

**CANADIAN NATIONAL TAKES STOCK**  
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"I wonder what percentage of the public appreciate that in the Canadian National we have just under 200 labour contracts with some 35 different unions, and that continuous, day-by-day negotiation is therefore unique to our industry and never ceases. Agreements currently in negotiation at the first of July affect nearly 74,000 employees across the CN system, with new wage demands that would increase our annual wage bill by well over \$35 million. Over many generations the railway industry has accumulated a weird, complex and unwieldy conglomeration of rules, seniority regulations, work classifications, understandings, side and local agreements, awards, decisions and appendices. In this respect, we are different from most large industries, such as the automobile, steel and electrical industries, each of which deals with one big union. Therefore, when those industries complete negotiations and reach settlement on, say, a three-year contract, they have time to devote to contract administration...."

"Although we Canadians have grown accustomed to inhabiting a vast land of fields, plains and mountains that stretch in a great arc measuring nearly 5,800 miles from Newfoundland to Vancouver Island, we have in recent years come to realize that, despite our bigness, we actually live in a very small world. Our bigness, in fact, is relative to many other factors which tie us inescapably to the tide and fortunes of events and developments on a global basis.

"I am not deflating our bigness, nor a proper pride in being big. I am suggesting, however, that it will require a constructive purpose and a united front on the part of all Canadians to maintain and improve our standard of living in our new world environment. It will also take all of our skill and knowledge to meet the competition that we can expect on world markets from low-wage and hitherto undeveloped countries which are rapidly achieving both political independence and industrial competence. To ensure that the manufactured products and raw materials of our high-cost economy find markets, we must seize every opportunity to improve our productivity, develop new technology and improve specialization where we have natural advantages...."

**MAY RETAIL TRADE**

Sales by Canada's retailers in May were valued at an estimated \$1,553,573,000, larger by 6.2 per cent than last year's corresponding total of \$1,462,521,000. With increases of 5.7 per cent in the first quarter and 5.2 per cent in April, sales in the January-May period advanced 5.7 per cent to \$6,797,158,000 from \$6,430,898,000 in the same period of 1961.

The value of sales was higher in May and the January-May period this year than last in all provinces. Percentage increases in May (January-May gains in brackets) were: Atlantic Provinces, 4.7 per cent (4.7 per cent); Quebec, 7.4 per cent (8.9 per

cent); Ontario, 5.5 per cent (4.7 per cent); Manitoba, 4.9 per cent (1.9 per cent); Saskatchewan, 7.2 per cent (1.9 per cent); Alberta, 6.5 per cent (3.8 per cent); and British Columbia, 7.4 per cent (7.8 per cent).

In the 18 specified businesses, sales were higher in May compared to a year earlier for 16 and smaller for fuel dealers (down 12.3 per cent) and jewellery stores (down 1.2 per cent). Gains ranged from 0.5 per cent for drug stores to 14.0 per cent for motor-vehicle dealers. Other larger increases were: grocery and combination stores, 5.5 per cent; other food and beverage stores, 9.4 per cent; general stores, 6.1 per cent; men's clothing stores, 6.5 per cent; hardware stores, 5.2 per cent; and lumber and building material dealers, 5.3 per cent.

Sales in the January-May period were above year-earlier levels in all 18 of the specified businesses, with gains ranging from 1.2 per cent for jewellery stores to 15.4 per cent for motor-vehicle dealers. Other larger gains were: other food and beverage stores, 6.1 per cent; general stores, 4.8 per cent; variety stores, 4.4 per cent; men's clothing stores, 7.4 per cent; and furniture, radio and appliance stores, 4.1 per cent.

**CANADA-ALASKA "AQUATRAIN"**

On a rainy day in May, Canadian National Railways linked its transcontinental railhead at Prince Rupert, British Columbia, with the Alaska Railroad. For the first time in its 40-year history, the Alaska line began carrying "foreign" cars from other U.S. railroads and, of course, the Canadian National.

The occasion was the inauguration of the CNR's "Aquatrain", an 800-mile car-ferry run to the year-round port of Whittier. A tug and barge now make the connecting trip north along the Alaska Panhandle and west across part of the Gulf of Alaska about every 10 days, returning with outgoing shipments and "empties".

**FOREST PRODUCTION**

During the period 1956-60 record levels of forest production were attained in Canada, though economic fluctuations resulted in considerable variations in employment and in the annual output of certain industries. The gross national product for 1960 was approximately 33 per cent more than that of 1955 and the net value of industrial production increased 19 per cent during the five years to an all-time record of \$19,000 million.

A contraction of the Canadian economy as a whole in 1957 and 1958 resulted in a decline in forest-industry production from the previous record level of output in 1956. Considerable improvement occurred in 1959 and, although unemployment remained high, the forest industries established new records of production in 1960.