

between the two Companies, as evidenced by long-standing agreements for joint use of terminals, joint running rights, joint switching and other types of operation, detouring agreements for use of each others' lines in cases of necessity, as well as joint ownership of properties.

37. The duty laid upon the Management to pursue co-operative economy is being diligently discharged.

EMPLOYEE RELATIONS

38. With one exception the wage agreements made during March, 1951, with the operating trades employees are now open for negotiation, and discussions with the respective labour organizations are in progress. The two-year contracts with non-operating employees are subject to revision effective September 1, 1952, and notices of intention to seek revision of the current agreements may be served by either of the parties within 60 days of that date.

39. The Executive Order, dated August 27, 1950, of the United States Government placing all railways in the United States under Federal control is still in force. This Order, which affects Canadian National and subsidiary lines within the United States, arose out of a threatened strike by employees of the operating trades. Agreements were made with the trainmen's organization in May, 1951 but have yet to be concluded with the engineers, firemen and conductors.

Pensions

40. A revision and improvement of the Canadian National pension plan has been made effective as from January 1, 1952.

41. The new plan is the product of many months of study during which Management has had the benefit of advice and co-operation from the employees' representatives.

42. A brief description of the revised plan is contained in an Appendix to this Report, as reproduced from an explanatory circular to employees and pensioners.

Personnel

43. Further progress was made during 1951 in the development of a broad staff function for the Personnel Department, in order that Management may deal more effectively with the human resources which are the Railway's greatest asset. The responsibilities of the Personnel Department include the provision of assistance to line management in selecting, training and promoting employees, the application of modern techniques to personnel administration, and the co-ordination of all aspects of personnel policy.

44. A system of personnel appraisal and job evaluation has been planned for the non-scheduled employees, beginning with junior supervisory positions. For this purpose a comprehensive series of records, including a personnel inventory, is in course of preparation.

45. The Office Services Branch of the Personnel Department has been actively engaged in studies of office equipment, methods, and procedures, giving assistance in this field to other Departments in the organization.

46. Employment Bureaux are now in operation at Winnipeg, Toronto, Montreal and Quebec City. The Bureaux facilitate the transfer of employees between Departments and perform the specialized task of interviewing and processing candidates for employment. In due course these offices will be expanded both in number and in function.