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No. 110  
(Revised October 1973)

## CANADIAN PACIFIC LIMITED

(Prepared in the Public Relations and Advertising Department,  
Canadian Pacific, Ottawa.)

Canadian Pacific is a widely-diversified company with assets of more than \$3 billion in land, sea and air transportation, telecommunications, hotels and natural resources.

The company was incorporated on February 16, 1881, to build a transcontinental railway linking Eastern Canada with the Pacific coast. At the time, the new Canadian nation faced the threat of secession by British Columbia.

Led by men of vision such as George Stephen (later Lord Mount Stephen, first Canadian Pacific president), Donald Smith (later Lord Strathcona) and Sir William Van Horne (first general manager of the company and later president and chairman), the company completed Canada's first transcontinental rail line after five years of arduous construction.

The last spike in the main line between Montreal and Port Moody, B.C., was driven at Craigellachie, B.C., on November 7, 1885. Just a little more than six months later, on June 28, 1886, the first passenger train left Montreal for Port Moody.

One of the company's first tasks was to create traffic for the new railway, which crossed many hundreds of miles of sparsely-settled land. In 1887, three ships were chartered to carry tea and silk from the Orient to Canada's west coast and provide east-bound freight for the railway.

Hotels and tea-houses were established in the wilderness to give food and shelter to train passengers. Company colonization programs brought British and European settlers to the prairies and company irrigation schemes made cultivation possible. Telegraph services, first used for train dispatching, became available to prairie homesteaders and to Canada as a whole.

From these beginnings, Canadian Pacific has developed into a recognized leader in the development of multi-modal transportation systems. The company controls a transportation network encompassing approximately 100,000 miles of rail, truck, ship and air lines, as well as related communications facilities.

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Through Canadian Pacific Investments Limited, formed in 1962 to manage the company's expanding interests in non-transportation activities, Canadian Pacific has substantial investments in oil, gas, coal, lead, zinc, fertilizers and other mining properties, real estate, hotels, timberlands, pipelines and equipment leasing.

### Transportation Services *Rail*

CP Rail operates 16,600 miles of track extending from the Maritimes to the Pacific coast, and controls another 4,700 miles in the United States. Its equipment includes almost 80,000 freight cars, 1,260 diesel locomotives and some 400 passenger coaches.

The railway has developed sophisticated unit-train systems for moving bulk commodities such as coal and sulphur. It has North America's most advanced automated freight-classification yard at Calgary to handle rapidly increasing freight shipments to and from the Pacific coast. And it provides piggyback service (the movement of highway trailers on railway flatcars) and domestic container service across the country, as well as transcontinental, intercity and commuter-passenger train services.

CP Rail has played a leading role in the development of container traffic in Canada. The railway is a joint owner of Brunterm Limited, a \$4-million container terminal at Saint John, New Brunswick, and has an investment in the container terminal of CP Ships at Quebec City. CP Rail and CP Ships have spent more than \$4 million developing the Quebec City terminal to permit a weekly "throughput" of 1,600 containers in each direction.

### *Shipping*

CP Ships, which was begun to provide business for the pioneer railway at the end of last century, connects Canada, Britain and continental Europe with regular container services.

In 1968, in recognition of changing trade patterns and market possibilities, CP Ships decided to concentrate its North Atlantic cargo operations on the movement of containers, and phased out its break-bulk operations by mid-1969.

This has been followed by the evolution of a multi-modal, land-ocean container service controlled by CP Ships, with regular services between Quebec City and five British and European ports.

Three 16,000-deadweight tons (dwt), 20-knot container ships, built at a total cost of \$20 million, entered service in 1970 and 1971.

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All three 777-container vessels -- CP *Trader*, CP *Voyageur* and CP *Discoverer* -- are designed so that they can be "stretched" with an additional mid-section, increasing their capacity to 1,150 containers each.

Two of the company's break-bulk ships have been converted to container ships. The CP *Ambassador* has a capacity of 325 containers and the CP *Explorer* carries 192 containers.

Canadian Pacific (Bermuda) Limited owns and charters bulk-cargo vessels for international trade. CP (Bermuda) has 12 tankers and dry-bulk vessels under charter with a total capacity of 926,000 deadweight tons. Three 120,000-dwt bulk carriers, three 30,000-dwt clean-product tankers and one 253,000-dwt crude-oil tanker are scheduled for delivery in 1973 and 1974.

CanPac International Freight Services Limited groups under one financial and general management Canadian Pacific's activities in the warehousing, customs brokerage, international freight-forwarding, ship-agency, ship-brokerage and terminal-operating fields.

#### *Trucking*

Canadian Pacific is Canada's largest trucking operator and one of the biggest in North America. CP Express, CP Transport and the Smith Transport group of companies haul freight over some 20,000 unduplicated highway miles from coast to coast.

CP Express specializes in the distribution of small-package shipments and also functions as a freight forwarder, consolidating non-carload shipments into unit loads for transportation and distribution. Sorting and distributing containers is an important part of CP Express business.

Smith Transport is also active in the container field, hauls highway freight in Eastern Canada and interlines with other carriers to move goods anywhere in North America.

In Western Canada, CP Transport specializes in heavy and bulk-haul contract movements and has developed a number of distribution systems tailored to the needs of specific customers. The company has specially-designed trailers for hauling commodities such as sulphuric acid, liquid sulphur, edible oils, fertilizers, potatoes and fruit.

*Air*

CP Air is one of the world's major air-carriers, with more than 50,000 unduplicated route miles linking five continents and major cities across Canada. Early in 1972, the airline was awarded routes to Shanghai and Peking in the People's Republic of China.

With the airline industry entering an era of low-cost mass transportation, CP Air has announced the addition of four Boeing 747-200 wide-bodied jets to its all-jet fleet. The fleet also includes eight DC-8s, four elongated DC-8 Spacemasters, seven Boeing 737 short-medium range twin jets and four Boeing 727 tri-jets.

CP Air's operations centre at Vancouver International Airport is the largest and most modern in Canada. The main hangar can handle any commercial aircraft now flying or on the drawing-board.

*Telecommunications*

CP Telecommunications began in the 1880s with Morse keys in stations along the new railway-line. Today it is a leader in the development of modern telecommunications technology and supplies data-transmission services to business and industry across Canada.

TeleNet, a computer-based message-and-data-switching service, and Broadband, which transmits data at the rate of 3,000 words a minute, are designed specifically for today's expanding computer-based communications market.

A transcontinental microwave system provides high-quality, high-capacity transmission circuits for Broadband and other CP Telecommunications services such as Telex, DataTelex, teletype, facsimile, cable and telegraph traffic.

Computer Sciences Canada Limited, owned jointly by Canadian Pacific, Canadian National and Computer Sciences Corp. of Los Angeles, provides computer services to industries across Canada and has access to one of the largest computer libraries in North America.

*Pipelines*

Canadian Pacific and Canadian Pacific Investments Limited are both major participants in pipeline development. Canadian Pacific Investments is a member of Canadian Arctic Gas Study Limited, a group of companies sponsoring planning for construction of a natural-gas pipeline south from the Mackenzie River valley. CPI has also joined the Polar Gas Project, which is conducting research and

planning for construction of a pipeline from the Arctic islands to Eastern Canada and the United States border.

ShelPac Research and Development Limited, owned jointly by Canadian Pacific and Shell Canada, is engaged in the research and development of solids pipeline projects on a broad scale. The company's capabilities include economic, financial and market analysis, pipeline system design, route selection, right-of-way acquisition, hydraulic, mechanical and process engineering.

Canadian Pacific  
Investments Limited

The non-transportation companies wholly-owned or controlled by Canadian Pacific Investments Limited include CP Hotels, Marathon Realty Company Limited, PanCanadian Petroleum Limited, CanPac Minerals Limited, Pacific Logging Company Limited, The Great Lakes Paper Company Limited, Cominco Ltd., Fording Coal Limited, CanPac Leasing Limited and Canadian Pacific Securities Limited. CPI also has an extensive portfolio of investments in companies in the energy, metals, chemicals and forest products industries.

*Hotels*

CP Hotels came into being before the turn of the century to provide accommodations for transcontinental railway passengers. Today, CP Hotels has 16 city and resort hotels across Canada and two in Mexico, and is planning the expansion of the chain in Canada and abroad.

CP Hotels also operates airline-catering services at Montreal and Toronto and restaurant facilities at the Skylon International Tower in Niagara Falls, Ontario, Palliser Square in Calgary and Granville Square in Vancouver.

*Real estate*

Marathon Realty is one of Canada's largest developers of industrial, commercial and residential real estate. Its properties include residential and office buildings, shopping centres, industrial parks, large office and commercial complexes, agricultural lands and miscellaneous interests in livestock markets, grain elevators and cold-storage facilities.

Urban development is one of Marathon's major activities. The company is a partner with Canadian National in the \$1-billion Metro Centre project in downtown Toronto, has a substantial investment in the Project 200 development in Vancouver, and operates other large downtown commercial complexes in Montreal and Calgary.

*Oil and Gas*

PanCanadian Petroleum is Canada's largest oil company, with petroleum and natural gas rights in approximately 20,000,000 gross acres of land in Canada, the Arctic islands, the United States, the North Sea, Italy and Tunisia. The company is engaged in the exploration for and production of petroleum, natural gas and related hydrocarbons.

PanCanadian Gas Products Ltd., a subsidiary, carries on petroleum exploration and production in Western Canada and has a 50 percent interest in a natural-gas liquids-extraction plant and related facilities for transporting and marketing liquefied petroleum gases.

Through PanCanadian and Cominco, Canadian Pacific Investments has a substantial investment in Panarctic Oils Ltd. Both PanCanadian and Cominco hold a 9 percent interest in Panarctic, a consortium of government and private interests that is exploring for oil and natural gas in the High Arctic islands.

Natural-gas finds thus far have brought reserves close to the threshold level needed to support a gas pipeline to southern markets.

*Mining*

Cominco, in which CPI has a 54 percent interest, is a major producer of lead, zinc and other metals, fertilizers and industrial chemicals.

Cominco's major exploration efforts are concentrated in Canada, the United States, Greenland, Mexico, Australia, Spain and South Africa. The company produces lead, zinc, gold, mercury, copper, tin, coal, potash and phosphate rock ores in British Columbia, Saskatchewan, the Northwest Territories, the states of Missouri and Montana, and Australia.

CanPac Minerals was incorporated in 1969 to acquire, explore and develop mineral properties. The company has extensive holdings of coal, potash and other mineral rights in Western Canada.

Fording Coal is developing the Fording River coal property owned by CanPac Minerals in the Kootenay area of southeastern British Columbia. Fording has a 15-year contract to produce 45,000,000 long tons of coking coal for export to Japan, and began shipments in April 1972.

CanPac Minerals and Fording Coal are both owned 60 per cent by Canadian Pacific Investments and 40 per cent by Cominco.

**Forest products** Pacific Logging, a wholly-owned subsidiary, is engaged in developing timber resources in British Columbia. It carries on logging operations at the annual rate of some 280,000,000 board feet, and its progressive forestry program includes reforestation, new planting methods to obtain better survival of seedlings, forest fertilization and second-growth management. The company has planted 18,000,000 seedlings during the last ten years.

The Great Lakes Paper Company, controlled by CPI, is one of Canada's largest newsprint producers, selling primarily in the north central area of the United States Midwest. A new stud mill is being put into operation in 1973, and an active forest-management program is being pursued to ensure continuous forest growth.

**Leasing** CanPac Leasing Limited was incorporated in 1971 to permit Canadian Pacific to engage in the growing Canadian market for leased equipment. CanPac Leasing provides a complete equipment leasing service to business and industry across Canada.

**Financing** Canadian Pacific Securities Limited assists in the financing of capital projects and in meeting the working-capital requirements of affiliated companies.

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Canadian Leasing Limited was incorporated in 1971 to provide Canadian Pacific with a vehicle in the growing Canadian market for leased equipment. Canadian Leasing provides a complete equipment leasing service to business and industry across Canada.

Canadian Pacific Securities Limited assists in the financing of capital projects and in meeting the working-capital requirements of affiliated companies.

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