

Canadian National is today one of the great transportation and communications companies of the world. In its total assets — some \$5 billion — it is the largest industrial enterprise in Canada. It has over 80,000 employees and is one of the top five companies in Canada in gross annual revenue — close to \$2 billion.

It is wholly Canadian and dedicated to the interests of Canada.

The history of this huge railway system began in 1836, when the first railway service in Canada was initiated between Laprairie and St. John's, Quebec. CN came into being because the vision of Canada's railway pioneers of the nineteenth and early twentieth centuries far exceeded the resources and traffic available to finance the transcontinental systems that were being built.

When, with the outbreak of the 1914-1918 war, foreign sources of financing available to Canada dried up, several of the country's smaller railroads were threatened with bankruptcy. To prevent embarrassment to the financial institutions of Canada and its credit position, the Federal Government took over the ownership and operation of the endangered lines.

A proprietary Crown corporation was set up under the name Canadian National Railways. The properties were handed over to the company with instructions to operate "as one united system, on a commercial basis, under their own politically-undisturbed management, on account of and for the benefit of the people of Canada".

## **Birth of CN**

Canadian National came into being in the autumn of 1922. During the first year, the managing board of the new company had to face a loose agglomeration of five railroads, with 22,000 miles of track, built for competition, much of it overlapping. The task ahead was that of unifying and integrating this huge, unwieldy system, rebuilding the sagging morale of the thousands of employees inherited from the old systems, and earning respect for the new company.

The man chosen to head the new company, Sir Henry Thornton, American by birth and British by adoption, possessed a phenomenal reputation for successful operation of railway systems. His personality dominated the first decade of CN's existence, and his confidence