.....                                    |               |               | 11,068,824    |
| Credit balance, December 31, 1947, carried to balance sheet.....  |               |               | \$135,476,616 |

\*Does not include net profit and loss credit for the year 1947 amounting to \$490,786 of subsidiaries in which this Company holds directly or indirectly a majority of the outstanding capital stock.

## ROAD AND EQUIPMENT PROPERTY—1947 (INCLUDING IMPROVEMENTS ON LEASED PROPERTY)

| ACCOUNT                             | CASH<br>EXPENDI-<br>TURES FOR<br>NEW<br>PROPERTY | NET<br>INCREASE IN<br>INVESTMENT<br>ACCOUNT<br>(AFTER<br>DEDUCTING<br>COST OF<br>PROPERTY<br>RETIRED) | ACCOUNT   | CASH<br>EXPENDI-<br>TURES FOR<br>NEW<br>PROPERTY | NET<br>INCREASE IN<br>INVESTMENT<br>ACCOUNT<br>(AFTER<br>DEDUCTING<br>COST OF<br>PROPERTY<br>RETIRED) |
|-------------------------------------|--|---|---|--|---|
| Engineering.....                    | \$ 73,821  | \$ 57,815   | Shop machinery.....   | \$ 534,696                                       | \$ 476,558  |
| Land for transportation purposes..  | 95,736   | Cr.— 5,993  | Power plant machinery.....                                    | 63,687   | 47,313  |
| Other right-of-way expenditures...  | 505  | Cr.— 579  | Total expenditures for road.....                              | 6,475,666  | 5,484,117   |
| Grading.....                        | 651,107  | 580,917   | Steam locomotives.....  | 409,271  | Cr.1,581,304  |
| Tunnels and subways.....            | 6,780  | 6,780   | Other locomotives.....  | 8,109,747  | 8,109,747   |
| Bridges, trestles and culverts..... | 526,958  | 316,532   | Freight-train cars.....                                       | 2,262,973  | 61,392  |
| Ties.....                           | 223,813  | 204,032   | Passenger-train cars.....                                     | 2,613,139  | 2,445,573   |
| Rails.....                          | 341,362  | 315,497   | Work equipment.....   | 672,973  | 593,978   |
| Other track material.....           | 781,468  | 752,274   | Miscellaneous equipment.....                                  | 416,148  | 341,730   |
| Ballast.....                        | 134,843  | 125,887   | Total expenditures for equipment..                            | 14,484,251                                       | 9,971,116   |
| Track laying and surfacing.....     | 278,952  | 253,794   |   |  |   |
| Fences, snow sheds, and signs.....  | 199  | Cr.— 22,663   | General officers and clerks.....                              |  | Cr.— 88   |
| Station and office buildings.....   | 711,499  | 620,107   | Law.....  |  | Cr.— 90   |
| Roadway buildings.....              | 46,564   | 42,106  | Stationery and printing.....                                  |  | Cr.— 6  |
| Water stations.....                 | 108,380  | 47,722  | Taxes.....  |  | Cr.— 32   |
| Fuel stations.....                  | 95,159   | 75,343  | Interest during construction.....                             |  | Cr.— 3,014  |
| Shops and engine houses.....        | 506,756  | 435,982   | Other expenditures—General.....                               |  | Cr.— 54   |
| Wharves and docks.....              | 8,719  | 8,719   | Total general expenditures.....                               |  | Cr.— 3,284  |
| Coal and ore wharves.....           | Cr.— 13,404                                      | Cr.— 29,976   |   |  |   |
| Telegraph and telephone lines.....  | 83,074   | 74,283  | Grand total including improvements<br>on leased property..... | \$20,959,917                                     | \$15,451,949  |
| Signals and interlockers.....       | 781,146  | 755,152   |   |  |   |
| Power plants.....                   | 2,243  | 2,345   |   |  |   |
| Power transmission systems.....     | 23,000   | 12,541  |   |  |   |
| Miscellaneous structures.....       | 39,724   | 39,395  |   |  |   |
| Roadway machines.....               | 315,575  | 245,422   |   |  |   |
| Public improvements—Construction.   | 53,304   | 46,812  |   |  |   |

Note: Excludes \$50,274,264 carried as unassigned investment as of valuation dates, which amount was distributed to primary accounts in 1947.



# ANNUAL REPORT FOR 1947

## OPERATING REVENUES 1947 AND 1946

| ACCOUNT                                      | 1947          | 1946          | (I—INCREASE)<br>(D—DECREASE) |          |
|--|---------------|---------------|------------------------------|----------|
|  |               |               | AMOUNT                       | PERCENT  |
| Freight.....                                 | \$164,906,331 | \$137,660,549 | I— \$ 27,245,782             | I— 19.8  |
| Passenger.....                               | 13,089,446    | 15,985,382    | D— 2,895,936                 | D— 18.1  |
| Baggage.....                                 | 64,167        | 54,735        | I— 9,432                     | I— 17.2  |
| Parlor and chair car.....                    | 58,993        | 60,476        | D— 1,483                     | D— 2.5   |
| Mail.....                                    | 5,515,840*    | 3,981,226     | I— 1,534,614                 | I— 38.5  |
| Express.....                                 | 2,711,064     | 3,018,796     | D— 307,732                   | D— 10.2  |
| Other passenger-train.....                   | 46,107        | 116,767       | D— 70,660                    | D— 60.5  |
| Milk.....                                    | 201,244       | 246,092       | D— 44,848                    | D— 18.2  |
| Switching.....                               | 1,372,197     | 1,249,383     | I— 122,814                   | I— 9.8   |
| Total rail-line transportation revenue.....  | 187,965,389   | 162,373,406   | I— 25,591,983                | I— 15.8  |
| Dining and buffet.....                       | 1,771,139     | 1,659,579     | I— 111,560                   | I— 6.7   |
| Hotel and restaurant.....                    | 195,783       | 226,104       | D— 30,321                    | D— 13.4  |
| Station, train and boat privileges.....      | 46,823        | 55,439        | D— 8,616                     | D— 15.5  |
| Parcel room.....                             | 14,263        | 16,919        | D— 2,656                     | D— 15.7  |
| Storage—Freight.....                         | 29,754        | 12,695        | I— 17,059                    | I— 134.4 |
| Storage—Baggage.....                         | 15,432        | 16,757        | D— 1,325                     | D— 7.9   |
| Demurrage.....                               | 326,071       | 257,146       | I— 68,925                    | I— 26.8  |
| Telegraph and telephone.....                 | 198,434       | 183,595       | I— 14,839                    | I— 8.1   |
| Rents of buildings and other property.....   | 241,108       | 301,637       | D— 60,529                    | D— 20.1  |
| Miscellaneous.....                           | 3,006,947     | 2,330,569     | I— 676,378                   | I— 29.0  |
| Total incidental operating revenues.....     | 5,845,754     | 5,060,440     | I— 785,314                   | I— 15.5  |
| Joint facility—Cr.....                       | 332,534       | 391,734       | D— 59,200                    | D— 15.1  |
| Joint facility—Dr.....                       | 391,826       | 457,095       | D— 65,269                    | D— 14.3  |
| Total joint facility operating revenues..... | Dr. 59,292    | Dr. 65,361    | D— 6,069                     | D— 9.3   |
| Total railway operating revenues.....        | \$193,751,851 | \$167,368,485 | I— \$ 26,383,366             | I— 15.8  |

\*Includes \$981,000 for 25% increase in mail pay, from February 19, 1947 to December 31, 1947—I. C. C. order December 4, 1947.

## FREIGHT REVENUE BY COMMODITY GROUPS 1947 AND 1946

| COMMODITY                             | 1947          |                        | 1946          |                        | (I—INCREASE)<br>(D—DECREASE) |         |
|---------------------------------------|---------------|------------------------|---------------|------------------------|------------------------------|---------|
|                                       | REVENUE       | PERCENT<br>OF<br>TOTAL | REVENUE       | PERCENT<br>OF<br>TOTAL | AMOUNT                       | PERCENT |
| Products of Agriculture.....          | \$ 49,132,822 | 29.8                   | \$ 41,618,725 | 30.2                   | I—\$ 7,514,097               | I— 18.1 |
| Animals and Products.....             | 4,871,650     | 2.9                    | 5,166,906     | 3.8                    | D— 295,256                   | D— 5.7  |
| Products of Mines.....                | 32,751,985    | 19.9                   | 23,522,518    | 17.1                   | I— 9,229,467                 | I— 39.2 |
| Products of Forests.....              | 21,215,262    | 12.9                   | 16,702,213    | 12.1                   | I— 4,513,049                 | I— 27.0 |
| Manufactures and Miscellaneous.....   | 49,556,577    | 30.0                   | 44,548,273    | 32.4                   | I— 5,008,304                 | I— 11.2 |
| Merchandise—All L. C. L. Freight..... | 7,378,035     | 4.5                    | 6,101,914     | 4.4                    | I— 1,276,121                 | I— 20.9 |
| Total.....                            | \$164,906,331 | 100.0                  | \$137,660,549 | 100.0                  | I—\$27,245,782               | I— 19.8 |



# GREAT NORTHERN RAILWAY COMPANY

## OPERATING EXPENSES, 1947 AND 1946

| ACCOUNT   | 1947        | 1946        | INCREASE   | DECREASE   |
|---|-------------|-------------|------------|------------|
| <b>MAINTENANCE OF WAY AND STRUCTURES</b>                      |             |             |            |            |
| Superintendence.....  | \$1,757,050 | \$1,679,137 | \$ 77,913  |            |
| Roadway maintenance.....                                      | 2,099,243   | 1,805,335   | 293,908    |            |
| Tunnels and subways.....                                      | 35,263      | 400,794     |            | \$ 365,531 |
| Bridges, trestles, and culverts.....                          | 1,296,265   | 1,244,538   | 51,727     |            |
| Ties.....   | 2,872,848   | 1,969,416   | 903,432    |            |
| Rails.....  | 785,232     | 839,606     |            | 54,374     |
| Other track material.....                                     | 1,049,635   | 947,219     | 102,416    |            |
| Ballast.....  | 433,841     | 125,756     | 308,085    |            |
| Track laying and surfacing.....                               | 10,741,844  | 9,190,798   | 1,551,046  |            |
| Fences, snow sheds, and signs.....                            | 288,660     | 308,414     |            | 19,754     |
| Station and office buildings.....                             | 941,726     | 784,107     | 157,619    |            |
| Roadway buildings.....  | 119,451     | 115,664     | 3,787      |            |
| Water stations.....   | 239,419     | 207,302     | 32,117     |            |
| Fuel Stations.....  | 79,890      | 74,125      | 5,765      |            |
| Shops and engine houses.....                                  | 826,584     | 856,238     |            | 29,654     |
| Wharves and docks.....  | 82,795      | 121,716     |            | 38,921     |
| Coal and ore wharves.....                                     | 198,066     | 377,594     |            | 179,528    |
| Telegraph and telephone lines.....                            | 581,634     | 602,132     |            | 20,498     |
| Signals and interlockers.....                                 | 1,115,851   | 990,931     | 124,920    |            |
| Power plants.....   | 22,923      | 21,154      | 1,769      |            |
| Power-transmission systems.....                               | 82,783      | 68,342      | 14,441     |            |
| Miscellaneous structures.....                                 | 17,215      | 8,261       | 8,954      |            |
| Roadway machines.....   | 584,997     | 532,377     | 52,620     |            |
| Dismantling retired road property.....                        | 72,179      | 142,964     |            | 70,785     |
| Small tools and supplies.....                                 | 486,282     | 347,220     | 139,062    |            |
| Removing snow, ice, and sand.....                             | 1,040,641   | 1,059,313   |            | 18,672     |
| Public improvements—Maintenance.....                          | 272,600     | 300,697     |            | 28,097     |
| Injuries to persons.....                                      | 152,734     | 193,116     |            | 40,382     |
| Insurance.....  | 81,573      | 77,543      | 4,030      |            |
| Stationery and printing.....                                  | 27,891      | 21,733      | 6,158      |            |
| Other expenses.....   | 25,650      | 29,178      |            | 3,528      |
| Right-of-way expenses.....                                    | 14,849      | 11,409      | 3,440      |            |
| Maintaining joint tracks, yards, and other facilities—Dr..... | 1,066,027   | 957,424     | 108,603    |            |
| Maintaining joint tracks, yards, and other facilities—Cr..... | 620,068     | 536,542     | 83,526     |            |
| Sub-total.....  | 28,873,573  | 25,875,011  | 2,998,562  |            |
| Road property—Depreciation.....                               | 3,060,981   | 3,003,039   | 57,942     |            |
| Retirements—Road.....   | 126,425     | 184,742     |            | 58,317     |
| Road—Amortization of defense projects.....                    | 32,821      | 14,232      | 18,589     |            |
| Total Depreciation, Retirements and Amortization.....         | 3,220,227   | 3,202,013   | 18,214     |            |
| Total Maintenance of Way and Structures.....                  | 32,093,800  | 29,077,024  | 3,016,776  |            |
| <b>MAINTENANCE OF EQUIPMENT</b>                               |             |             |            |            |
| Superintendence.....  | 960,645     | 879,306     | 81,339     |            |
| Shop machinery.....   | 561,896     | 507,877     | 54,019     |            |
| Power-plant machinery.....                                    | 138,418     | 100,177     | 38,241     |            |
| Dismantling retired shop and power-plant machinery.....       | 2,753       | 2,120       | 633        |            |
| Steam locomotives—Repairs.....                                | 10,037,185  | 9,847,931   | 189,254    |            |
| Other locomotives—Repairs.....                                | 2,181,476   | 1,978,268   | 203,208    |            |
| Freight-train cars—Repairs.....                               | 7,708,261   | 8,005,487   |            | 297,226    |
| Passenger-train cars—Repairs.....                             | 2,982,693   | 2,529,766   | 452,927    |            |
| Work equipment—Repairs.....                                   | 779,823     | 652,757     | 127,066    |            |
| Miscellaneous equipment—Repairs.....                          | 194,871     | 178,315     | 16,556     |            |
| Dismantling retired equipment.....                            | 45,256      | 29,228      | 16,028     |            |
| Injuries to persons.....                                      | 107,745     | 128,302     |            | 20,557     |
| Insurance.....  | 162,715     | 126,337     | 36,378     |            |
| Stationery and printing.....                                  | 18,929      | 18,114      | 815        |            |
| Other expenses.....   | 66,848      | 80,219      |            | 13,371     |
| Joint maintenance of equipment expenses—Dr.....               | 180,469     | 211,553     |            | 31,084     |
| Joint maintenance of equipment expenses—Cr.....               | 98,059      | 100,846     |            | 2,787      |
| Sub-total.....  | 26,031,924  | 25,174,911  | 857,013    |            |
| Equipment, Shop and Power-Plant Machinery—Depr.....           | 4,338,252   | 4,200,271   | 137,981    |            |
| Retirements—Equipment—Cr.....                                 | 16,655      | 23,336      |            | 6,681      |
| Equipment—Amortization of defense projects.....               | 843,142     | 338,529     | 504,613    |            |
| Total Depreciation, Retirements and Amortization.....         | 5,164,739   | 4,515,464   | 649,275    |            |
| Total Maintenance of Equipment.....                           | 31,196,663  | 29,690,375  | 1,506,288  |            |
| <b>TRAFFIC</b>  |             |             |            |            |
| Superintendence.....  | 817,747     | 774,485     | 43,262     |            |
| Outside agencies.....   | 1,784,227   | 1,657,093   | 127,134    |            |
| Advertising.....  | 783,298     | 780,690     | 2,608      |            |
| Traffic associations.....                                     | 63,455      | 53,396      | 10,059     |            |
| Industrial and immigration bureaus.....                       | 129,598     | 131,600     |            | 2,002      |
| Insurance.....  | 2,000       | 1,544       | 456        |            |
| Stationery and printing.....                                  | 148,865     | 142,671     | 6,194      |            |
| Other expenses.....   | 31          | 59          |            | 28         |
| Total Traffic Expenses.....                                   | \$3,729,221 | \$3,541,538 | \$ 187,683 |            |



# ANNUAL REPORT FOR 1947

## OPERATING EXPENSES, 1947 AND 1946

| ACCOUNT   | 1947          | 1946          | INCREASE      | DECREASE  |
|---|---------------|---------------|---------------|-----------|
| <b>TRANSPORTATION—RAIL LINE</b>                     |               |               |               |           |
| Superintendence.....                                | \$1,429,230   | \$ 1,349,038  | \$ 80,192     |           |
| Dispatching trains.....                             | 809,050       | 778,885       | 30,165        |           |
| Station employees.....                              | 10,590,724    | 9,858,290     | 732,434       |           |
| Weighing, inspection and demurrage bureaus.....     | 117,016       | 106,312       | 10,704        |           |
| Coal and ore wharves.....                           | 918,257       | 657,566       | 260,691       |           |
| Station supplies and expenses.....                  | 651,351       | 553,603       | 97,748        |           |
| Yardmasters and yard clerks.....                    | 1,931,881     | 1,805,623     | 126,258       |           |
| Yard conductors and brakemen.....                   | 4,433,932     | 4,290,804     | 143,128       |           |
| Yard switch and signal tenders.....                 | 206,547       | 184,312       | 22,235        |           |
| Yard enginemen.....                                 | 1,403,074     | 1,466,402     |               | \$ 63,328 |
| Yard motormen.....                                  | 1,404,075     | 1,174,742     | 229,333       |           |
| Yard switching fuel.....                            | 1,850,488     | 1,532,313     | 318,175       |           |
| Water for yard locomotives.....                     | 66,450        | 67,947        |               | 1,497     |
| Lubricants for yard locomotives.....                | 65,109        | 55,415        | 9,694         |           |
| Other supplies for yard locomotives.....            | 70,373        | 59,376        | 10,997        |           |
| Engine-house expenses—Yard.....                     | 1,085,003     | 988,384       | 96,619        |           |
| Yard supplies and expenses.....                     | 87,404        | 75,215        | 12,189        |           |
| Train enginemen.....                                | 4,810,899     | 4,705,498     | 105,401       |           |
| Train motormen.....                                 | 1,881,344     | 1,669,148     | 212,196       |           |
| Train fuel.....                                     | 11,625,757    | 8,455,663     | 3,170,094     |           |
| Train power produced.....                           | 27,563        | 25,104        | 2,459         |           |
| Train power purchased.....                          | 265,014       | 280,666       |               | 15,652    |
| Water for train locomotives.....                    | 698,098       | 590,364       | 107,734       |           |
| Lubricants for train locomotives.....               | 429,331       | 394,465       | 34,866        |           |
| Other supplies for train locomotives.....           | 151,930       | 125,527       | 26,403        |           |
| Engine-house expenses—Train.....                    | 2,644,481     | 2,432,694     | 211,787       |           |
| Trainmen.....                                       | 9,028,918     | 8,532,539     | 496,379       |           |
| Train supplies and expenses.....                    | 4,676,091     | 4,040,038     | 636,053       |           |
| Signal and interlocker operation.....               | 489,188       | 440,906       | 48,282        |           |
| Crossing protection.....                            | 143,320       | 124,287       | 19,033        |           |
| Drawbridge operation.....                           | 22,649        | 21,920        | 729           |           |
| Telegraph and telephone operation.....              | 605,078       | 589,330       | 15,748        |           |
| Stationery and printing.....                        | 245,959       | 186,362       | 59,597        |           |
| Other expenses.....                                 | 278,859       | 184,761       | 94,098        |           |
| Insurance.....                                      | 147,276       | 130,814       | 16,462        |           |
| Clearing wrecks.....                                | 307,002       | 211,300       | 95,702        |           |
| Damage to property.....                             | 70,860        | 45,571        | 25,289        |           |
| Damage to livestock on right-of-way.....            | 63,271        | 69,486        |               | 6,215     |
| Loss and damage—Freight.....                        | 2,466,248     | 1,481,854     | 984,394       |           |
| Loss and damage—Baggage.....                        | 3,889         | 5,199         |               | 1,310     |
| Injuries to persons.....                            | 713,727       | 965,091       |               | 251,364   |
| Operating joint yards and terminals—Dr.....         | 2,006,024     | 1,837,136     | 168,888       |           |
| Operating joint yards and terminals—Cr.....         | 1,487,638     | 1,365,236     | 122,402       |           |
| Operating joint tracks and facilities—Dr.....       | 356,857       | 372,456       |               | 15,599    |
| Operating joint tracks and facilities—Cr.....       | 241,695       | 235,977       | 5,718         |           |
| Total transportation—rail line.....                 | 69,550,264    | 61,321,193    | 8,229,071     |           |
| <b>MISCELLANEOUS OPERATIONS</b>                     |               |               |               |           |
| Dining and buffet service.....                      | 2,554,745     | 2,142,162     | 412,583       |           |
| Hotels and restaurants.....                         | 180,537       | 200,266       |               | 19,729    |
| Other miscellaneous operations.....                 | 10,531        | 10,029        | 502           |           |
| Total miscellaneous operations.....                 | 2,745,813     | 2,352,457     | 393,356       |           |
| <b>GENERAL</b>                                      |               |               |               |           |
| Salaries and expenses of general officers.....      | 406,777       | 382,696       | 24,081        |           |
| Salaries and expenses of clerks and attendants..... | 2,607,167     | 2,405,047     | 202,120       |           |
| General office supplies and expenses.....           | 151,435       | 192,646       |               | 41,211    |
| Law expenses.....                                   | 337,462       | 325,736       | 11,726        |           |
| Insurance.....                                      | 4,210         | 3,495         | 715           |           |
| Pensions.....                                       | 216,716       | 109,653       | 107,063       |           |
| Stationery and printing.....                        | 202,002       | 133,120       | 68,882        |           |
| Valuation expenses.....                             | 8,213         | 11,387        |               | 3,174     |
| Other expenses.....                                 | 204,497       | 176,811       | 27,686        |           |
| General joint facilities—Dr.....                    | 49,765        | 48,335        | 1,430         |           |
| General joint facilities—Cr.....                    | 15,010        | 13,667        | 1,343         |           |
| Total general expenses.....                         | 4,173,234     | 3,775,259     | 397,975       |           |
| Grand total railway operating expenses.....         | \$143,488,995 | \$129,757,846 | \$ 13,731,149 |           |



# GREAT NORTHERN RAILWAY COMPANY

## INVESTMENTS IN SECURITIES

(BOOK VALUE—COST TO GREAT NORTHERN RAILWAY COMPANY)

DECEMBER 31, 1947

| TITLE OF SECURITY  | STOCKS                             |                |               |              | BONDS        | NOTES,<br>ADVANCES,<br>AND MISCEL-<br>LANEOUS | TOTAL<br>BOOK VALUE | DIVIDENDS<br>OR<br>INTEREST<br>RECEIVED |
|--|------------------------------------|----------------|---------------|--------------|--------------|---|---------------------|---|
|  | EXTENT<br>OF STOCK<br>CONTROL<br>% | *PAR VALUE     | BOOK VALUE    |              |              |   |                     |   |
|  |                                    |                | PLEDGED       | UNPLEDGED    |              |   |                     |   |
| INVESTMENTS IN AFFILIATED COMPANIES                              |                                    |                |               |              |              |   |                     |   |
| Chicago, Burlington & Quincy R. R. Co.                           | 48.59                              | \$ 83,017,900  | \$109,114,810 | \$ 130,646   |              |   | \$109,245,456       | \$ 4,981,074                            |
| Cowlitz, Chehalis & Cascade Ry. ....                             | 16.46                              | 69,971         |               | 134,430      |              |   | 134,430             |   |
| Duluth and Superior Bridge Co. (The).                            | 100                                | 200,000        |               | 200,000      | \$ 545,101   |   | 745,101             | 117,760                                 |
| Glacier Park Company.....  | 100                                | 1,500,000      |               | 1,500,000    |              | \$ 2,198,730                                  | 3,698,730           | 170,711                                 |
| Great Northern Equipment Company.                                | 100                                | 1,000          |               | 1,000        |              |   | 1,000               |   |
| Lake Superior Terminal and Transfer<br>Ry. Co. (The).....        | 33.33                              | 169,800        | 167,800       | 2,000        |              | 38,000  | 207,800             |   |
| Midland Ry. Co. of Manitoba (The)...                             | 50                                 | 2,400,000      |               | 2,400,000    |              | 27,340  | 2,427,340           |   |
| Minnesota Transfer Ry. Co. (The)....                             | 11.11                              | 91,300         | 91,300        |              |              | 61,418  | 152,718             |   |
| Montana Western Ry. Co. (The).....                               |                                    |                |               |              | 165,000      |   | 165,000             |   |
| Oregon, California & Eastern Ry. Co..                            | 50                                 | 300,000        |               | 319,801      |              | 975,811                                       | 1,295,612           |   |
| Pullman Company (The).....                                       | 1.46                               | 106,950        |               | 395,715      |              |   | 395,715             | 5,348                                   |
| Railroad Credit Corporation (The)....                            |                                    |                |               |              |              | 5,328   | 5,328               |   |
| Railway Express Agency, Inc. ....                                | 1.5                                | *              |               | 1,500        |              | 411,711                                       | 413,211             | 19,685                                  |
| St. Paul Union Depot Co. (The).....                              | 12.5                               | 103,600        | 130,475       |              |              | 16,389  | 146,864             | 4,144                                   |
| Spokane, Portland and Seattle Ry. Co.                            | 50                                 | 20,000,000     | 20,000,000    |              | 25,798,500   |   | 45,798,500          |   |
| Western Fruit Express Company.....                               | 100                                | 6,800,000      |               | 6,800,000    |              | 850,000                                       | 7,650,000           | 12,750                                  |
| Total affiliated companies.....                                  |                                    | *\$114,760,521 | \$129,504,385 | \$11,885,092 | \$26,508,601 | \$ 4,584,727                                  | \$172,482,805       | \$5,311,472                             |
| OTHER INVESTMENTS  |                                    |                |               |              |              |   |                     |   |
| Crow's Nest Pass Coal Co., Ltd. (The).                           | 7.9                                | \$ 491,700     |               | \$ 810,210   |              |   | \$ 810,210          | \$ 14,751                               |
| Northland Greyhound Lines, Inc. ....                             | 44.3                               | *              |               | 1,233,052    |              |   | 1,233,052           | 600,246                                 |
| St. Paul Foundry & Manufacturing Co.                             | 39.2                               | 233,100        |               | 233,100      |              |   | 233,100             | 9,324                                   |
| Wisconsin Central Ry. Co.—Terminal<br>Bonds.....                 |                                    |                |               |              | \$ 247,500   |   | 247,500             | 9,625                                   |
| Dominion of Canada—Victory Loans..                               |                                    |                |               |              | 300,000      |   | 300,000             | 5,250                                   |
| Lake Mining Company.....   |                                    |                |               |              |              | \$ 3,814,444                                  | 3,814,444           |   |
| Miscellaneous.....   |                                    | 21,560         |               | 21,381       | 500          | 111,517                                       | 133,398             | 7,171                                   |
| Total other investments.....                                     |                                    | *\$ 746,360    |               | \$ 2,297,743 | \$ 548,000   | \$ 3,925,961                                  | \$ 6,771,704        | \$ 646,367                              |
| Grand total.....   |                                    | \$115,506,881  | \$129,504,385 | \$14,182,835 | \$27,056,601 | \$ 8,510,688                                  | \$179,254,509       | \$ 5,957,839                            |
| Deduct "Reserve for adjustment of investment in securities"..... |                                    |                |               |              |              |   | 6,374,482           |   |
| Total.....   |                                    |                |               |              |              |   | \$172,880,027       |   |

\*Nothing is included in this column for certain no-par value stocks.



# ANNUAL REPORT FOR 1947

## FREIGHT COMMODITY STATISTICS 1947 AND 1946

| COMMODITY                                     | 1947       |                                 |           |                              | 1946              |                              |
|---|------------|---------------------------------|-----------|------------------------------|-------------------|------------------------------|
|   | CARLOADS   |                                 |           | TOTAL<br>TONS<br>(2000 LBS.) | TOTAL<br>CARLOADS | TOTAL<br>TONS<br>(2000 LBS.) |
|   | ORIGINATED | RECEIVED<br>FROM<br>CONNECTIONS | TOTAL     |                              |                   |                              |
| PRODUCTS OF AGRICULTURE                       |            |                                 |           |                              |                   |                              |
| Wheat.....                                    | 71,171     | 2,736                           | 73,907    | 3,793,678                    | 76,781            | 3,882,130                    |
| Corn.....                                     | 8,663      | 1,371                           | 10,034    | 493,564                      | 6,942             | 306,970                      |
| Oats.....                                     | 13,700     | 267                             | 13,967    | 568,871                      | 17,448            | 693,954                      |
| Barley and rye.....                           | 22,031     | 1,398                           | 23,429    | 1,123,897                    | 19,133            | 911,511                      |
| Flour and meal.....                           | 15,521     | 976                             | 16,497    | 613,491                      | 15,919            | 574,158                      |
| Mill products.....                            | 9,741      | 1,314                           | 11,055    | 337,150                      | 9,808             | 297,244                      |
| Apples, fresh.....                            | 22,474     | 539                             | 23,013    | 483,806                      | 19,513            | 411,931                      |
| Other fresh fruits.....                       | 3,671      | 8,947                           | 12,618    | 233,718                      | 12,801            | 237,700                      |
| Potatoes.....                                 | 19,302     | 3,477                           | 22,779    | 534,726                      | 27,679            | 678,439                      |
| Vegetables, fresh.....                        | 1,317      | 4,408                           | 5,725     | 89,199                       | 5,976             | 100,893                      |
| Flaxseed.....                                 | 5,281      | 76                              | 5,357     | 261,486                      | 4,860             | 227,689                      |
| Sugar beets.....                              | 9,759      | 1                               | 9,760     | 409,868                      | 11,061            | 462,648                      |
| Other products of agriculture.....            | 8,245      | 4,464                           | 12,709    | 393,871                      | 15,499            | 467,588                      |
| Total products of agriculture.....            | 210,876    | 29,974                          | 240,850   | 9,337,325                    | 243,420           | 9,252,856                    |
| ANIMALS AND PRODUCTS                          |            |                                 |           |                              |                   |                              |
| Cattle and calves.....                        | 15,997     | 1,817                           | 17,814    | 196,476                      | 18,446            | 210,809                      |
| Sheep and goats.....                          | 4,998      | 1,490                           | 6,488     | 62,315                       | 8,009             | 77,738                       |
| Hogs.....                                     | 2,920      | 162                             | 3,082     | 32,244                       | 4,001             | 43,137                       |
| Fresh meats.....                              | 4,440      | 227                             | 4,667     | 67,815                       | 4,914             | 74,701                       |
| Poultry.....                                  | 1,142      | 346                             | 1,488     | 23,674                       | 1,999             | 32,359                       |
| Eggs.....                                     | 2,115      | 84                              | 2,199     | 34,833                       | 2,884             | 46,481                       |
| Butter.....                                   | 977        | 57                              | 1,034     | 16,757                       | 899               | 14,612                       |
| Other animals and products.....               | 4,858      | 1,789                           | 6,647     | 140,689                      | 8,541             | 192,790                      |
| Total animals and products.....               | 37,447     | 5,972                           | 43,419    | 574,803                      | 49,693            | 692,627                      |
| PRODUCTS OF MINES                             |            |                                 |           |                              |                   |                              |
| Anthracite coal.....                          | 10         | 676                             | 686       | 28,316                       | 756               | 29,603                       |
| Bituminous coal.....                          | 2,097      | 53,535*                         | 55,632    | 2,618,944                    | 53,498            | 2,442,846                    |
| Lignite.....                                  | 10,326     | 2,962                           | 13,288    | 552,571                      | 12,918            | 527,704                      |
| Coke.....                                     | 2,855      | 1,847                           | 4,702     | 180,833                      | 4,786             | 173,931                      |
| Iron ore.....                                 | 347,645    | 40,948                          | 388,593   | 26,626,151                   | 292,545           | 19,840,603                   |
| Other ores and concentrates.....              | 3,443      | 8,910                           | 12,353    | 651,905                      | 6,594             | 338,497                      |
| Gravel, sand, and stone.....                  | 8,273      | 2,780                           | 11,053    | 609,356                      | 7,187             | 396,730                      |
| Crude petroleum.....                          | 5,481      | 21,826                          | 27,307    | 919,954                      | 15,133            | 514,890                      |
| Asphalt.....                                  | 1,750      | 3,793                           | 5,543     | 206,532                      | 3,812             | 141,974                      |
| Salt.....                                     | 331        | 1,431                           | 1,762     | 62,153                       | 2,188             | 80,025                       |
| Other products of mines.....                  | 4,018      | 3,195                           | 7,213     | 360,295                      | 8,875             | 470,861                      |
| Total products of mines.....                  | 386,229    | 141,903                         | 528,132   | 32,817,010                   | 408,292           | 24,957,664                   |
| PRODUCTS OF FORESTS                           |            |                                 |           |                              |                   |                              |
| Logs, posts, poles, ties and cordwood.....    | 36,326     | 4,734                           | 41,060    | 1,514,974                    | 36,093            | 1,356,819                    |
| Pulpwood.....                                 | 6,854      | 234                             | 7,088     | 293,920                      | 6,781             | 287,279                      |
| Lumber, shingles, etc.....                    | 44,028     | 34,018                          | 78,046    | 2,653,527                    | 73,284            | 2,544,739                    |
| Other products of forests.....                | 950        | 474                             | 1,424     | 38,961                       | 1,449             | 34,748                       |
| Total products of forests.....                | 88,158     | 39,460                          | 127,618   | 4,501,382                    | 117,607           | 4,223,585                    |
| MANUFACTURES AND MISCELLANEOUS                |            |                                 |           |                              |                   |                              |
| Petroleum products.....                       | 45,657     | 29,206                          | 74,863    | 2,016,941                    | 86,267            | 2,435,307                    |
| Sugar, sirup and molasses.....                | 2,161      | 2,279                           | 4,440     | 187,799                      | 2,979             | 122,690                      |
| Metals—pig, bar, sheet and pipe.....          | 2,483      | 12,011                          | 14,494    | 551,580                      | 11,250            | 457,511                      |
| Machinery and boilers.....                    | 1,207      | 2,841                           | 4,048     | 87,824                       | 2,551             | 53,255                       |
| Cement, brick, lime and plaster.....          | 10,984     | 8,793                           | 19,777    | 836,675                      | 17,123            | 708,277                      |
| Agricultural implements, vehicles, etc.....   | 982        | 5,869                           | 6,851     | 117,469                      | 5,094             | 85,720                       |
| Automobiles and auto trucks.....              | 1,182      | 14,071                          | 15,253    | 111,551                      | 9,042             | 70,669                       |
| Beverages.....                                | 1,444      | 3,002                           | 4,446     | 121,591                      | 4,964             | 139,761                      |
| Newsprint paper and printing paper.....       | 7,723      | 4,657                           | 12,380    | 382,035                      | 11,445            | 346,638                      |
| Canned food products.....                     | 6,241      | 7,478                           | 13,719    | 435,447                      | 10,780            | 370,293                      |
| Scrap iron and scrap steel.....               | 2,505      | 247                             | 2,752     | 117,449                      | 1,406             | 61,747                       |
| Paper bags, paperboard, etc.....              | 4,140      | 4,749                           | 8,889     | 277,835                      | 7,291             | 222,875                      |
| Other manufactures and miscellaneous.....     | 39,983     | 52,891                          | 92,874    | 2,655,938                    | 107,064           | 3,053,845                    |
| Total manufactures and miscellaneous....      | 126,692    | 148,094                         | 274,786   | 7,900,134                    | 277,256           | 8,128,588                    |
| Grand total carload traffic.....              | 849,402    | 365,403                         | 1,214,805 | 55,130,654                   | 1,096,268         | 47,255,320                   |
| Merchandise—All L. C. L. traffic.....         |            |                                 |           | 492,856                      |                   | 492,933                      |
| Grand total carload and L. C. L. traffic..... |            |                                 |           | 55,623,510                   |                   | 47,748,253                   |

\*Mostly coal originating on line at Duluth, Minn., or Superior, Wis., after movement from lower lake ports by boat, classified as "Received from connections" because of previous rail haul from mines to lower lake ports.



# GREAT NORTHERN RAILWAY COMPANY

## STATISTICS OF RAIL LINE OPERATIONS

(EXCLUDES MOTOR VEHICLE OPERATIONS—REVENUE FROM THIS TRAFFIC IN 1947 AMOUNTED TO \$390,761)

| ITEM   | FREIGHT TRAINS |             | PASSENGER TRAINS |            | TOTAL TRANSPORTATION SERVICE |             |
|--|----------------|-------------|------------------|------------|------------------------------|-------------|
|  | 1947           | 1946        | 1947             | 1946       | 1947                         | 1946        |
| Average mileage of road operated.....                | 8,236.88       | 8,236.47    | 5,893.12         | 5,883.08   | 8,332.74                     | 8,332.33    |
| TRAIN MILES  |                |             |                  |            |                              |             |
| With steam locomotives.....                          | 9,740,932      | 9,477,612   | 5,238,574        | 5,866,193  | 14,979,506                   | 15,343,805  |
| With Diesel locomotives.....                         | 3,505,296      | 3,234,789   | 2,742,256        | 2,051,708  | 6,247,552                    | 5,286,497   |
| With electric locomotives.....                       | 104,466        | 108,761     | 164,372          | 225,509    | 268,838                      | 334,270     |
| With rail motor cars.....                            | 90,505         | 119,547     | 1,229,777        | 1,255,563  | 1,320,282                    | 1,375,110   |
| Light.....   | 117,956        | 133,401     | .....            | .....      | 117,956                      | 133,401     |
| Total.....   | 13,559,155     | 13,074,110  | 9,374,979        | 9,398,973  | 22,934,134                   | 22,473,083  |
| MOTIVE POWER MILES                                   |                |             |                  |            |                              |             |
| Locomotive miles:                                    |                |             |                  |            |                              |             |
| Principal.....                                       | 13,469,593     | 12,955,146  | 8,145,202        | 8,143,410  | 21,614,795                   | 21,098,556  |
| Helper or light.....                                 | 723,769        | 730,569     | 226,289          | 290,861    | 950,058                      | 1,021,430   |
| Train switching.....                                 | 1,076,892      | 1,036,522   | 5,118            | 5,484      | 1,082,010                    | 1,042,006   |
| Yard switching.....                                  | 5,572,988      | 5,302,945   | 329,543          | 303,366    | 5,902,531                    | 5,606,311   |
| Total.....   | 20,843,242     | 20,025,182  | 8,706,152        | 8,743,121  | 29,549,394                   | 28,768,303  |
| Rail motor cars.....                                 | 90,505         | 119,547     | 1,229,777        | 1,255,563  | 1,320,282                    | 1,375,110   |
| Total.....   | 20,933,747     | 20,144,729  | 9,935,929        | 9,998,684  | 30,869,676                   | 30,143,413  |
| CAR MILES  |                |             |                  |            |                              |             |
| Freight—loaded.....                                  | 500,479,908    | 472,049,849 | 707,430          | 610,054    | 501,187,338                  | 472,659,903 |
| Freight—empty.....                                   | 278,841,151    | 275,446,156 | 8,592            | 5,046      | 278,849,743                  | 275,451,202 |
| Total.....   | 779,321,059    | 747,496,005 | 716,022          | 615,100    | 780,037,081                  | 748,111,105 |
| Passenger coaches.....                               | 715,380        | 772,187     | 19,789,195       | 19,037,547 | 20,504,575                   | 19,809,734  |
| Sleeping and parlor cars.....                        | 48,113         | 215,684     | 18,324,471       | 26,619,769 | 18,372,584                   | 26,835,453  |
| Club, lounge, dining and observation cars.....       | .....          | .....       | 5,936,035        | 4,638,542  | 5,936,035                    | 4,638,542   |
| Mail, express and baggage cars, etc.....             | 4,213,942      | 4,135,438   | 31,310,066       | 32,020,214 | 35,524,008                   | 36,155,652  |
| Combination passenger cars.....                      | 685,591        | 708,858     | 341,175          | 549,046    | 1,026,766                    | 1,257,904   |
| Business cars.....                                   | 14,901         | 16,130      | 323,430          | 329,901    | 338,331                      | 346,031     |
| Total.....   | 5,677,927      | 5,848,297   | 76,024,372       | 83,195,019 | 81,702,299                   | 89,043,316  |
| Cabooses.....  | 12,717,420     | 12,174,359  | 128,206          | 83,136     | 12,845,626                   | 12,257,495  |
| Total.....   | 797,716,406    | 765,518,661 | 76,868,600       | 83,893,255 | 874,585,006                  | 849,411,916 |
| NET TONS—ROAD SERVICE                                |                |             |                  |            |                              |             |
| Revenue.....   | 55,552,333     | 47,692,050  | 43,746           | 30,538     | 55,596,079                   | 47,722,588  |
| Non-revenue.....                                     | 3,196,915      | 3,175,023   | 1,304            | 1,084      | 3,198,219                    | 3,176,107   |
| Total.....   | 58,749,248     | 50,867,073  | 45,050           | 31,622     | 58,794,298                   | 50,898,695  |
| TON MILES—ROAD SERVICE                               |                |             |                  |            |                              |             |
| Gross ton miles: (thousands)                         |                |             |                  |            |                              |             |
| Locomotives and tenders.....                         | 4,295,879      | 4,127,335   | 2,125,537        | 2,141,447  | 6,421,416                    | 6,268,782   |
| Freight cars, contents and cabooses.....             | 35,954,333     | 33,706,214  | 28,701           | 23,258     | 35,983,034                   | 33,729,472  |
| Passenger cars and contents.....                     | 310,712        | 311,476     | 5,245,354        | 5,890,212  | 5,556,066                    | 6,201,688   |
| Total.....   | 40,560,924     | 38,145,025  | 7,399,592        | 8,054,917  | 47,960,516                   | 46,199,942  |
| Net ton miles: (thousands)                           |                |             |                  |            |                              |             |
| Revenue.....   | 16,258,290     | 14,755,253  | 12,803           | 9,448      | 16,271,093                   | 14,764,701  |
| Non-revenue.....                                     | 995,221        | 980,795     | 406              | 335        | 995,627                      | 981,130     |
| Total.....   | 17,253,511     | 15,736,048  | 13,209           | 9,783      | 17,266,720                   | 15,745,831  |
| PASSENGER SERVICE                                    |                |             |                  |            |                              |             |
| Revenue passengers carried.....                      | 86,876         | 123,089     | 1,839,149        | 2,145,034  | 1,926,025                    | 2,268,123   |
| Revenue passengers carried one mile (thousands)..... | 3,535          | 5,392       | 626,823          | 864,570    | 630,358                      | 869,962     |
| TRAIN HOURS—ROAD SERVICE.....                        |                |             |                  |            |                              |             |
|  | 863,073        | 843,677     | 269,684          | 279,798    | 1,132,757                    | 1,123,475   |
| FREIGHT CARS ON LINE.....                            |                |             |                  |            |                              |             |
|  | .....          | .....       | .....            | .....      | 44,018                       | 43,291      |
| AVERAGES   |                |             |                  |            |                              |             |
| Train load—revenue net tons.....                     | 1,199          | 1,129       | .....            | .....      | .....                        | .....       |
| Cars per train—total (excluding cabooses).....       | 58.40          | 58.22       | 8.19             | 8.92       | .....                        | .....       |
| Train speed—train miles per train hour... ..         | 15.71          | 15.50       | 34.76            | 33.59      | .....                        | .....       |
| Freight—car load—all freight (tons).....             | .....          | .....       | .....            | .....      | 34.45                        | 33.31       |
| Percent loaded of total freight car miles.. ..       | .....          | .....       | .....            | .....      | 64.25                        | 63.18       |
| Freight car miles per car day.....                   | .....          | .....       | .....            | .....      | 48.51                        | 47.31       |
| Net ton miles per freight car day.....               | .....          | .....       | .....            | .....      | 1,074                        | 996         |
| Revenue ton miles per mile of road.....              | .....          | .....       | .....            | .....      | 1,975,395                    | 1,792,601   |
| Revenue passengers per train.....                    | .....          | .....       | .....            | .....      | 67.24                        | 92.56       |
| Revenue passenger miles per mile of road.....        | .....          | .....       | .....            | .....      | 106,965                      | 147,875     |



# ANNUAL REPORT FOR 1947

## REVENUE FREIGHT TRAFFIC—1923 TO 1947

(EXCLUDES MOTOR VEHICLE OPERATIONS—  
FREIGHT REVENUE FROM THIS TRAFFIC IN 1947 AMOUNTED TO \$390,680)

| YEAR | AVERAGE<br>MILES<br>OF ROAD<br>OPERATED | REVENUE<br>TONS<br>CARRIED | REVENUE TONS<br>CARRIED<br>ONE MILE<br>(NET TON MILES) | FREIGHT<br>REVENUE | AVERAGE<br>REVENUE<br>PER NET<br>TON<br>MILE<br>(CENTS) | AVERAGE<br>HAUL<br>REVENUE<br>FREIGHT<br>(MILES) | AVERAGE<br>TRAIN<br>LOAD<br>(REVENUE<br>NET<br>TONS)* | INDEX NUMBERS (1928-29=100) |                    |                                   |
|------|---|----------------------------|--|--------------------|---|--|---|-----------------------------|--------------------|-----------------------------------|
|      |   |                            |  |                    |   |  |   | NET<br>TON<br>MILES         | FREIGHT<br>REVENUE | REVENUE<br>PER<br>NET TON<br>MILE |
| 1947 | 8,333                                   | 55,596,079                 | 16,271,093,671   | \$164,515,651      | 1.011   | 293  | 1,200   | 160                         | 160                | 100                               |
| 1946 | 8,332                                   | 47,722,588                 | 14,764,700,524   | 137,376,213        | .930  | 309  | 1,129   | 146                         | 134                | 92                                |
| 1945 | 8,365                                   | 54,977,024                 | 17,832,587,408   | 164,143,569        | .920  | 324  | 1,267   | 176                         | 160                | 91                                |
| 1944 | 8,372                                   | 58,265,991                 | 19,583,311,258   | 171,749,970        | .877  | 336  | 1,275   | 193                         | 167                | 87                                |
| 1943 | 8,210                                   | 58,900,436                 | 18,571,287,602   | 166,220,578        | .895  | 315  | 1,261   | 183                         | 162                | 88                                |
| 1942 | 8,095                                   | 59,745,333                 | 16,709,534,853   | 143,084,128        | .856  | 280  | 1,204   | 165                         | 139                | 85                                |
| 1941 | 8,072                                   | 50,381,028                 | 13,212,936,708   | 110,342,384        | .835  | 262  | 1,041   | 130                         | 108                | 83                                |
| 1940 | 8,069                                   | 40,047,611                 | 10,113,942,319   | 89,010,078         | .880  | 253  | 967   | 100                         | 87                 | 87                                |
| 1939 | 8,072                                   | 32,821,757                 | 8,701,383,343  | 79,853,655         | .918  | 265  | 919   | 86                          | 78                 | 91                                |
| 1938 | 8,072                                   | 23,264,183                 | 7,017,295,740  | 68,418,930         | .975  | 302  | 801   | 69                          | 67                 | 96                                |
| 1937 | 8,087                                   | 41,513,174                 | 9,477,756,018  | 81,451,161         | .859  | 228  | 935   | 93                          | 79                 | 85                                |
| 1936 | 8,188                                   | 34,203,355                 | 8,664,572,456  | 77,046,160         | .889  | 253  | 874   | 85                          | 75                 | 88                                |
| 1935 | 8,278                                   | 29,394,382                 | 7,372,079,484  | 70,132,152         | .951  | 251  | 801   | 73                          | 68                 | 94                                |
| 1934 | 8,344                                   | 21,690,396                 | 6,137,693,978  | 60,347,883         | .983  | 283  | 709   | 61                          | 59                 | 97                                |
| 1933 | 8,445                                   | 17,781,455                 | 5,431,602,934  | 52,672,751         | .970  | 305  | 723   | 54                          | 51                 | 96                                |
| 1932 | 8,409                                   | 11,744,694                 | 4,324,700,394  | 45,958,761         | 1.063   | 368  | 582   | 43                          | 45                 | 105                               |
| 1931 | 8,357                                   | 20,153,330                 | 6,151,063,399  | 63,344,056         | 1.030   | 305  | 770   | 61                          | 62                 | 102                               |
| 1930 | 8,367                                   | 32,037,312                 | 8,720,583,904  | 85,797,268         | .984  | 272  | 910   | 86                          | 84                 | 97                                |
| 1929 | 8,388                                   | 39,661,221                 | 10,150,709,921   | 101,178,226        | .997  | 256  | 962   | 100                         | 99                 | 99                                |
| 1928 | 8,277                                   | 35,593,173                 | 10,127,253,509   | 103,980,301        | 1.027   | 285  | 934   | 100                         | 101                | 101                               |
| 1927 | 8,164                                   | 33,843,008                 | 8,958,349,961  | 94,405,030         | 1.054   | 265  | 891   | 88                          | 92                 | 104                               |
| 1926 | 8,188                                   | 35,117,929                 | 8,902,970,446  | 93,346,740         | 1.048   | 254  | 873   | 88                          | 91                 | 104                               |
| 1925 | 8,242                                   | 33,494,620                 | 8,517,913,981  | 90,098,763         | 1.058   | 254  | 830   | 84                          | 88                 | 105                               |
| 1924 | 8,251                                   | 31,669,750                 | 8,093,136,444  | 86,144,671         | 1.064   | 256  | 770   | 80                          | 84                 | 105                               |
| 1923 | 8,254                                   | 36,385,396                 | 8,754,272,702  | 93,672,147         | 1.070   | 241  | 712   | 86                          | 91                 | 106                               |

\*Computations include "Light" train miles.

## REVENUE PASSENGER TRAFFIC—1923 TO 1947

(EXCLUDES MOTOR VEHICLE OPERATIONS)

| YEAR | AVERAGE<br>MILES<br>OF ROAD<br>OPERATED | PASSENGERS<br>CARRIED | PASSENGERS<br>CARRIED<br>ONE MILE | PASSENGER<br>REVENUE | PASSENGER<br>SERVICE<br>TRAIN<br>REVENUE | AVERAGE<br>REVENUE<br>PER PAS-<br>SENGER<br>MILE<br>(CENTS) | AVERAGE<br>JOURNEY<br>(MILES) | AVERAGE<br>PAS-<br>SENGERS<br>PER<br>TRAIN | AVERAGE<br>PASSEN-<br>GERS PER<br>PAS-<br>SENGER<br>CARRYING<br>CAR | INDEX NUMBERS (1928-29=100)               |                                |  |
|------|---|-----------------------|-----------------------------------|----------------------|--|---|-------------------------------|--|---|---|--------------------------------|--|
|      |   |                       |                                   |                      |  |   |                               |  |   | PAS-<br>SENGERS<br>CARRIED<br>ONE<br>MILE | PAS-<br>SENGER<br>REV-<br>ENUE | REVENUE<br>PER<br>PAS-<br>SENGER<br>MILE |
| 1947 | 8,333                                   | 1,926,025             | 630,358,312                       | \$13,089,369         | \$21,686,780                             | 2.076   | 327                           | 67.24                                      | 16.47   | 171                                       | 115                            | 67                                       |
| 1946 | 8,332                                   | 2,268,123             | 869,961,977                       | 15,985,282           | 23,463,370                               | 1.837   | 384                           | 92.56                                      | 18.94   | 236                                       | 140                            | 59                                       |
| 1945 | 8,365                                   | 2,978,115             | 1,305,134,905                     | 20,886,929           | 28,764,067                               | 1.600   | 438                           | 133.56                                     | 24.51   | 355                                       | 183                            | 52                                       |
| 1944 | 8,372                                   | 3,091,327             | 1,258,927,025                     | 20,816,129           | 28,682,446                               | 1.653   | 407                           | 136.74                                     | 26.82   | 342                                       | 183                            | 53                                       |
| 1943 | 8,210                                   | 2,868,110             | 1,107,896,547                     | 18,853,461           | 26,207,172                               | 1.702   | 386                           | 122.67                                     | 25.70   | 301                                       | 165                            | 55                                       |
| 1942 | 8,095                                   | 1,757,451             | 534,235,235                       | 9,182,657            | 15,065,264                               | 1.719   | 304                           | 68.42                                      | 16.87   | 145                                       | 81                             | 56                                       |
| 1941 | 8,072                                   | 1,140,964             | 304,047,093                       | 4,866,276            | 9,494,943                                | 1.601   | 266                           | 39.67                                      | 11.10   | 83  | 43                             | 52                                       |
| 1940 | 8,069                                   | 1,015,415             | 253,846,663                       | 4,224,973            | 8,339,758                                | 1.664   | 250                           | 32.85                                      | 9.70  | 69  | 37                             | 54                                       |
| 1939 | 8,072                                   | 1,083,607             | 258,427,249                       | 4,350,571            | 8,393,208                                | 1.683   | 238                           | 33.71                                      | 10.04   | 70  | 38                             | 54                                       |
| 1938 | 8,072                                   | 1,146,447             | 271,001,010                       | 4,544,244            | 8,334,916                                | 1.677   | 236                           | 35.00                                      | 10.25   | 74  | 40                             | 54                                       |
| 1937 | 8,087                                   | 1,407,668             | 311,557,322                       | 5,078,965            | 9,191,296                                | 1.630   | 221                           | 37.33                                      | 10.83   | 85  | 45                             | 53                                       |
| 1936 | 8,188                                   | 1,457,725             | 301,706,187                       | 4,973,523            | 8,944,248                                | 1.648   | 207                           | 37.08                                      | 11.10   | 82  | 44                             | 53                                       |
| 1935 | 8,278                                   | 1,301,366             | 260,145,967                       | 4,385,931            | 8,208,410                                | 1.686   | 200                           | 34.39                                      | 9.53  | 71  | 38                             | 54                                       |
| 1934 | 8,344                                   | 1,244,819             | 246,897,409                       | 4,202,624            | 7,953,108                                | 1.702   | 198                           | 31.87                                      | 9.18  | 67  | 37                             | 55                                       |
| 1933 | 8,445                                   | 876,841               | 188,831,804                       | 3,759,177            | 7,310,687                                | 1.991   | 215                           | 25.09                                      | 7.85  | 51  | 33                             | 64                                       |
| 1932 | 8,409                                   | 845,213               | 164,220,516                       | 3,941,659            | 7,928,036                                | 2.400   | 194                           | 21.18                                      | 6.81  | 45  | 35                             | 77                                       |
| 1931 | 8,357                                   | 1,070,044             | 215,807,372                       | 6,042,610            | 10,948,882                               | 2.800   | 202                           | 23.40                                      | 7.50  | 59  | 53                             | 90                                       |
| 1930 | 8,367                                   | 1,694,437             | 291,984,003                       | 9,000,087            | 14,927,843                               | 3.082   | 172                           | 26.44                                      | 8.01  | 79  | 79                             | 100                                      |
| 1929 | 8,388                                   | 2,276,069             | 367,978,032                       | 11,298,352           | 19,189,656                               | 3.070   | 162                           | 33.26                                      | 9.82  | 100                                       | 99                             | 99                                       |
| 1928 | 8,277                                   | 2,512,026             | 368,238,758                       | 11,505,352           | 17,693,260                               | 3.124   | 147                           | 34.01                                      | 10.34   | 100                                       | 101                            | 101                                      |
| 1927 | 8,164                                   | 3,108,427             | 400,566,250                       | 12,716,616           | 18,619,852                               | 3.175   | 129                           | 36.63                                      | 11.10   | 109                                       | 112                            | 103                                      |
| 1926 | 8,188                                   | 3,081,457             | 409,510,459                       | 13,041,085           | 18,981,137                               | 3.185   | 133                           | 36.77                                      | 11.34   | 111                                       | 114                            | 103                                      |
| 1925 | 8,242                                   | 3,642,749             | 441,498,635                       | 13,955,742           | 19,900,346                               | 3.161   | 121                           | 38.26                                      | 11.46   | 120                                       | 122                            | 102                                      |
| 1924 | 8,251                                   | 3,940,656             | 422,372,425                       | 13,683,383           | 20,408,989                               | 3.240   | 107                           | 36.17                                      | 10.80   | 115                                       | 120                            | 105                                      |
| 1923 | 8,254                                   | 4,975,800             | 460,207,562                       | 15,305,242           | 22,427,799                               | 3.326   | 92                            | 39.17                                      | 11.72   | 125                                       | 134                            | 107                                      |



# GREAT NORTHERN RAILWAY COMPANY

## EQUIPMENT OWNED

(INCLUDES EQUIPMENT OWNED BY WESTERN FRUIT EXPRESS COMPANY AND VANCOUVER, VICTORIA AND EASTERN RAILWAY AND NAVIGATION COMPANY, WHOLLY OWNED SUBSIDIARIES)

DECEMBER 31, 1943 TO 1947

| CLASS  | 1947          | 1946          | 1945          | 1944          | 1943          |
|--|---------------|---------------|---------------|---------------|---------------|
| <b>LOCOMOTIVES</b>   |               |               |               |               |               |
| Steam locomotives.....   | 706           | 802           | 805           | 804           | 810           |
| Electric locomotives.....  | 15            | 15            | 15            | 15            | 15            |
| Diesel locomotives.....  | 146           | 117           | 104           | 80            | 58            |
| Total locomotives.....   | 867           | 934           | 924           | 899           | 883           |
| <b>LOCOMOTIVE UNITS<br/>(Included Above)</b>                         |               |               |               |               |               |
| Electric locomotive units.....                                       | 20            | 20            | 18            | 18            | 18            |
| Diesel locomotive units.....   | 240           | 188           | 175           | 124           | 66            |
| <b>FREIGHT-TRAIN CARS</b>  |               |               |               |               |               |
| Box cars.....  | 23,207        | 24,143        | 25,182        | 25,545        | 25,239        |
| Flat cars.....   | 2,866         | 3,155         | 3,279         | 3,062         | 3,413         |
| Stock cars.....  | 1,868         | 1,873         | 1,879         | 1,883         | 1,887         |
| Coal cars.....   | 3,419         | 3,421         | 3,396         | 2,896         | 2,896         |
| Ore cars.....  | 8,066         | 8,249         | 8,328         | 8,628         | 8,779         |
| Refrigerator cars.....   | 6,052         | 6,960         | 6,932         | 7,021         | 7,032         |
| Caboose cars.....  | 433           | 437           | 433           | 435           | 436           |
| Other freight-train cars.....  | 56            | 80            | 94            | 141           | 155           |
| Total freight equipment.....   | 45,967        | 48,318        | 49,523        | 49,611        | 49,837        |
| <b>PASSENGER-TRAIN CARS</b>  |               |               |               |               |               |
| Coaches.....   | 187           | 188           | 176           | 183           | 183           |
| Combination passenger cars.....                                      | 22            | 25            | 29            | 31            | 35            |
| Motor cars.....  | 32            | 33            | 33            | 33            | 33            |
| Other combination cars.....  | 84            | 86            | 82            | 82            | 82            |
| Sleeping cars.....   | 20            | 2             |               |               |               |
| Dining cars.....   | 36            | 26            | 24            | 24            | 24            |
| Baggage and express cars.....  | 340           | 345           | 351           | 328           | 333           |
| Postal cars.....   | 14            | 14            | 14            | 14            | 14            |
| Other passenger-train cars.....                                      | 19            | 24            | 21            | 15            | 15            |
| Total passenger equipment.....                                       | 754           | 743           | 730           | 710           | 719           |
| <b>COMPANY SERVICE EQUIPMENT</b>                                     |               |               |               |               |               |
| Officers' cars.....  | 14            | 13            | 13            | 14            | 14            |
| Ballast cars.....  | 97            | 97            | 97            | 97            | 97            |
| Derrick cars.....  | 30            | 32            | 33            | 33            | 33            |
| Wrecking cars.....   | 108           | 101           | 104           | 104           | 123           |
| Other company service equipment.....                                 | 2,927         | 2,584         | 2,480         | 2,237         | 2,170         |
| Total company service equipment.....                                 | 3,176         | 2,827         | 2,727         | 2,485         | 2,437         |
| <b>HIGHWAY MOTOR VEHICLES</b>  |               |               |               |               |               |
| Revenue.....   | 36            | 29            | 28            | 26            | 25            |
| Company service.....   | 398           | 324           | 272           | 257           | 234           |
| <b>INVESTMENT IN THE ABOVE EQUIPMENT (DEC. 31)</b>                   |               |               |               |               |               |
| Great Northern Railway Company.....                                  | \$182,367,974 | \$172,396,858 | \$167,400,544 | \$156,455,949 | \$150,241,345 |
| Western Fruit Express Company.....                                   | 16,445,576    | 18,688,982    | 17,564,627    | 17,779,686    | 15,615,453    |
| Vancouver, Victoria and Eastern Railway and Navigation Company.....* |               |               |               |               | 3,335         |
| Total.....   | \$198,813,550 | \$191,085,840 | \$184,965,171 | \$174,235,635 | \$165,860,133 |

\*Property acquired by Great Northern Railway Company in 1944.



# ANNUAL REPORT FOR 1947

## TRACTION POWER AND WEIGHT OF LOCOMOTIVES OWNED—DECEMBER 31 YEARS 1943 TO 1947

| KIND                      | DECEMBER<br>31 | NUMBER | TRACTION POWER    |  | WEIGHT EXCLUSIVE<br>OF TENDER |  | AVERAGE<br>WEIGHT ON<br>DRIVERS<br>PER<br>LOCOMOTIVE<br>(TONS) |
|---------------------------|----------------|--------|-------------------|--|-------------------------------|--|--|
|                           |                |        | TOTAL<br>(POUNDS) | AVERAGE<br>PER<br>LOCOMOTIVE<br>(POUNDS) | TOTAL<br>(TONS)               | AVERAGE<br>PER<br>LOCOMOTIVE<br>(TONS) |  |
| Steam Locomotives.....    | 1947           | 706    | 44,668,628        | 63,270                                   | 106,841                       | 151.33                                 | 122.27   |
|                           | 1946           | 802    | 48,621,541        | 60,625                                   | 116,264                       | 144.97                                 | 117.53   |
|                           | 1945           | 805    | 48,844,333        | 60,676                                   | 116,153                       | 144.29                                 | 117.19   |
|                           | 1944           | 804    | 48,973,878        | 60,913                                   | 116,152                       | 144.47                                 | 117.22   |
|                           | 1943           | 810    | 49,268,083        | 60,825                                   | 117,063                       | 144.52                                 | 117.14   |
| Diesel Locomotives.....   | 1947           | 146    | 14,033,935        | 96,123                                   | 28,746                        | 196.89                                 | 192.25   |
|                           | 1946           | 117    | 10,846,350        | 92,704                                   | 22,230                        | 190.00                                 | 185.56   |
|                           | 1945           | 104    | 10,124,599        | 97,352                                   | 20,779                        | 199.80                                 | 194.78   |
|                           | 1944           | 80     | 7,206,827         | 90,085                                   | 14,414                        | 180.18                                 | 180.18   |
|                           | 1943           | 58     | 3,827,560         | 65,992                                   | 7,655                         | 131.98                                 | 131.98   |
| Electric Locomotives..... | 1947           | 15     | 1,904,600         | 126,973                                  | 4,664                         | 310.93                                 | 254.12   |
|                           | 1946           | 15     | 1,904,600         | 126,973                                  | 4,664                         | 310.93                                 | 254.12   |
|                           | 1945           | 15     | 1,538,390         | 102,559                                  | 3,929                         | 261.93                                 | 205.12   |
|                           | 1944           | 15     | 1,538,390         | 102,559                                  | 3,929                         | 261.93                                 | 205.12   |
|                           | 1943           | 15     | 1,538,390         | 102,559                                  | 3,929                         | 261.93                                 | 205.12   |
| Total Locomotives.....    | 1947           | 867    | 60,607,163        | 69,904                                   | 140,251                       | 161.77                                 | 136.33   |
|                           | 1946           | 934    | 61,372,491        | 65,709                                   | 143,158                       | 153.27                                 | 128.24   |
|                           | 1945           | 924    | 60,507,322        | 65,484                                   | 140,861                       | 152.45                                 | 127.35   |
|                           | 1944           | 899    | 57,719,095        | 64,204                                   | 134,495                       | 149.61                                 | 124.34   |
|                           | 1943           | 883    | 54,634,033        | 61,873                                   | 128,647                       | 145.69                                 | 119.61   |

## CONDITION OF EQUIPMENT—DECEMBER 31, 1947 AND 1946

| ITEM                                    | December 31, 1947 |                 |                         | December 31, 1946 |                 |                         |
|---|-------------------|-----------------|-------------------------|-------------------|-----------------|-------------------------|
|   | LOCOMOTIVES       | FREIGHT<br>CARS | PASSENGER<br>TRAIN CARS | LOCOMOTIVES       | FREIGHT<br>CARS | PASSENGER<br>TRAIN CARS |
| Locomotives owned and cars on line..... | 867               | 45,876          | 719                     | 934               | 41,180          | 707                     |
| Units unserviceable.....                | 48*               | 899             | 10                      | 70*               | 1,124           | 11                      |
| Percent unserviceable.....              | 5.5               | 2.0             | 1.4                     | 7.5               | 2.7             | 1.6                     |

\*In shop or awaiting shop.

## DEPRECIATION AND AMORTIZATION OF DEFENSE PROJECTS CHARGED TO OPERATING EXPENSES 1930 TO 1947

| YEAR | DEPRECIATION |              | AMORTIZATION |            | TOTAL        | YEAR | DEPRECIATION |             | TOTAL       |
|------|--------------|--------------|--------------|------------|--------------|------|--------------|-------------|-------------|
|      | ROAD         | EQUIPMENT    | ROAD         | EQUIPMENT  |              |      | ROAD         | EQUIPMENT   |             |
| 1947 | \$ 3,060,981 | \$ 4,338,252 | \$ 32,821    | \$ 843,142 | \$ 8,275,196 | 1938 | \$ 159,289   | \$3,560,905 | \$3,720,194 |
| 1946 | 3,003,039    | 4,200,271    | 14,232       | 338,529    | 7,556,071    | 1937 | 160,116      | 3,496,844   | 3,656,960   |
| 1945 | 2,948,177    | 4,001,481    | 5,601,320    | 21,823,198 | 34,374,176   | 1936 | 177,538      | 3,481,835   | 3,659,373   |
| 1944 | 2,786,827    | 3,890,939    | 797,223      | 7,431,239  | 14,906,228   | 1935 | 232,764      | 3,419,849   | 3,652,613   |
| 1943 | 2,751,099    | 3,481,205    | 516,213      | 8,960,781  | 15,709,298   | 1934 | 224,438      | 3,525,567   | 3,750,005   |
| 1942 | 108,987      | 3,830,768    | 333,270      | 4,447,562  | 8,720,587    | 1933 | 263,143      | 4,616,304   | 4,879,447   |
| 1941 | 123,473      | 3,855,919    | 43,400       | 2,647,976  | 6,670,768    | 1932 | 295,188      | 4,815,749   | 5,110,937   |
| 1940 | 121,565      | 4,041,710    | .....        | .....      | 4,163,275    | 1931 | 297,046      | 4,802,334   | 5,099,380   |
| 1939 | 158,973      | 3,527,703    | .....        | .....      | 3,686,676    | 1930 | 308,810      | 4,782,731   | 5,091,541   |



# G R E A T   N O R T H E R N   R A I L W A Y   C O M P A N Y

## C O N D I T I O N A L   S A L E   C O N T R A C T S D E C E M B E R   3 1 ,   1 9 4 7   A N D   1 9 4 6

| EQUIPMENT  | RATE OF INTEREST ON DEFERRED PAYMENTS | MONTHLY PAYMENTS TO | COST OF EQUIPMENT | PRINCIPAL OUTSTANDING DECEMBER 31 |              |                       |
|--|---------------------------------------|---------------------|-------------------|-----------------------------------|--------------|-----------------------|
|  |                                       |                     |                   | 1 9 4 7                           | 1 9 4 6      | DECREASE (I—INCREASE) |
| DIESEL LOCOMOTIVES   |                                       |                     |                   |                                   |              |                       |
| 1—4050 H. P., 1—2700 H. P., 10—1000 H. P., 3—600 H. P.     | 2                                     | Jan. 1947           |                   |                                   | \$ 26,231    | \$ 26,231             |
| 3—5400 H. P.   | 1½                                    | Mar. 1949           | \$ 1,500,598      | \$ 350,335                        | 650,623      | 300,288               |
| 6—5400 H. P.   | 1½                                    | July 1949           | 3,002,281         | 900,863                           | 1,501,438    | 600,575               |
| 4—5400 H. P.   | 1.47                                  | Dec. 1949           | 2,002,087         | 767,402                           | 1,167,785    | 400,383               |
| 4—4500 H. P., 2—3000 H. P., 3—2000 H. P., and 2—1500 H. P. | 1.69                                  | June 1954           | 3,459,965         | 2,460,000                         |              | I— 2,460,000          |
| 5—4500 H. P., 3—3000 H. P., 2—1500 H. P.                   | 1.72                                  | July 1954           | 3,611,057         | 2,540,000                         |              | I— 2,540,000          |
| 3—1500 H. P. and 10—1000 H. P.                             | 1.65                                  | Nov. 1954           | 1,526,836         | 1,052,000                         | 1,052,000    |                       |
| 6—2700 H. P. and 6—1000 H. P.                              | 1.63                                  | Dec. 1955           | 1,937,799         | 1,227,910                         | 1,383,014    | 155,104               |
| 74—Diesel Locomotives                                      |                                       |                     | 17,040,623        | 9,298,510                         | 5,781,091    | I— 3,517,419          |
| ELECTRIC LOCOMOTIVES                                       |                                       |                     |                   |                                   |              |                       |
| 2—5000 H. P.   | 1.65                                  | Nov. 1954           | 1,023,118         | 840,000                           | 840,000      |                       |
| PASSENGER TRAIN CARS                                       |                                       |                     |                   |                                   |              |                       |
| 48—New Empire Builder                                      | 1.65                                  | Nov. 1954           | 4,954,243         | 3,608,000                         | 1,672,000    | I— 1,936,000          |
| BOX CARS   |                                       |                     |                   |                                   |              |                       |
| 2,000—50 ton   | 2                                     | Feb. 1949           | 5,790,900         | 818,768                           | 1,530,261    | 711,493               |
| 1,000—50 ton   | 2                                     | Aug. 1949           | 3,241,069         | 590,708                           | 943,132      | 352,424               |
| 500—50 ton   | 2                                     | Sept. 1949          | 1,612,117         | 310,552                           | 486,034      | 175,482               |
| 1,000—50 ton   | 2                                     | Nov. 1949           | 3,132,147         | 669,391                           | 1,020,065    | 350,674               |
| 1,500—50 ton   | 2                                     | Dec. 1949           | 4,525,972         | 1,035,347                         | 1,561,253    | 525,906               |
| 6,000—Box Cars   |                                       |                     | 18,302,205        | 3,424,766                         | 5,540,745    | 2,115,979             |
| ORE CARS   |                                       |                     |                   |                                   |              |                       |
| 500—75 ton—All steel                                       | 2                                     | Aug. 1949           | 1,584,278         | 290,346                           | 466,228      | 175,882               |
| 500—75 ton—All steel                                       | 1.87                                  | Mar. 1951           | 1,581,163         | 534,398                           | 703,156      | 168,758               |
| 1,000—Ore Cars   |                                       |                     | 3,165,441         | 824,744                           | 1,169,384    | 344,640               |
| GONDOLA CARS   |                                       |                     |                   |                                   |              |                       |
| 500—50 ton—All steel                                       | 1.63                                  | Jan. 1956           | 2,008,448         | 1,252,659                         | 1,409,241    | 156,582               |
| FLAT CARS  |                                       |                     |                   |                                   |              |                       |
| 250—70 ton—All steel                                       | 1.63                                  | Jan. 1956           | 896,428           | 564,342                           | 637,515      | 73,173                |
| Total—All Equipment  |                                       |                     | \$47,390,506      | \$19,813,021                      | \$17,049,976 | I— \$2,763,045        |

## P R I N C I P A L   P A Y M E N T S   M A T U R I N G   O N   C O N D I T I O N A L   S A L E   C O N T R A C T S

| CALENDAR YEAR | AMOUNT      | CALENDAR YEAR | AMOUNT       |
|---------------|-------------|---------------|--------------|
| 1948          | \$4,187,551 | 1953          | \$ 2,482,522 |
| 1949          | 3,240,386   | 1954          | 1,890,855    |
| 1950          | 2,651,280   | 1955          | 367,257      |
| 1951          | 2,510,648   |               |              |
| 1952          | 2,482,522   | Total—8 Years | \$19,813,021 |



# ANNUAL REPORT FOR 1947

## MILEAGE OWNED AND OPERATED

(INCLUDES MILEAGE OWNED BY PROPRIETARY COMPANIES WHOSE OPERATIONS  
ARE INCLUDED IN THIS REPORT)

DECEMBER 31, 1947

| STATE OR PROVINCE  | MILEAGE OWNED—DECEMBER 31, 1947 |                                       |                                   |                           | MILEAGE OPERATED—DECEMBER 31, 1947 |                                       |                                   |                           |
|--|---------------------------------|---------------------------------------|-----------------------------------|---------------------------|------------------------------------|---------------------------------------|-----------------------------------|---------------------------|
|  | TOTAL<br>MILES<br>OF<br>ROAD    | SECOND<br>AND OTHER<br>MAIN<br>TRACKS | YARDS,<br>SIDINGS<br>AND<br>SPURS | TOTAL<br>TRACK<br>MILEAGE | TOTAL<br>MILES<br>OF<br>ROAD       | SECOND<br>AND OTHER<br>MAIN<br>TRACKS | YARDS,<br>SIDINGS<br>AND<br>SPURS | TOTAL<br>TRACK<br>MILEAGE |
| Wisconsin.....   | 38.37                           | 19.20                                 | 175.43                            | 233.00                    | 44.32                              | 24.86                                 | 175.68                            | 244.86                    |
| Minnesota.....   | 2,048.80                        | 175.86                                | 783.41                            | 3,008.07                  | 2,069.27                           | 240.96                                | 828.45                            | 3,138.68                  |
| North Dakota.....  | 1,974.36                        | 65.91                                 | 445.40                            | 2,485.67                  | 1,974.36                           | 65.91                                 | 445.24                            | 2,485.51                  |
| South Dakota.....  | 358.97                          | .....                                 | 48.24                             | 407.21                    | 364.16                             | .....                                 | 48.24                             | 412.40                    |
| Iowa.....  | 78.01                           | .....                                 | 37.31                             | 115.32                    | 78.01                              | .....                                 | 37.31                             | 115.32                    |
| Montana.....   | 1,821.20                        | 122.11                                | 533.27                            | 2,476.58                  | 1,843.71                           | 142.09                                | 638.39                            | 2,624.19                  |
| Idaho.....   | 123.91                          | .....                                 | 38.00                             | 161.91                    | 130.10                             | .....                                 | 38.72                             | 168.82                    |
| Washington.....  | 1,088.82                        | 66.21                                 | 525.67                            | 1,680.70                  | 1,326.59                           | 246.95                                | 623.78                            | 2,197.32                  |
| Oregon.....  | 92.97                           | .....                                 | 86.18                             | 179.15                    | 179.21                             | 9.08                                  | 157.33                            | 345.62                    |
| California.....  | 99.24                           | .....                                 | 20.51                             | 119.75                    | 100.47                             | .....                                 | 22.11                             | 122.58                    |
| Manitoba.....  | 5.66                            | .....                                 | 8.68                              | 14.34                     | 74.72                              | 2.44                                  | 25.15                             | 102.31                    |
| British Columbia.....  | 140.76                          | 7.07                                  | 27.92                             | 175.75                    | 147.75                             | 7.07                                  | 28.57                             | 183.39                    |
| Total owned or operated.....   | 7,871.07                        | 456.36                                | 2,730.02                          | 11,057.45                 | 8,332.67                           | 739.36                                | 3,068.97                          | 12,141.00                 |
| Miles owned but not operated in-<br>cluded above.....  | .05                             | .....                                 | .27                               | .32                       | .05                                | .....                                 | .27                               | .32                       |
| Proportion of jointly owned mileage<br>belonging to other companies in-<br>cluded above..... | 18.98                           | 1.12                                  | 97.34                             | 117.44                    | 18.98                              | 1.12                                  | 87.33                             | 107.43                    |

## WEIGHT OF STEEL RAILS IN MAIN AND BRANCH LINES

DECEMBER 31, 1947

| WEIGHT<br>(POUNDS PER YARD) | MAIN LINE<br>(MILES) | BRANCHES<br>(MILES) | SECOND, THIRD AND<br>FOURTH TRACKS<br>(MILES) | TOTAL MILES       |                   |
|-----------------------------|----------------------|---------------------|---|-------------------|-------------------|
|                             |                      |                     |   | DECEMBER 31, 1947 | DECEMBER 31, 1946 |
| 131                         | 29.57                | .....               | .02   | 29.59             | 17.76             |
| 130                         | 33.92                | .....               | 6.58  | 40.50             | 42.77             |
| 112                         | 867.18               | .57                 | 227.42  | 1,095.17          | 980.12            |
| 110                         | 855.22               | 32.07               | 71.46   | 958.75            | 978.50            |
| 100                         | 112.25               | 41.21               | 22.53   | 175.99            | 187.59            |
| 90                          | 1,870.33             | 574.03              | 118.57  | 2,562.93          | 2,642.57          |
| 85                          | 102.43               | 308.88              | 4.73  | 416.04            | 416.65            |
| 80                          | 43.54                | 207.44              | .18   | 251.16            | 252.50            |
| 77½                         | 5.56                 | 519.09              | 3.84  | 528.49            | 531.15            |
| 75                          | 2.53                 | 340.77              | 1.03  | 344.33            | 346.48            |
| 60 to 70                    | .....                | 1,918.82            | .....   | 1,918.82          | 1,925.11          |
| Total.....                  | 3,922.53             | 3,942.88            | 456.36  | 8,321.77          | 8,321.20          |



**CHICAGO, BURLINGTON & QUINCY RAILROAD COMPANY**  
**48.59% OF COMMON STOCK OWNED BY GREAT NORTHERN RAILWAY COMPANY**  
**INCOME ACCOUNT**  
**1943 TO 1947**

| ITEM  | 1947             | 1946             | 1945             | 1944          | 1943          |
|---|------------------|------------------|------------------|---------------|---------------|
| Average mileage of road operated.....   | 8,865            | 8,866            | 8,965            | 8,989         | 9,030         |
| <b>OPERATING INCOME</b>   |                  |                  |                  |               |               |
| Railway operating revenues.....   | \$221,179,011    | \$195,925,665    | \$242,542,798    | \$240,637,400 | \$217,952,483 |
| Railway operating expenses.....   | 149,996,344      | 139,250,672      | 174,150,921      | 145,854,303   | 123,559,336   |
| Net revenue from railway operations....   | 71,182,667       | 56,674,993       | 68,391,877       | 94,783,097    | 94,393,147    |
| Railway tax accruals.....   | 34,407,950       | 25,693,903       | 30,248,889       | 57,190,637    | 55,573,644    |
| Railway operating income.....   | 36,774,717       | 30,981,090       | 38,142,988       | 37,592,460    | 38,819,503    |
| Equipment rents—net debit.....  | 3,049,481        | 2,573,291        | 1,598,413        | 2,373,366     | 1,172,357     |
| Joint facility rent—net debit.....  | 1,944,328        | 1,416,701        | 2,194,786        | 3,144,271     | 1,884,659     |
| Net railway operating income.....   | 31,780,908       | 26,991,098       | 34,349,789       | 32,074,823    | 35,762,487    |
| <b>OTHER INCOME</b>   |                  |                  |                  |               |               |
| Income from lease of road and equipment.....  | 201,918          | 68,634           | 212,256          | 193,027       | 166,589       |
| Miscellaneous rent income.....  | 492,952          | 454,357          | 430,593          | 501,885       | 463,920       |
| Miscellaneous nonoperating physical property...<br>Separately operated properties—Profit..... | 105,706<br>1,281 | 142,189<br>1,281 | 130,838<br>1,281 | Dr. 89,545    | 138,762       |
| Dividend income.....  | 206,388          | 636,163          | 119,089          | 237,827       | 264,523       |
| Income from funded securities.....  | 234,821          | 262,546          | 296,451          | 322,853       | 328,774       |
| Income from unfunded securities and accounts..  | 596,026          | 731,653          | 356,746          | 298,656       | 149,136       |
| Release of premiums on funded debt.....   | 1,901            | 3,916            | 5,387            | 7,705         | 9,935         |
| Miscellaneous income.....   | 43,392           | 33,324           | 48,768           | 41,702        | 16,756        |
| Total other income.....   | 1,883,104        | 2,334,063        | 1,600,128        | 1,514,110     | 1,538,395     |
| Total income.....   | 33,664,012       | 29,325,161       | 35,949,917       | 33,588,933    | 37,300,882    |
| <b>MISCELLANEOUS DEDUCTIONS FROM INCOME</b>   |                  |                  |                  |               |               |
| Miscellaneous rents.....  | 28,024           | 25,040           | 28,140           | 24,064        | 23,406        |
| Miscellaneous tax accruals.....   | 84,930           | 71,854           | 68,576           | 59,587        | 54,523        |
| Separately operated properties—Loss.....  | 18,755           | .....            | 4,207            | 13,545        | 8,961         |
| Miscellaneous income charges.....   | 18,819           | 15,164           | 176,020          | 104,239       | 13,986        |
| Total miscellaneous deductions.....   | 150,528          | 112,058          | 276,943          | 201,435       | 100,876       |
| Income available for fixed charges.....   | 33,513,484       | 29,213,103       | 35,672,974       | 33,387,498    | 37,200,006    |
| <b>FIXED CHARGES</b>  |                  |                  |                  |               |               |
| Rent for leased roads and equipment.....  | 52,888           | 75,237           | 112,209          | 92,270        | 95,868        |
| Interest on funded debt.....  | 5,654,141        | 5,788,692        | 7,428,309        | 8,468,658     | 8,708,550     |
| Interest on unfunded debt.....  | 7,627            | 185,386          | 604,165          | 28,690        | 15,161        |
| Amortization of discount on funded debt.....  | 56,957           | 61,013           | 122,891          | 150,758       | 149,163       |
| Total fixed charges.....  | 5,771,613        | 6,110,328        | 8,267,574        | 8,740,376     | 8,968,742     |
| Net income.....   | 27,741,871       | 23,102,775       | 27,405,400       | 24,647,122    | 28,231,264    |
| Dividend appropriations of income.....  | 10,250,322       | 10,250,322       | 10,250,322       | 5,125,161     | 5,125,161     |
| Income balance transferred to "Earned Surplus".   | \$ 17,491,549    | \$ 12,852,453    | \$ 17,155,078    | \$ 19,521,961 | \$ 23,106,103 |



# SPOKANE, PORTLAND AND SEATTLE RAILWAY SYSTEM

(SPOKANE, PORTLAND AND SEATTLE RAILWAY, OREGON TRUNK RAILWAY,  
OREGON ELECTRIC RAILWAY AND UNITED RAILWAYS COMPANIES)\*  
(INTERCOMPANY TRANSACTIONS ELIMINATED)

## INCOME ACCOUNT 1943 TO 1947

| ITEM  | 1947         | 1946         | 1945         | 1944         | 1943         |
|---|--------------|--------------|--------------|--------------|--------------|
| Average mileage of road operated.....                     | 945          | 944          | 944          | 944          | 930          |
| <b>OPERATING INCOME</b>                                   |              |              |              |              |              |
| Railway operating revenues.....                           | \$22,828,278 | \$18,940,221 | \$24,774,933 | \$26,125,576 | \$23,906,149 |
| Railway operating expenses.....                           | 17,503,078   | 15,878,444   | 20,815,795   | 18,123,397   | 13,885,200   |
| Net revenue from railway operations.....                  | 5,325,200    | 3,061,777    | 3,959,138    | 8,002,179    | 10,020,949   |
| Railway tax accruals.....                                 | 2,084,330    | Cr.— 201,109 | 1,638,385    | 2,009,328    | 2,960,368    |
| Railway operating income.....                             | 3,240,870    | 3,262,886    | 2,320,753    | 5,992,851    | 7,060,581    |
| Equipment rents—net debit.....                            | 1,522,660    | 1,303,483    | 2,044,317    | 2,210,428    | 2,518,727    |
| Joint facility rent—net credit.....                       | 114,661      | 155,406      | 184,993      | 153,569      | 118,044      |
| Net railway operating income.....                         | 1,832,871    | 2,114,809    | 461,429      | 3,935,992    | 4,659,898    |
| <b>OTHER INCOME</b>                                       |              |              |              |              |              |
| Revenues from miscellaneous operations.....               | 8,612        | 8,977        | 8,887        | 8,867        | 3,609        |
| Miscellaneous rent income.....                            | 72,656       | 44,443       | 57,732       | 25,587       | 75,843       |
| Miscellaneous nonoperating physical property...           | 165,972      | 117,693      | 19,923       | 76,898       | 113,931      |
| Income from funded securities.....                        | 66,361       | 27,383       | 1,795        | 1,993        | 2,269        |
| Income from unfunded securities and accounts..            | 56,414       | 59,320       | 31,822       | 23,997       | 8,521        |
| Release of premiums on funded debt.....                   | 1,650        | 1,650        | 1,650        | 1,650        | 1,650        |
| Delayed income credits.....                               |              |              |              | 1,431,483    |              |
| Total other income.....                                   | 371,665      | 259,466      | 121,809      | 1,570,475    | 205,823      |
| Total income.....   | 2,204,536    | 2,374,275    | 583,238      | 5,506,467    | 4,865,721    |
| <b>MISCELLANEOUS DEDUCTIONS FROM INCOME</b>               |              |              |              |              |              |
| Expenses of miscellaneous operations.....                 | 9,094        | 8,504        | 8,246        | 8,301        | 2,211        |
| Taxes on miscellaneous operating property.....            | 447          | 241          | 508          | 450          |              |
| Miscellaneous rents.....                                  | 1,992        | 1,318        | 1,311        | 1,410        | 2,059        |
| Miscellaneous tax accruals.....                           | 21,303       | 18,350       | 19,958       | 19,321       | 22,994       |
| Miscellaneous income charges.....                         | 1,446        | 1,573        | 619          | 1,669        | 1,773        |
| Total miscellaneous deductions.....                       | 34,282       | 29,986       | 30,642       | 31,151       | 29,037       |
| Income available for fixed charges.....                   | 2,170,254    | 2,344,289    | 552,596      | 5,475,316    | 4,836,684    |
| <b>FIXED CHARGES</b>                                      |              |              |              |              |              |
| Rent for leased roads and equipment.....                  | 38,273       | 38,273       | 38,315       | 37,801       | 40,996       |
| Interest on funded debt.....                              | 3,021,950    | 3,019,626    | 3,024,408    | 3,065,203    | 3,060,678    |
| Interest on unfunded debt.....                            | 1,306        | 2,250        | 4,688        | 1,712        | 9,568        |
| Amortization of discount on funded debt.....              | 444,618      | 444,618      | 444,618      | 444,619      | 444,618      |
| Total fixed charges.....                                  | 3,506,147    | 3,504,767    | 3,512,029    | 3,549,335    | 3,555,860    |
| Net income or deficit transferred to Profit and Loss..... | \$ 1,335,893 | \$ 1,160,478 | \$ 2,959,433 | \$ 1,925,981 | \$ 1,280,824 |

|  | STOCK | BONDS        | MILES OF ROAD OPERATED DEC. 31, 1947 |
|--|-------|--------------|--------------------------------------|
| 1. Great Northern Railway Company owns—<br>Securities of Spokane, Portland and Seattle Ry. Co..... | 50%   | 50%          | 608.71                               |
| 2. Spokane, Portland and Seattle Railway Company owns—<br>Securities of:                           |       |              |                                      |
| Oregon Trunk Railway.....  | 100%  | { None       | 151.93                               |
| Oregon Electric Railway Co.....  | 99%   | { Issued 98% | 202.72                               |
| Total allowing for 18.57 miles duplicated.....   |       |              | 944.79                               |

\*Property of United Railways Company acquired by Spokane, Portland and Seattle Railway Company in 1944.









**GREAT NORTHERN RAILWAY SYSTEM**

**BURLINGTON LINES**

**SPOKANE, PORTLAND & SEATTLE RAILWAY**  
(AND ITS SUBSIDIARY LINES)





*Serves the Best of  
the Great Northwest*

- WISCONSIN
- MINNESOTA
- IOWA
- SOUTH DAKOTA
- NORTH DAKOTA
- MONTANA
- IDAHO
- WASHINGTON
- OREGON
- CALIFORNIA
- MANITOBA
- BRITISH COLUMBIA