

The most spectacular of CN land-development projects is Place Ville Marie in Montreal, a giant complex that includes the 42-storey Royal Bank of Canada cruciform building, an underground shopping mall and parking garage, restaurants and theatres. Other large projects are under way in Moncton and Campbellton (New Brunswick), London (Ontario), Edmonton (Alberta), and Saskatoon (Saskatchewan).

To keep pace with modern business methods in the areas of improved statistical data, CN now has a system-wide data-processing network. An IBM 7070 computer at Montreal is the heart of the network, supported by six satellite computers known as IBM 1401s -- one each in Moncton, Toronto, Winnipeg and Edmonton, and two at Montreal. The computer network speeds the flow of information from across the country for way billing, car tracing, revenue accounting, sales statistics, operating statistics, operations research, equipment control and payroll preparation.

The scope and size of its activities make a company like CN particularly aware of its role in the national development and of the importance of remaining flexible in the highly competitive field of transportation.

Revenues

Canadian National made noteworthy achievements in 1962. The company showed a surplus on operations of \$13.6 million, but interest charges of \$62.5 million on long-term debt resulted in a deficit of \$48.9 million. This, however, was an improvement of \$18.4 million over the 1961 deficit.

Operating revenues increased during 1962 over the year before, but, on the other hand, operating expenses rose, owing principally to additional wage, pension and depreciation costs. The 1962 freight revenues increased some \$15 million over those for 1961, and freight tonnage improved more than three per cent owing to increased movement of manufactured goods, particularly motor vehicles, and mining and forest products.

A downward trend in revenues from passenger services, which had persisted since late 1957, was reversed and earnings increased over the 1961 level.

The general across-the-board improvements during 1962 were a reflection of CN's aggressive sales campaigns in all services and the introduction of new facilities services, equipment, rates and methods that enabled the railway to keep up with customer requirements.

Recent Service Extensions

In 1962, an "aquatrain" service, with barges carrying freight cars, was established between Alaska and Prince Rupert, B.C., cutting hundreds of miles and many hours from existing routes. A fast freight train from Vancouver to Toronto and Montreal was inaugurated to better the schedule by 24 hours. Tests were conducted with refrigerated and dry-cargo containers with an aim to improve the transfer of goods between trains and ships in the service between the mainland and Canada's most easterly province, Newfoundland. Two plans of piggyback service were broadened and a third inaugurated between Halifax and Victoria. Incentive freight rates, to encourage carload traffic, were extended to points in Northern Ontario.

Several new passenger services were introduced, including new exterior and interior color schemes for CN's passenger-equipment and passenger-services centres designed to expedite the issuance of reservations and tickets. A new fare plan, which cut travel costs by as much as 50 per cent, was introduced between Montreal and the Maritime Provinces; this plan was extended in 1963 to include Newfoundland, Northern and Southwestern Ontario, CN's transcontinental service and the four Western provinces. In addition, the plan was modified, with fare savings ranging upwards of 58 per cent.