

EVIDENCE

MONDAY, July 14, 1958,
9:30 a.m.

The CHAIRMAN: Gentlemen, I observe a quorum. We will begin this committee without further preliminaries.

Is it your pleasure that the president, Mr. Gordon, read the report before any questions are asked, or is it the desire of the committee to ask questions as we proceed? I think it would be preferable for Mr. Gordon to read the report, is that satisfactory?

Mr. Gordon will introduce his associates who are here with him.

MR. CHEVRIER: Is the president going to make a short statement prior to reading this report? I think that has been the customary practice in the past.

MR. DONALD GORDON (*President, Canadian National Railways*): I did not intend to make such a statement. I think it would be satisfactory if we proceed with the report and then go back over it later.

Mr. Chairman, first of all I would like to introduce to the committee Mr. S. F. Dingle, vice president of operations, and Mr. R. D. Armstrong, vice president of accounting and finance. These gentlemen are here to assist me with details in answering your questions.

I will commence reading the report which you have in front of you. I would suggest that we take the letter of transmittal as read, Mr. Chairman.

CANADIAN NATIONAL RAILWAYS

MONTRÉAL
MARCH 1, 1958.

DONALD GORDON

Chairman and President

The Honourable George Hees, M.P.,
Minister of Transport,
Ottawa.

Dear Sir:

On behalf of the Board of Directors I submit herewith the Annual Report of Canadian National Railways for the year 1957.

In September 1957, the Honourable H. J. Symington, C.M.G., Q.C., who had rendered distinguished service to the Board since 1936, retired as a director. By order in Council No. 1251, Mr. Edward W. Bickle of Toronto was appointed a director, effective October 1.

The Management acknowledges with gratitude the loyalty and devotion to duty of officers and employees throughout the System.

Yours truly,

(Signed) D. Gordon.

The annual report itself commences as follows:

The year 1957 was financially unrewarding for Canadian National Railways. Although significant improvements were made in facilities and opera-