Canadian National Has Record Year

By R. C. Vaughan, President, Can. Nat. Railways

During the year 1941 the management of the Canadian National Railways has had as its primary objective the continual improvement of railway services to meet the needs of the ever increasing industrial output which has resulted from the turning over of Canada's whole productive economy from a peacetime to a wartime basis.

The upward trend of railway traffic which became manifest immediately upon the outbreak of war has continued and resulted in 1941 in a physical volume of traffic higher than any previously transported by the system. Already in this war period demands made upon railway transportation in Canada have exceeded those of the last war by sixty percent. The dominant role which railways play in the essential transportation needs of this country has been thoroughly established.

To meet the increase of traffic handled by the National Railways, which since the outbreak of war has risen ninety-five percent, has called for careful planning to make the best use of railway equipment and facilities. It has been necessary to improve and expand railway facilities in a number of districts. It has also been necessary to obtain additional equipment and this expansion has required special efforts on the part of all employees throughout the system.

War Effort First

It has been the policy of the management in all cases to place the interests of the war effort first and to maintain the capacity of the railway to meet these essential demands. War transportation needs consist not only in the movement of hundreds of thousands of military personnel and of vast quantities of munitions and supplies, but also in the carriage of raw material and of semi-finished products which are moved in all parts of the country. This war traffic had of necessity to be added to the volume of normal business traffic. The measures which have been taken to enable the Canadian National Railways to deal with this constantly increasing volume of traffic have been effective. Traffic offered has been moved to destination expeditiously and the quality of service has been constantly maintained.

Financial Results

The effect of the increased volume of traffic is reflected in the financial results of the system. While the audited revenue and operating expense figures for the month of December are not yet available, estimated results for that month added to the known figures for the first eleven months of the year indicate that 1941 operating revenues will total $303,000,000. The net revenue for 1941, estimated at $66,000,000, after meeting all expenses including equipment depreciation will be the largest in the system's history. Taxes and fixed charges including interest amount to $62,000,000 for 1941, therefore, it is expected that operating revenues will yield a surplus over and above all operating expenses, taxes and interest. We are, however, facing in 1942 many millions of uncontrollable increased expenditure for wages and materials, and there has been no corresponding increase in the price of our services for transporting passengers and goods.

The capital improvements made during the year nearly all arose from the necessity of improving facilities on various lines of the railway which have now become strategic routes for the handling of actual and prospective war traffic. This work consisted of improving yards, terminals, shops, enginehouses, the construction of additional passing tracks and sidings and the installation of signals.

Undelivered Orders

Orders had been placed for various types of equipment, including locomotives and freight cars, but conditions imposed by war priorities presented difficulties for the builders who thus were unable to complete these orders. However, during the year we received 10 locomotives and 1,136 cars. There are on order undelivered 70 locomotives and 3,339 cars.

In addition to furnishing transportation service, the railway has assisted in Canada's war effort by making available to the Government the services of special departments of the railway, and by furnishing trained personnel to special Government branches.

The management is proud to report that nearly 4,000 employees have been granted leave of absence to enlist for active service in the navy, the army and the air force.

Production of Munitions

It is also a matter of pride to state that the Canadian National Railways has directly participated in the mobilization of Canadian industry for war purposes. We have constructed, under a financial arrangement with the Government, a building measuring 511 feet by 516 feet with an area of over 263,600 square feet for the National Railways Munitions Limited and this plant has been in operation for some time. At that plant and elsewhere in car and locomotive shops part of the company's working force, numbering more than a thousand men, has been actively engaged in the manufacture of several types of munitions, including gun carriages, naval guns and gun mountings. At its drydock and shipbuilding yard the company has been and is yet constructing mine sweepers and these same facilities are also being used in building large cargo vessels for Wartime Merchant Shipping Limited.

Steamship Companies

The steamship companies which form a part of the Canadian National organization have also played their part in the Battle of the Atlantic and elsewhere. An additional wartime responsibility gladly accepted by the company was the management of the Canadian Government Merchant Marine which had been re-established and is operating Danish, French, Finnish, German and Italian vessels seized by the Canadian Government. Canadian National Steamships craft have been trading in distant waters as well as to ports closer to Canadian shores, so that in addition to our employees who have enlisted in the fighting forces, a large number of our men are actively engaged in war work.

Labor Relations

A feature of the company's labour relations during the year was the stabilization of wages and salaries in accordance with the Order-in-Council issued by the Government. The majority of the organized labour groups represented on the Canadian National Railways entered into agreements stabilizing wages at the pre-war basis with provision for a cost of living bonus adjusted to the index of the cost of living. Subsequently the voluntary basis agreed to in the transportation industry became a compulsory one applicable, generally speaking, to all Canadian industry. It is noteworthy that the railway industry pioneered this development, which is one of the essential elements in a plan for preventing the evil effects of inflation.

Other Services

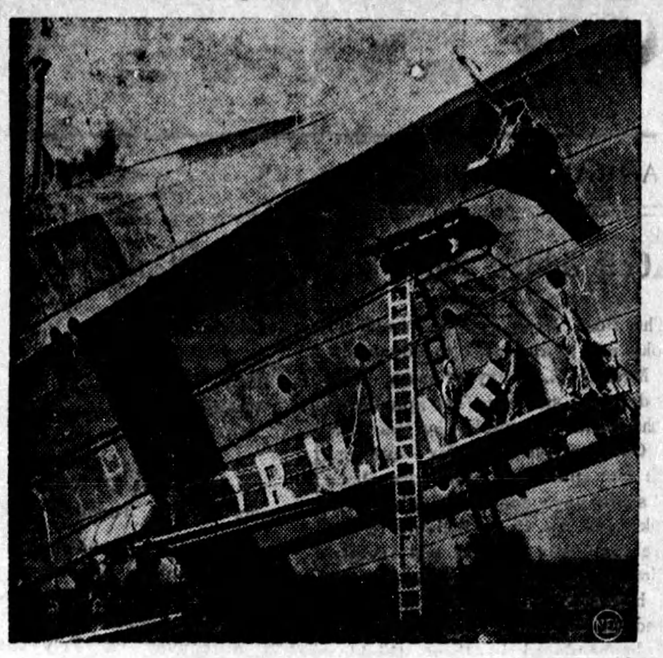
Of other services operated by the Company the group of hotels records a satisfactory year. These hotels well serve the communities in which they are situated. All of them have been busy; indeed, at times, some of the hotels have been hard pressed to furnish accommodation for the number of guests offering. This would indicate that the hotels have been properly established to provide service for the travelling public.

The Canadian National Telegraphs have had an exceptionally busy year, handling an appreciable increase in the number of messages despatched, especially for industrial and commercial purposes. The Telegraphs provide an essential service of communications within Canada and through their connections provide important and extensive services in the United States and overseas.

Largest in North America

During 1941 the Canadian National Railways maintained 23,560 road miles, operating between the two oceans practically two transcontinental lines. The company serves all provinces of the Dominion, some of the neighboring states, and, so far as mileage is concerned, forms the largest railway on the North American continent and in the British Empire. The staff of employees now approaches 100,000 in number.

FRENCH SEA QUEEN CHANGES HER NAME



The luxury liner Normandie is losing her good name for an even better one. Workmen remove lettering from side of French vessel taken over by the U. S. Navy and renamed Lafayette.

Sales Of Wine Dip 5 Per Cent

Profits Will Be Down Due to Heavier Costs

Constructive progress was made in 1941 by the Ontario wine industry, according to E. A. Thomas, president of the Wine Producers' Association.

"Formation of the Wine Producers' Association," he states, "to which all companies licensed to make wine in Ontario belong, was a forward step for the twenty-three wineries in operation throughout the year. A number of the wineries made important improvements in plant and equipment. About four million gallons of wine was processed.

There was a falling off in sales during 1941 due entirely to the increase in price necessitated by increased taxation, which amounted to 27 cents per gallon.

The total tonnage of wines sold was less by approximately 5 per cent. The profits, before income tax was deducted, were generally maintained at close to the 1940 levels. The net income will, of course, be lower due to increased taxation.

The increased cost of the inventories added during 1941, resulting from increased cost of materials, has not yet materially affected profits. However, these increased costs will show up in lower operating profits in future years.

The 1941 grape crop was of unusually fine quality, the sugar content being up by approximately 20 per cent over the previous year.

Grape growers of the Niagara Peninsula enjoyed an excellent market both in demand and price. There were about 16,000 acres of vineyards. The minimum price paid by the wineries was $50 per ton, an increase of $10 per ton over 1940. Total commercial returns to the grape growers was approximately $1,000,000, about $250,000 more than 1940.

Imports of foreign wines are almost entirely shut off due to the war.

VOICE OF THE PRESS

IT'S ALL HYPOTHETICAL

In Rome, the Colonial Agency is holding civil service examinations for jobs in the administration of Italian Africa.

Of course those jobs will have to wait for Hitler to win Italy's victory and restore the empire, which doesn't exist today. That's dandy. Now the hypothetical jobholders can pile into hypothetical Volksautos (the people's car which Hitler collected for but never manufactured) and go rambling merrily off (hypothetically) into a purely hypothetical future.

How'll they trade the whole thing, we wonder, for a good plate of real spaghetti?

—Kitchener Record.

GROW RICE IN THE U.S.

The war in the Pacific and shipping difficulties there do not mean that this continent is cut off from supplies of rice. It is not generally known that rice is grown extensively in the United States. This year's production indeed, included 21,074,000 bushels in Louisiana, 15,520,000 bushels in Texas, 11,128,000 bushels in Arkansas and 9,660,000 bushels in California.

—Brockville Recorder and Times.

UP TO DATE

One of the month's best samples of war humor was given last week by the Cobalt reporter for the Northern News. He tells of a Cobalt friend of his who saw on the bill of fare in a Chinese restaurant in Toronto recently this patriotic item: — "Free French-Fried Potatoes."

—Timmins Advance.

THOSE WELSH AGAIN

Marshal Simyon Timoshenko, according to an English school teacher, is of Welsh extraction. That will explain many things to the Germans. They will recall all the trouble a Welshman caused them in the last war.

—Windsor Star.

HINT TO JAPANESE

The neatest crack of the week on the Japanese attack came from the barbed tongue of Ellen Wilkinson, British Labor M.P. and Home Office official: "People who live in wooden houses shouldn's throw bombs."

—Stratford Beacon-Herald.

PERHAPS A BUGGY RIDE

If the automobile is eventually banned for pleasure in this war, many people will be no worse off than they were during the First Great War when they didn't own one.

—St. Thomas Times-Journal.

NEWS FOR THE DOCTOR

The average family pays $75 a year for doctor bills, says a government report. This probably will be news to most doctors.

—Elma Chronicle.

Summary Reveals Ceiling Effective

Bank of Montreal business summary for the year 1941 reports that the new Dominion price ceiling system "so far has been working with as much efficiency as could be expected in its initial stages."

The summary says that "the advance in commodity prices has been checked and the trend has been slightly downward."

Discussing Canada's war production the summary states that it is mounting steadily and increasing in variety. Here has also been a much heavier demand for Canadian Nickel, United States consumption having risen to more than two-thirds of the total output as against a normal consumption of about one-third. Plans are under way for increasing the output by some fifty million pounds annually.

The glass snake — which is not a snake but a lizard — snaps itself to pieces when touched.

The Individual Citizen's Army

By Alan Maurice Irwin

A Weekly Column About This and That in The Canadian Army

Here are some more Army nicknames since last week's few remarks on that subject, "Daisy" Bell and "Grog" Anderson. If you know any more drop me a line.

Have you any idea of the size of your Canadian Army? The best way to get the picture is to make a comparison in terms with which we are all familiar.

The Army employs nearly eight times the entire staff of the Canadian Pacific Railway. The Army's requirements in gasoline-propelled vehicles, compared with the Dominion Bureau of Statistics' most recent report on civilian trucks owned in Canada shows that as a "fleet owner" your Army not only outranks, many times over, the biggest individual commercial "fleet" but that according to recent figures for every eight commercial vehicles in Canada there is one for the Army.

It may seem unusual to use industrial figures to illustrate the size of an army. Perhaps it is unusual, but the analogy is a good one. Let's carry it further.

The Individual Citizen's Army is a big business run in a business-like way. The set-up is that of a huge industrial empire with a chairman of the board and directors of a holding company which operates a group of affiliated companies, each with its president, vice - presidents in charge of various operations, general managers, branch managers, purchasing and store-keeping organizations, junior executives, foremen and skilled tradesmen.

"Skilled Tradesmen." That has two meanings. Strictly applied in Army phraseology it refers to a long list of experts—either already trained in civil life or given an intensive course in Army Trade Schools—but actually it applies to every soldier. The "P.B.I."—don't ask me to elaborate on the "B"—as the poor — shall we say "blinking" — infantryman was called last time is no longer just a rifle-toter on whom you hang "everything but the kitchen stove."

This time every one in the Army, from Lieut.-Gen. A. G. L. McNaughton down to the last-joined vounteer, is—or will be—a specialist.

By the time the new private soldier has completed his training he is far more than just a "foot-slogger." He is a trained soldier who has passed tests in First Aid, Rifle, Anti-Tank Rifle, Light Machine Gun, Pistol, Bayonet Fighting, Anti-aircraft Defence, Field-craft, Map Reading, Mortar, Hand and Rifle Grenade, "Tommy" gun and Field Engineering and he can march 20 miles a day.

Now that's a very brief description of the accomplishments at the disposal of an infantryman, not what the Canadian Army calls a "Specialist." The infantryman of 25 years ago would have felt like a full Colonel with about half of that knowledge — this one would, anyhow!

Just by way of a digression, have you any idea how much added leisure today's volunteer has compared with the private soldier of my generation? Here are two reasons.

Before the days of "Battle-Rompers," as many of you remember, we had brass buttons, metal cap badges, and shoulder badges, all of which had to be kept bright. In addition the web equipment had to be cleaned with a preparation named "Blanco" and its innumerable brass tabs had to be polished. All of which took up a lot of leisure time. So the young volunteer can chuckle at the old soldier — there's no brass on battle-dress!

Today's infantryman, not to mention other specialists, has plenty to study in his spare time. And he does study. Why not? Every soldier today has a chance to gain his commission as an officer.

How does he do that? He does it the way Major-General G. R. Pearkes, V.C., D.S.O., M.C., and Major-General C. B. Price, D.S.O., D.C.M., did in the Great War, 1914-19, step by step—Private to Lance-Corporal, and on up.

By the way, can any old soldier tell me why a Lance-Corporal is sometimes nick-named "Lance-Jack?"

Strike At Hearts Of German People

Even now we do not realize the full importance of propaganda. We fought our way into Abyssinia with printing presses as well as machine guns. Pamphlets dropped on enemy positions brought thousands of natives and Italians over to us.

But there are bigger targets than Iran and Italy. The Russians have shown us the way to strike at the hearts of the German people. They tell sorrowing women how their husbands and sons died.

That is the way to break morale. But propaganda can also make morale.

LIFE'S LIKE THAT — By Fred Neher

"I'm content to sit back and wait but my partner is a go-getter!"

REG'LAR FELLERS—Efficiency Expert — By GENE BYRNES