

## OTHER INCOME

Other income after deductions, as detailed on page 29, dropped 14.6% to \$9.4 million. The decrease was partially attributable to lower profits from land sales and to the inability of the Northern Alberta Railways to pay interest and dividends to the parent companies.

*Hotel Operations*

The net income of Canadian National Hotels Ltd. amounted to \$1.6 million after depreciation, virtually unchanged from 1956. This result does not include provision for an interest return on invested capital. Increased revenues from convention and tourist business were offset during the year by higher payroll and material costs.

The number of guests accommodated at seven year-round hotels and Jasper Park Lodge totalled 643,196, slightly higher than in 1956.

## GROWTH AND PROGRESS

In spite of the decline in traffic in 1957, the Canadian National continued to improve its equipment, modernize its facilities and streamline its methods and techniques.

Progress was reflected in the opening of several important new rail lines bringing mineral and other natural resources to market. New freight and passenger services were put into effect during the year. Freight trains in 1957 were longer and faster, and carried bigger loads than in the year before. Significant advances were made in operating methods and administrative practices.

Many of these improvements involved capital expenditures on a substantial scale the details of which are shown on page 32. The inventory of railway equipment appears on page 36.

*New Lines*

In 1957, three separate new rail lines were added to the Canadian National System, opening up additional areas of Canada for settlement and development. In Quebec, a 161-mile line from Beattyville to Chibougamau was officially opened in November and work was progressed on a 133-mile line from St. Felicien to Cache Lake, where it will link up with the Beattyville-Chibougamau branch. In New Brunswick, a 23-mile line was opened between Bartibog and the base metal development at Heath Steele. In Manitoba, Canadian National took over operation of a new 31-mile line from Sipiwesk on the Hudson Bay line to the International Nickel Company development at Thompson.

Still in the surveying stage is another new branch line from Optic Lake, on the Sherridon Subdivision, to Chisel Lake, Manitoba, a distance of some 52 miles.

A total of 352 industrial sidings, spurs and track extensions were built during the year, representing 73 miles of new trackage.

*Roadway*

New rail was applied to 804 miles of track during the year, thereby completing the second largest rail program in thirty years. Part-worn rail was relaid on 308 miles of secondary lines. In the Western Region, the six-year main-line track improvement program moved ahead on schedule in its second year.

On the System as a whole, a total of 3.5 million ties was installed.