

freight service, and studies are under way for further improvement.

Car supply was adequate for the traffic offered. During the year 1,942 units of new freight equipment were received, including 130 units for Newfoundland.

The response of the automobile industry to the CNR-designed double deck auto transporters introduced in 1957 has been such that 125 additional transporters have been ordered. Due for delivery in 1959, they will bring the fleet to 150.

PASSENGER SERVICE

As part of the programme to strengthen the railway's competitive position through improvements in passenger service, eight new RDC "Railiner" operations were introduced in provinces from Nova Scotia to Alberta. Besides providing new and comfortable equipment in the areas affected, this produced an aggregate saving of about 26 hours in these train schedules.

In addition to the "Railiner" improvements, many of the regular train schedules were speeded up across the system, for a total saving of more than 32 hours in travel time. Included in these improvements were the paring of a further quarter-hour from the westbound schedule of the "Super Continental"; a reduction of more than one hour in the westbound schedule of the "Ocean Limited"; and of a half-hour on its eastbound run; trimming of three hours from the westward schedule of the Maritime Express and two hours, 30 minutes from its eastward run; and further improvements in train schedules between Montreal-Toronto-Chicago.

Revision of meal service facilities to meet the convenience and expressed wishes of travellers continues. Cafeteria cars, featuring self-service meals at attractive prices, first used experimentally in 1957, have been successfully introduced on the "Maritime Express" throughout its run between Montreal and Halifax. Increased use of this type of equipment is expected and four more dining cars are being converted to meet the demand. "Economeal" service, providing low-priced meals during between-meal periods, was introduced on our Newfoundland trains early last June and has been well received. The "Ocean Limited", frequently lauded by passengers as a train unsurpassed in North America, has had coaches and coffee shop service added to its many other facilities. Dinette cars, designed and introduced by the CNR a few years ago, continue to win public favour and are now in service on the "Continental" from Montreal to Vancouver.

Effective last August 1, coach class tickets were honoured for upper berth accommodation without additional charge on the rail fare on all trains operating between Montreal and Halifax, whenever such accommodation is purchased by the passenger while on

the train. A further innovation, inaugurated in June, was the provision of reserved coach seats enabling passengers to reserve seats with a coach-class ticket between Montreal and Toronto for a nominal charge of \$1.00 or a lesser amount to and from intermediate points.

The motor vessel William Carson, operated by the CNR and previously in temporary freight service between North Sydney and Argentia, Nfld., began her scheduled service as passenger, freight, mail, express and auto ferry between North Sydney and Port aux Basques during the fall. While subject to the occasional delays which severe weather conditions impose on sea-going vessels, the William Carson is providing a modern, efficient link in the nation's transportation network.

OPERATION IMPROVEMENTS

A total of 309 new diesel locomotives delivered during the year brought the roster to 1,742 units. The number of steam locomotives was reduced to 1,290 by the year-end. All train operation in the Atlantic region, and on the south shore of the St. Lawrence River west to Montreal, is now completely dieselized. In addition, except for one or two steam operated trains, all of the Northern Ontario, Quebec and British Columbia Districts have been converted to diesel operation. By the end of 1958, it was estimated, more than 80 per cent of freight train miles, 90 per cent of yard locomotive miles, and 82 per cent of passenger car miles will have been dieselized.

A major event in the CNR year was the completion of the Queen Elizabeth Hotel in Montreal and its official opening in mid-April. Operated by Hilton of Canada Ltd. for the CNR, the 20-storey addition to the railway's hotel chain has won enthusiastic and widespread approval. Already it is establishing Montreal as one of the great convention cities.

Directly across the street from the Queen Elizabeth, work is now under way on construction of the huge Place Ville Marie project, being constructed by Webb & Knapp (Canada) Ltd. in accordance with a master plan accepted last year by the CNR. Major edifice under construction at the site is a 40-storey cruciform building, part of which will be occupied by the Royal Bank of Canada, and the Aluminum Company of Canada. The Bank acquires ownership of the land and building after 99 years.

In the field of commercial communications, Canadian National Telegraphs handled a slightly lower volume of ordinary message traffic, but revenues from this service were higher because of new rates adopted in October 1957, and expansion of Telex service. In the latter service, exchanges were established at 10 additional Canadian cities, bringing the total to 22 (including one in New York).

CNT added about 38,000 miles of carrier telephone and 130,000 miles of carrier telegraph channels during 1958 to meet the demand