



CANADA

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CANADIAN NATIONAL TAKES STOCK

In a speech on July 16 to the Kiwanis and Rotary Clubs and the Chamber of Commerce in Edmonton, Alberta, Mr. Donald Gordon, Chairman and President of the Canadian National Railways, had the following to say about "the steps being taken by the CN to improve its general efficiency and administration":

"...Over the past ten years or so, Canadian National has spent about \$2 billion in updating existing facilities and creating new ones. The bulk of this sum, or two-thirds of it, went into the replacement and rehabilitation of roadbed, passenger equipment and rolling stock which were worn out following the strains of World War II, and also to provide new types of equipment demanded in the post-war era. The balance, or more than \$600 million, was spent purposely to improve the productivity of our operations, and included investment in dieselization, shop and roadway machines and equipment and treated ties, as well as for the provision of hump yards, centralized traffic control and passing tracks for faster and longer trains. This very substantial investment is today paying off. Savings from our investment to increase productivity were by 1960 yielding more than \$100 million annually, or giving a net return of better than 15 per cent on the capital invested. As these programmes are completed, we expect to make further savings, including those to be realized from new developments that we are implementing every day in order to make the railway's plant and services more efficient.

"Dieselization was an important part of our programme, and we now have completely replaced our

steam-locomotive fleet with more than 2,100 diesel units, along with all the new shops and other facilities necessary to service them. A substantial economy is being achieved right there.

"Centralized traffic control is also part of our modernization programme. In the Prairie Region this includes completion of centralized traffic control from Armstrong to Winnipeg and from Portage La Prairie to Melville, with work now in progress to extend this system from Melville to Biggar. This modern signalling system enables us to increase the traffic capacity of single track by half to three-quarters more than its former capacity, an important factor as we move into an area of faster rail shipments all across the country and particularly to, from and through the West.

OTHER IMPROVEMENTS

"Another guarantee of faster rail shipments are four push-button electronic hump yards that we have either completed or have under construction. Our newest hump yard, to be opened very soon in Winnipeg, is one of the most advanced in the world, permitting us to service, sort and send out up to 6,000 freight cars a day. And on the outskirts of Winnipeg, at Transcona, we have modernized and reorganized our shop facilities for Western Canada. Here, in Edmonton, we have recently integrated our less-than-carload freight and express facilities into a new and speedier 'Express Freight' service. All of these improvements mean better, more efficient transportation service for the Prairies and, indeed, all of Canada.

(Over)