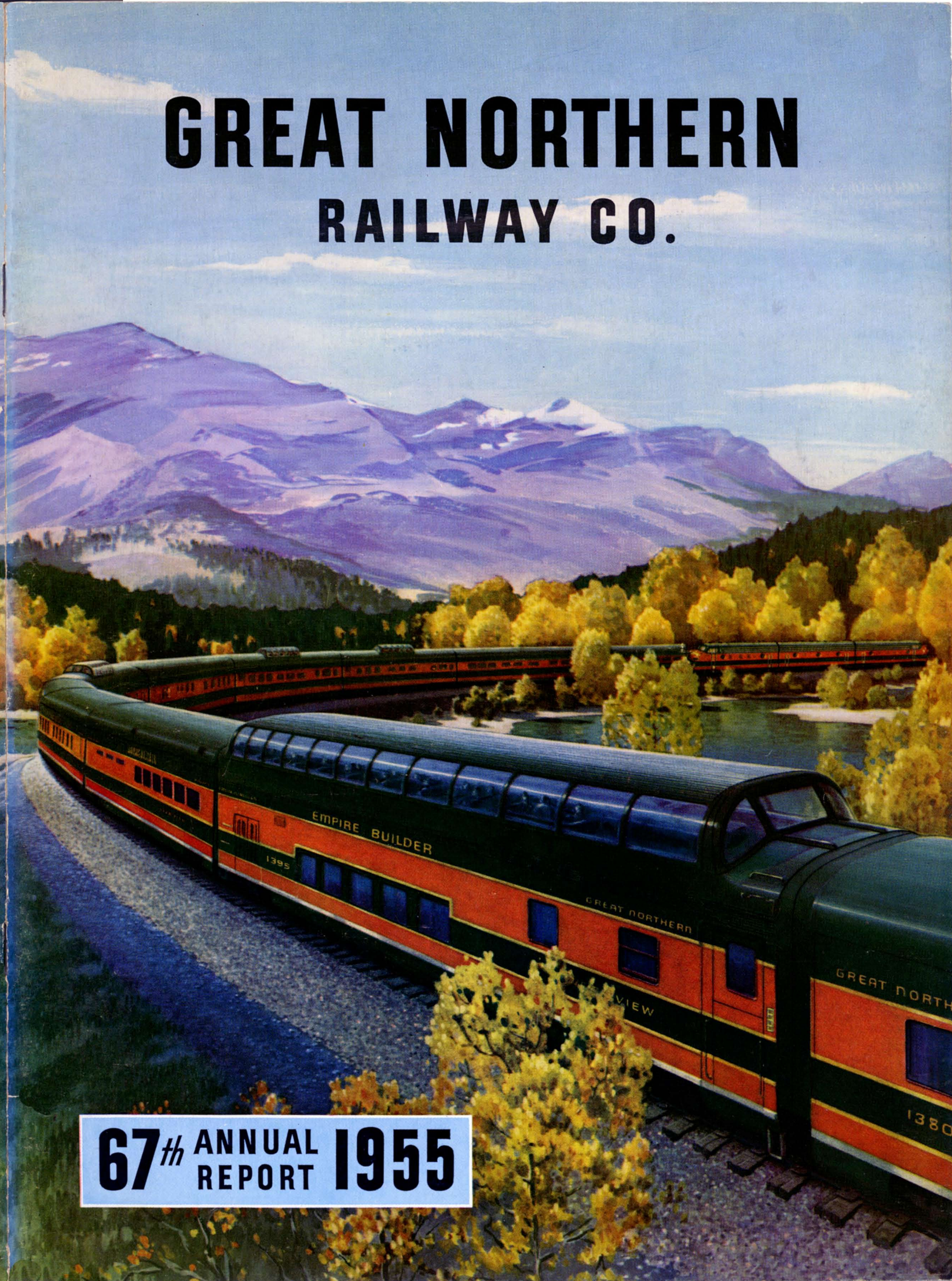
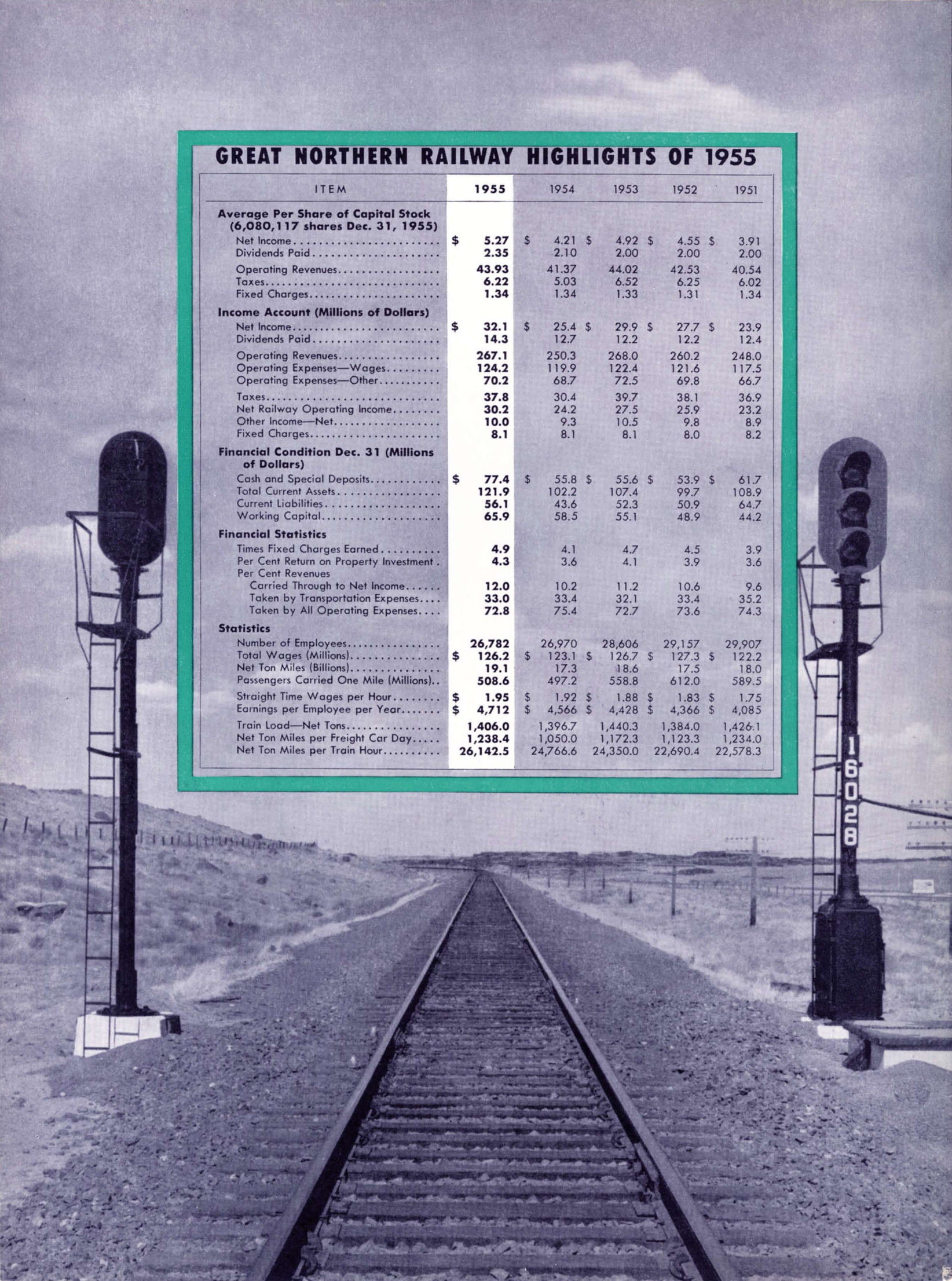
GREAT NORTHERN
RAILWAY CO.



67th ANNUAL REPORT 1955

GREAT NORTHERN RAILWAY HIGHLIGHTS OF 1955

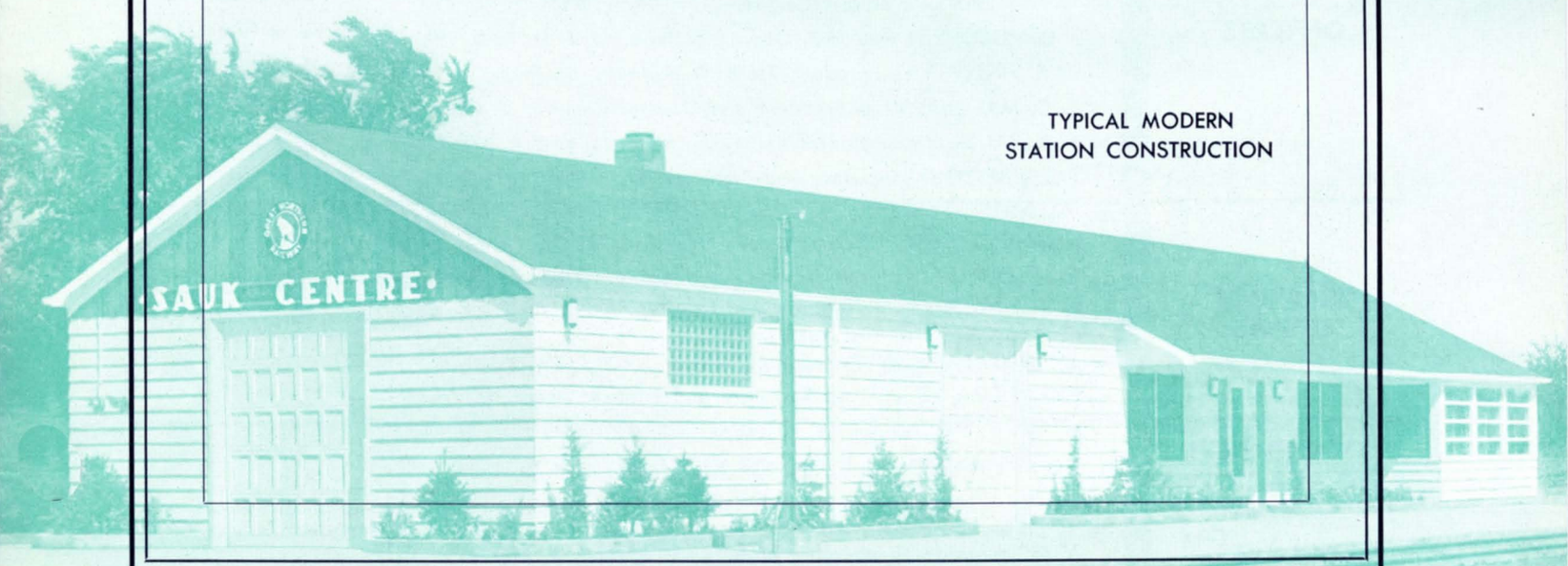
ITEM	1955	1954	1953	1952	1951
Average Per Share of Capital Stock (6,080,117 shares Dec. 31, 1955)					
Net Income	**$ 5.27**	$ 4.21	$ 4.92	$ 4.55	$ 3.91
Dividends Paid	**2.35**	2.10	2.00	2.00	2.00
Operating Revenues	**43.93**	41.37	44.02	42.53	40.54
Taxes	**6.22**	5.03	6.52	6.25	6.02
Fixed Charges	**1.34**	1.34	1.33	1.31	1.34
Income Account (Millions of Dollars)					
Net Income	**$ 32.1**	$ 25.4	$ 29.9	$ 27.7	$ 23.9
Dividends Paid	**14.3**	12.7	12.2	12.2	12.4
Operating Revenues	**267.1**	250.3	268.0	260.2	248.0
Operating Expenses—Wages	**124.2**	119.9	122.4	121.6	117.5
Operating Expenses—Other	**70.2**	68.7	72.5	69.8	66.7
Taxes	**37.8**	30.4	39.7	38.1	36.9
Net Railway Operating Income	**30.2**	24.2	27.5	25.9	23.2
Other Income—Net	**10.0**	9.3	10.5	9.8	8.9
Fixed Charges	**8.1**	8.1	8.1	8.0	8.2
Financial Condition Dec. 31 (Millions of Dollars)					
Cash and Special Deposits	**$ 77.4**	$ 55.8	$ 55.6	$ 53.9	$ 61.7
Total Current Assets	**121.9**	102.2	107.4	99.7	108.9
Current Liabilities	**56.1**	43.6	52.3	50.9	64.7
Working Capital	**65.9**	58.5	55.1	48.9	44.2
Financial Statistics					
Times Fixed Charges Earned	**4.9**	4.1	4.7	4.5	3.9
Per Cent Return on Property Investment	**4.3**	3.6	4.1	3.9	3.6
Per Cent Revenues					
Carried Through to Net Income	**12.0**	10.2	11.2	10.6	9.6
Taken by Transportation Expenses	**33.0**	33.4	32.1	33.4	35.2
Taken by All Operating Expenses	**72.8**	75.4	72.7	73.6	74.3
Statistics					
Number of Employees	**26,782**	26,970	28,606	29,157	29,907
Total Wages (Millions)	**$ 126.2**	$ 123.1	$ 126.7	$ 127.3	$ 122.2
Net Ton Miles (Billions)	**19.1**	17.3	18.6	17.5	18.0
Passengers Carried One Mile (Millions)	**508.6**	497.2	558.8	612.0	589.5
Straight Time Wages per Hour	**$ 1.95**	$ 1.92	$ 1.88	$ 1.83	$ 1.75
Earnings per Employee per Year	**$ 4,712**	$ 4,566	$ 4,428	$ 4,366	$ 4,085
Train Load—Net Tons	**1,406.0**	1,396.7	1,440.3	1,384.0	1,426.1
Net Ton Miles per Freight Car Day	**1,238.4**	1,050.0	1,172.3	1,123.3	1,234.0
Net Ton Miles per Train Hour	**26,142.5**	24,766.6	24,350.0	22,690.4	22,578.3



67TH ANNUAL REPORT

GREAT NORTHERN RAILWAY COMPANY

1955



TYPICAL MODERN
STATION CONSTRUCTION

GREAT NORTHERN RAILWAY COMPANY

DIRECTORS AND OFFICERS

STOCKHOLDERS

35,647 Stockholders, November 25, 1955.

DIRECTORS

TERM EXPIRES MAY	
1957	J. STEWART BAKER, *Chairman of the Executive Committee and President of the Chase Manhattan Bank, New York.*
1958	JOHN M. BUDD, *President, Great Northern Railway Company, St. Paul.*
1958	THOMAS L. DANIELS, *President, Archer-Daniels-Midland Company, Minneapolis.*
1957	FRANK J. GAVIN, *Chairman of the Board, Great Northern Railway Company, St. Paul.*
1956	F. PEAVEY HEFFELFINGER, *President, F. H. Peavey & Company, Minneapolis.*
1956	GRANT KEEHN, *Executive Vice President and Assistant to the Chairman, The First National City Bank of New York, New York.*
1956	RICHARD C. LILLY, *Director, First National Bank of Saint Paul, St. Paul.*
1958	WILLIAM L. McKNIGHT, *Chairman of the Board, Minnesota Mining and Manufacturing Company, St. Paul.*
1957	JAMES F. OATES, JR., *Chairman, The Peoples Gas Light and Coke Company, Chicago.*
1956	WALTER G. SEEGER, *Chairman of the Board, Whirlpool-Seeger Corporation, St. Paul.*
1957	FREDERICK K. WEYERHAEUSER, *President, Weyerhaeuser Sales Company, St. Paul.*
1958	ARCHIBALD W. WITHERSPOON, *Chairman of the Board, The Old National Bank of Spokane, Spokane.*

EXECUTIVE COMMITTEE

JOHN M. BUDD
FRANK J. GAVIN
F. PEAVEY HEFFELFINGER
RICHARD C. LILLY
WILLIAM L. McKNIGHT
WALTER G. SEEGER
FREDERICK K. WEYERHAEUSER

OFFICERS

F. J. GAVIN, *Chairman of the Board, St. Paul.*
J. M. BUDD, *President, St. Paul.*
V. P. TURNBURKE, *Vice President, Executive Department, St. Paul.*
T. BALMER, *Vice President, Seattle.*
I. G. POOL, *Vice President, Operating Department, St. Paul.*
C. E. FINLEY, *Vice President, Traffic Department, St. Paul.*
E. C. MATTHIAS, *Vice President and General Counsel, St. Paul.*
J. A. TAUER, *Vice President and Comptroller, St. Paul.*
F. L. PAETZOLD, *Secretary and Treasurer, St. Paul.*

TRANSFER AGENTS

FINANCIAL OFFICE, *2 Wall Street, New York (5), N. Y.*
R. M. O'KELLY, *Assistant Secretary and Assistant Treasurer, New York.*
E. V. FINK, *Assistant Treasurer and Transfer Agent, New York.*
C. M. BYRNES, *Transfer Agent, New York.*
A. SELANDER, *Assistant Treasurer and Transfer Agent, St. Paul.*
C. F. ZIEGAHN, *Assistant Secretary and Transfer Agent, St. Paul.*

STOCKHOLDERS ANNUAL MEETING

GREAT NORTHERN BUILDING, *St. Paul, Minn., May 10, 1956.*

EMPLOYES

26,782 Average Number for 1955.

GREAT NORTHERN RAILWAY COMPANY

EXECUTIVE DEPARTMENT

J. M. BUDD
PRESIDENT

ST. PAUL 1, MINNESOTA

April 9, 1956

To Great Northern Shareholders:

Unusually mild winter weather during the first quarter of the year was helpful in making 1955 earnings favorable. But for the severe shortage of box cars, Net income of $5.27 per share of common stock earned for the year would have been somewhat higher. Under accounting procedures required by the Interstate Commerce Commission with respect to accelerated amortization of defense projects, the year's earnings are in excess of normal to the extent of $.61 per share. For 1954 and 1953 the per share earnings were $4.21 and $4.92, respectively.

Fixed charges were covered 4.9 times, although the return on the net property investment was only 4.3%.

The enclosure sent to you with the March dividend check advised you of the study being undertaken by the Great Northern and Northern Pacific Railway Companies with respect to a possible merger of those two lines with their subsidiaries, the Chicago, Burlington & Quincy and the Spokane, Portland and Seattle Railway Companies.

Part of Great Northern's earning strength comes from the substantial tonnage originating on its lines. Cars loaded with grain, lumber and other important commodities move to off-line destinations. The refusal of other railways to return to the Great Northern its own box cars or those of other ownership resulted in an acute shortage of equipment. If, during the heavy loading seasons, box cars had been available equal to the number we own, it is certain that 1955 would have been a year of record operating revenues instead of being only the second best year.

Quarterly dividend payments in 1955 were increased from $.55 to $.625 per share, with total payments for the year amounting to $2.35 compared with $2.10 for 1954 and $2.00 for 1953.

The portion of Operating revenues consumed by Transportation expenses was 33.0%, and for all Operating expenses it was 72.8%. Both are considered favorable ratios, below the 1954 figures but slightly higher than those for 1953.

The sharp decline in passenger traffic during the past two years was halted, the 1954 and 1955 revenues being almost identical. Civilian travel increased $178,000, but smaller revenues from military movements more than offset this gain.

Over 200 new industries were located on Great Northern property during the year and others were established on privately owned property served by our trackage. Included were several new fertilizer installations, grain and potato storage houses, saw mills, lumber yards, concrete mixing plants and distributing warehouses of various types. A $65 million aluminum plant began operation at Conkelley, a local point on Great Northern in western Montana. Some 510 acres of potential industrial sites were acquired during 1955 in Minnesota, North Dakota and Washington.

The so-called "piggyback" operations were substantially expanded in 1955, including through inter-line service with other railroads between California and North Pacific Coast cities; the use of radio in freight operations was extended; and running time on the Empire Builder was reduced.

Notable property improvements were the initial construction on a $6 million yard automation at Minot, N. D.; the addition of three dome coaches and a Great Dome to each of the five sets of Empire Builder equipment; and the construction of 1,000 box cars.

During 1955 the elimination of unprofitable passenger service continued. Of importance was the consolidation of the Western Star and the Fast Mail trains west of Williston, N. D. for eight months beginning late in September.

Track improvement and maintenance planned for 1956 will be about the same as for 1955. The program of constructing box cars will be continued and 20 diesel locomotive units will be received. Centralized traffic control will be extended and additions will be made to train radio operations.

For 1956 prospects appear encouraging. The Interstate Commerce Commission approved, effective March 7, 1956, a 6% general increase in freight rates with smaller advances for certain agricultural commodities and limiting maximums on lumber, fertilizers, coal, etc. This will partially offset higher wage, tax and material costs. Volume of traffic should be substantial with a large amount of grain still to be moved and with indications that the iron ore movement in 1956 will be comparable with the heavy 1955 traffic. The first boat loaded with iron ore left Great Northern docks on April 7, 1956, a week prior to opening of the navigation season in 1955 and over two weeks earlier than the opening of the 1954 season. The fixed property and equipment have been well maintained and, with the continuing efficient and loyal service of officers and employes, it is believed that Great Northern will again report another successful year in 1956.

J. M. Budd
President

NET INCOME

The year 1955 provided a much larger volume of transportation throughout the nation than did recent years and Great Northern enjoyed its full share of this improvement. Housing construction was active, consumer spending expanded with peak levels of employment, steel demand and production increased, and plans were made for important expansion of the industrial plant as the year progressed.

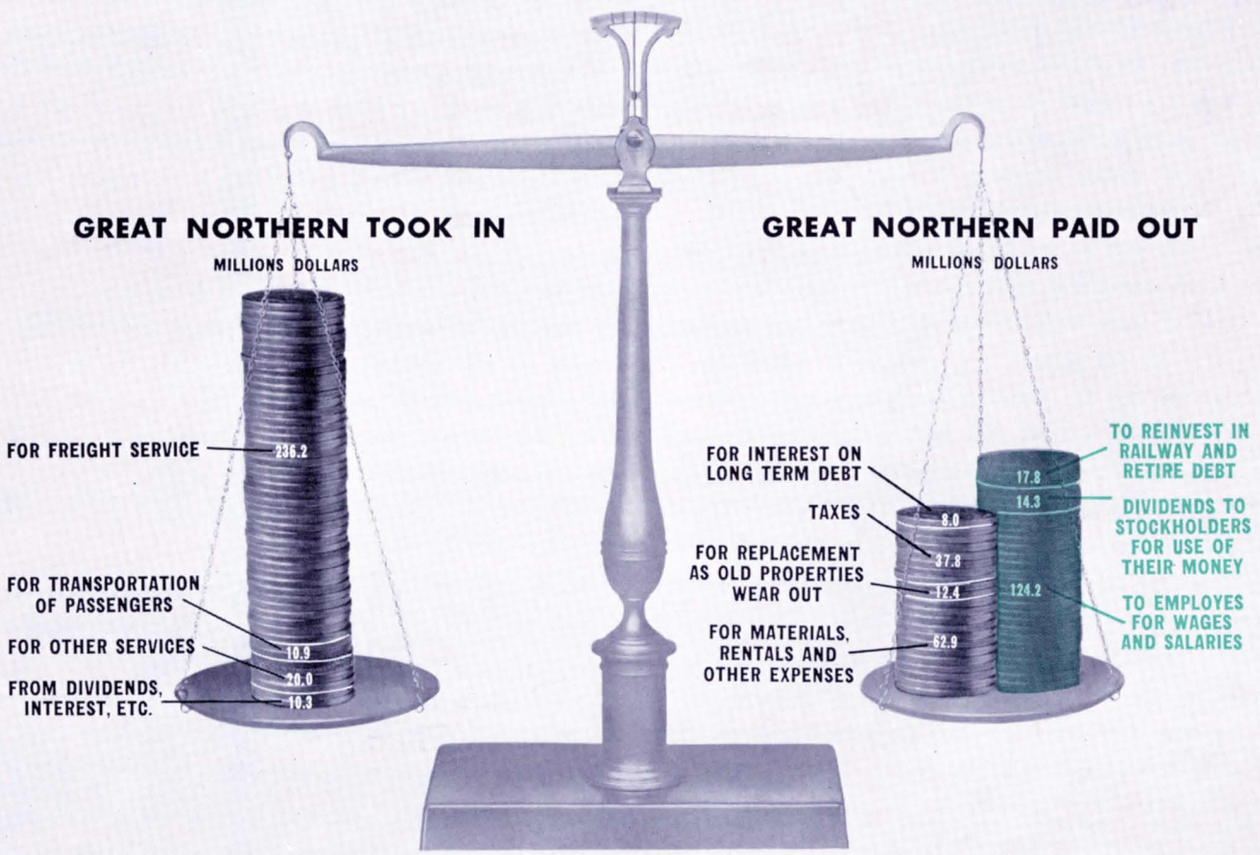
The Net income reported for your Company was $32.1 million, or $5.27 per share. For 1954 the earnings per share were $4.21 and for 1953 they were $4.92. Due to accounting requirements by the Interstate Commerce Commission these results include a temporary inflation of reported earnings because of accelerated amortization of defense projects.

The rules of the Interstate Commerce Commission permit charging only normal depreciation in the Operating expense accounts. In determining the Federal income tax, however, larger charges are used for amortizing over 5 years a portion of the investment in government approved defense projects. After expiration of the 5 year amortization period normal depreciation will continue in the accounts without allowance for depreciation or amortization in computing income taxes. After that time the income taxes will be increased and Net income decreased. Thus, the tax reduction now being realized is not a tax saving but simply a tax deferment.

In 1955 the excess of this amortization over normal depreciation was $7.1 million representing an income tax deferment of $3.7 million, or $.61 per share. The tax deferment for 1954 was $.56 per share and for 1953 it was $.45 per share.

After allowance for Federal income taxes fixed charges were covered 4.9 times in 1955 (4.1 times in 1954 and 4.7 times in 1953) but the return earned on the depreciated value of the plant and equipment was only 4.3%.

GREAT NORTHERN'S SIMPLIFIED INCOME STATEMENT FOR 1955



GREAT NORTHERN'S FINANCIAL POSITION AT END OF 1955

QUICK ASSETS:	1955
Cash and special deposits	$ 77,433,544
Due from agents, conductors and others.	15,654,870
Material and supplies on hand	28,847,842
Total quick assets, readily convertible into cash	$121,936,256

CURRENT LIABILITIES:	1955
Employes' pay checks outstanding	$ 8,918,641
Taxes not yet due	26,780,696
Bond interest due and paid January 1	3,143,002
Other current liabilities	17,223,095
Total current liabilities	$ 56,065,434

"WORKING CAPITAL":	1955	1954
The excess of quick assets over current liabilities	**$ 65,870,822**	**$ 58,522,064**
GREAT NORTHERN'S INVESTMENTS:		
Road, equipment and other property, less depreciation	$ 632,988,883	
48.59% of Chicago, Burlington & Quincy R. R. Co. stock	109,245,456	
50% of Spokane, Portland and Seattle Ry. Co. stock and bonds	42,998,500	
Capital and other reserve funds	7,100,544	
Other stocks, bonds, etc	14,913,423	
Deferred and unadjusted items	7,410,097	
Total investments	**$814,656,903**	**$812,090,120**
GREAT NORTHERN'S OTHER OBLIGATIONS:		
To investors for bonds and notes outstanding	$ 267,330,764	
To all others	9,988,959	
Total owed in addition to current liabilities	**$277,319,723**	**$283,211,602**
NET WORTH: "Working Capital" plus "Investments" minus "Other Obligations"	**$603,208,002**	**$587,400,582**
CAPITAL STOCK	**$268,206,510**	**$266,856,780**
RETAINED EARNINGS: "Net Worth" minus "Capital Stock"— largely invested in the property	**$335,001,492**	**$320,543,802**

Undistributed earnings of Chicago, Burlington & Quincy R.R. Co., Spokane, Portland and Seattle Ry. Co., and Western Fruit Express Co. applicable to Great Northern's ownership in those companies amounted to $7.6 million, equivalent to $1.26 per share of Great Northern stock. For 1954 and 1953 similar figures were $1.25 and $1.26 per share, respectively.

The dividend rate was increased for the last two quarters of 1955 from $.55 to $.625 per share, the quarterly distributions being:

Period	1955	1954	1953
1st quarter	$0.55	$0.50	$0.50
2nd quarter	0.55	0.50	0.50
3rd quarter	0.625	0.55	0.50
4th quarter	0.625	0.55	0.50
Total for year	$2.35	$2.10	$2.00

Compared with 1954, the year 1955 showed $16.8 million greater revenues and $2.3 million smaller payments for equipment rents because of the fewer freight cars on line during the long period of car shortage. Operating expenses were up $5.8 million and taxes $7.4 million. Miscellaneous income, largely interest and dividend income, was $.7 million higher and combining these elements produced a 1955 Net income of $32.1 million, $6.6 million above that for 1954.

FINANCIAL POSITION AT END OF YEAR

At the end of 1955 cash, temporary cash investments and special deposits amounted to $77.4 million, exceeding total current liabilities of $56.1 million. Total current assets were $121.9 million. Working capital, the excess of current assets over current liabilities, totalled $65.9 million. At the end of 1954 cash items were $55.8 million; current liabilities $43.6 million; current assets, $102.2 million; and working capital, $58.5 million.

OPERATING REVENUES

In line with the growth of business in Great Northern territory and the high level of industrial production in the entire nation, the $267.1 million of Operating revenues for 1955 were substantially above the $250.3 million reported for 1954 although slightly less than the $268.0 million for the record year of 1953.

FREIGHT REVENUE BY COMMODITY GROUPS
1955 AND 1954

COMMODITY	1955		1954		INCREASE DECREASE (D)	
	REVENUE	PERCENT OF TOTAL	REVENUE	PERCENT OF TOTAL	AMOUNT	PERCENT
PRODUCTS OF AGRICULTURE.....	$ 66,964,296	28.4	$ 68,892,100	31.2	$ 1,927,804 D	2.8 D
ANIMALS AND PRODUCTS.....	4,746,185	2.0	4,947,587	2.2	201,402 D	4.1 D
PRODUCTS OF MINES.....	49,173,358	20.8	40,298,445	18.2	8,874,913	22.0
PRODUCTS OF FORESTS.....	35,191,229	14.9	31,721,317	14.4	3,469,912	10.9
MANUFACTURES AND MISCELLANEOUS	74,268,222	31.4	69,239,074	31.4	5,029,148	7.3
MERCHANDISE—ALL L. C. L. FREIGHT..	5,892,918	2.5	5,663,663	2.6	229,255	4.0
TOTAL.....	$236,236,208	100.0	$220,762,186	100.0	$15,474,022	7.0

For the past three years the breakdown of operating revenues was:

	Operating Revenues (In Millions)		
Source of Revenue	1955	1954	1953
Iron ore.....	$ 33.8	$ 22.6	$ 34.9
Other freight.....	207.2	201.3	205.7
Passenger.....	10.9	11.0	12.5
Mail.....	7.8	8.2	7.6
All other.....	7.4	7.2	7.3
Total.....	267.1	250.3	268.0

The 1955 traffic pattern follows closely that of 1953. Revenue from iron ore was 12.6% of all revenues in 1955 and 13.0% in 1953.

1. FREIGHT SERVICE

In 1955 the 19 billion revenue net ton miles exceeded those of any of the previous 10 years, as shown by the following:

Year	Rev. Net ton miles (Billions)	Year	Rev. Net ton miles (Billions)
1946	14.8	1951	18.0
1947	16.3	1952	17.5
1948	16.4	1953	18.6
1949	15.4	1954	17.3
1950	16.0	1955	19.1

The demand for steel created a heavy movement of iron ore and in 1955 a total of 31.9 million long tons were handled over the ore docks at Allouez, Wisc. compared with 21.0 million tons in 1954 and a record 32.3 million tons in 1953. The revenue from other ores—aluminum, copper, lead, zinc, etc.—increased from $5.6 million in 1954 to $7.1 million in 1955, an increase of 26%.

Despite the shortage of box cars the revenue from grain was $52.2 million, only slightly under the $53.2 million for 1954. The grain handled was approximately 245 million bushels in both 1955 and 1954. National acreage restrictions resulted in a falling off in wheat movement of nearly 6,000 cars, but with the use of special fertilizers quality malting barley was produced with almost 8,000 more cars moved in 1955 than in 1954. Revenue from forest products was $36.9 million in 1955 and $33.1 million in 1954. Forwarder and less-carload business of $11.0 million increased $2.0 million, or 23%.

The construction of pipelines into the Tioga and Poplar districts of the Williston Basin resulted in a sharp reduction in the revenue from the movement of crude petroleum which fell off from $6.1 million to $2.7 million in 1955. In other and more important petroleum products (gasoline, road oils, etc.) the decrease was from $11.6 million to $10.0 million.

There has been an improvement in the economy of the Williston Basin, with a larger population and more money in circulation. There was an increase of nearly 2,600 cars moved into and out of the Basin in 1955 compared with the period prior to oil discovery. These figures exclude agricultural products and crude oil.

Total carloads of all traffic handled on the entire system, excluding iron ore, have increased during the past 10 years as follows:

Year	Carloads Excl. Iron Ore (Thousands)	Year	Carloads Excl. Iron Ore (Thousands)
1946	804	1951	812
1947	826	1952	809
1948	811	1953	823
1949	757	1954	825
1950	767	1955	837

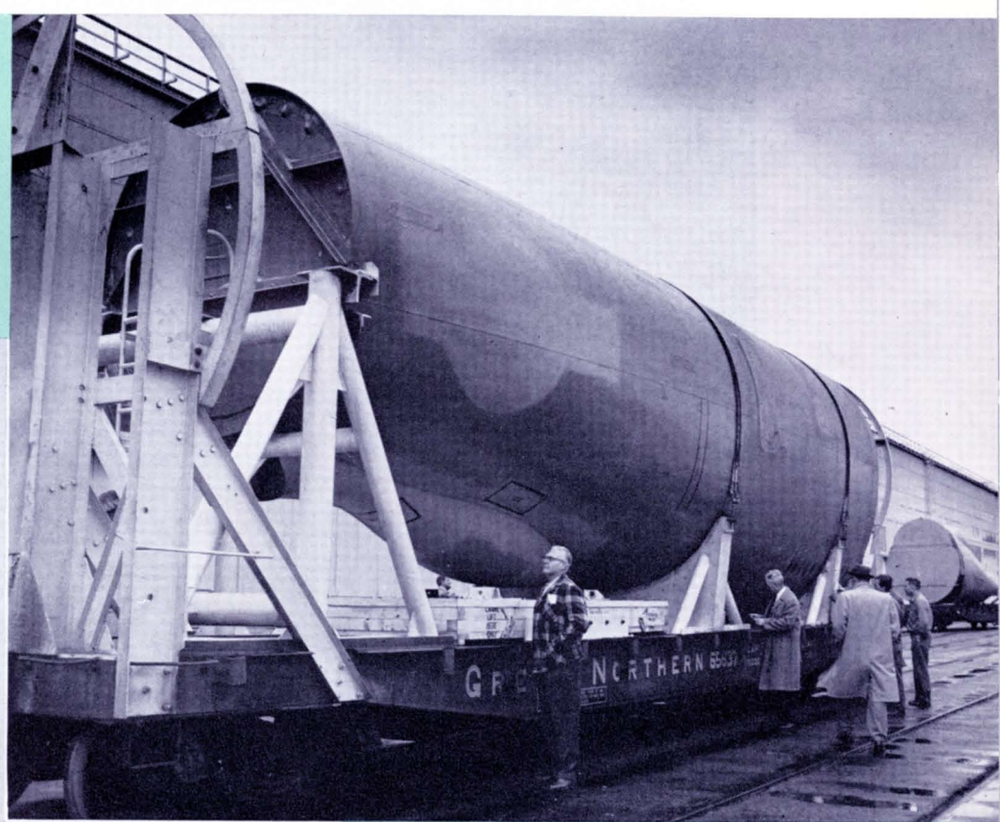
The net increase of 12,000 cars from 1954 to 1955, including the loss of some 16,000 carloads of crude petroleum, is illustrative of the expanding traffic in the territory and the benefits of a diversified list of commodities transported by Great Northern.

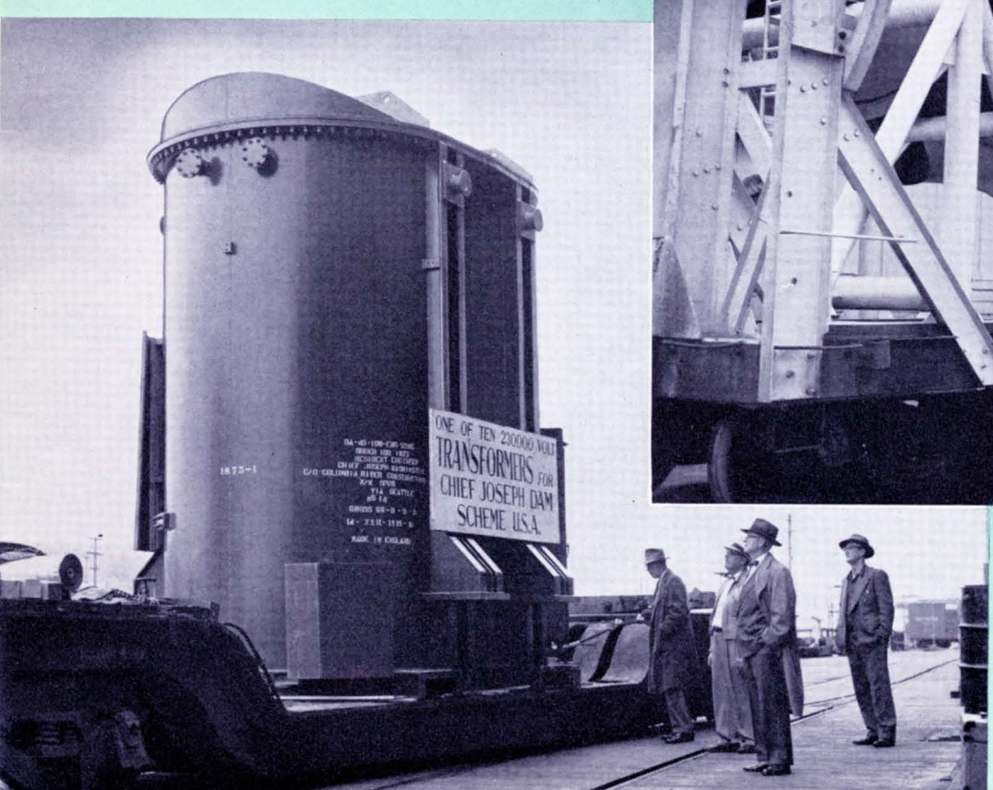
There were no general freight rate changes of importance during 1955, although reduced rates on certain commodities were established to meet various forms of competition.

After investigation the Interstate Commerce Commission issued an order, effective March 7, 1956, permitting general increases in freight rates of 6% to partially offset the higher wage rates, material costs and taxes. The increase allowed on grain and its products, livestock, fresh meats, etc., was limited to 5% and maximums were prescribed on coal, lumber, fresh fruits and other commodities. For a full year these increases should amount to $12 million, assuming all intrastate rates are raised on the same basis.

GREAT NORTHERN HANDLES UNUSUAL LOADS

TO RIGHT: LARGEST FUSELAGE SECTION EVER MOVED BY RAIL.



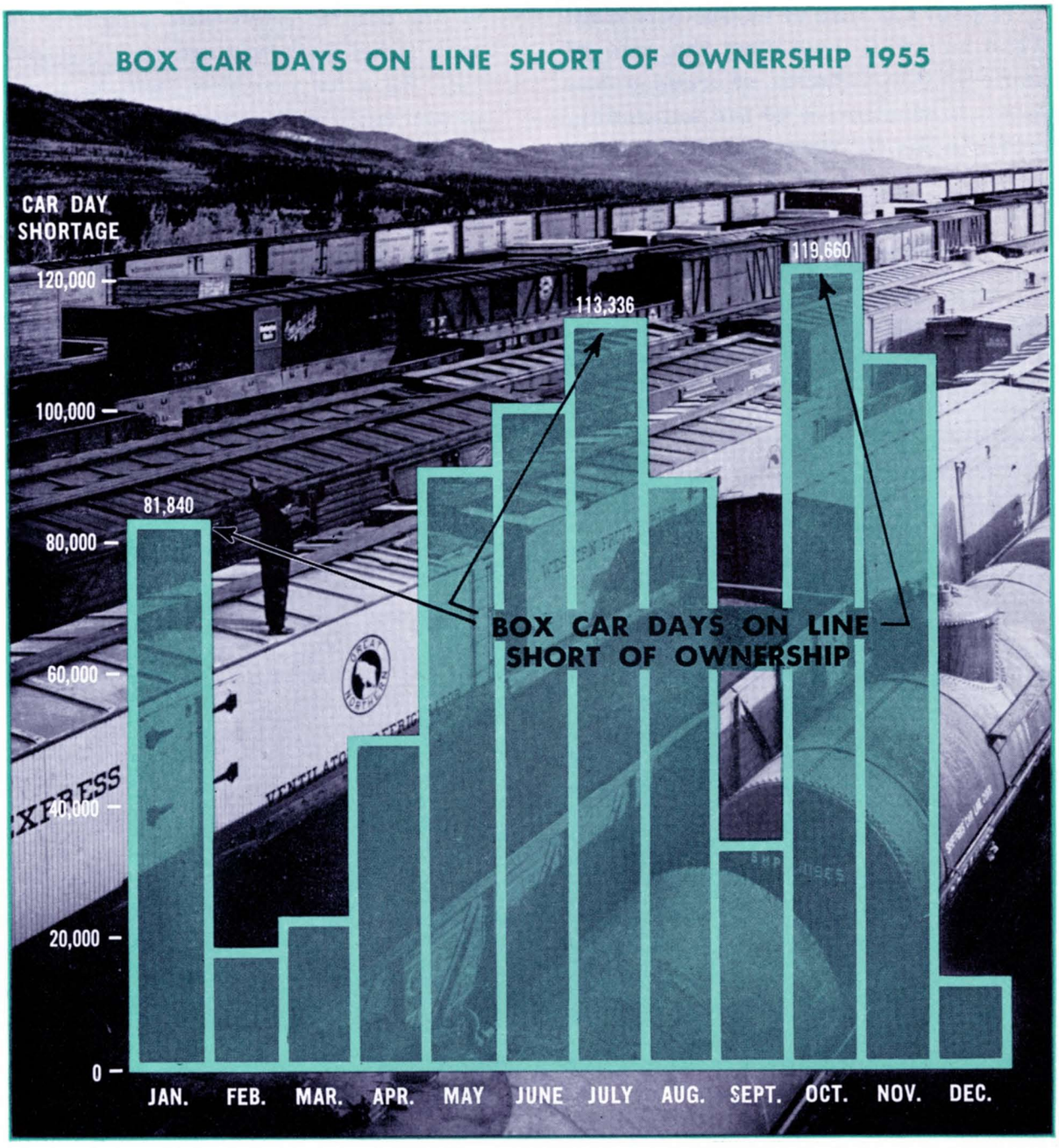


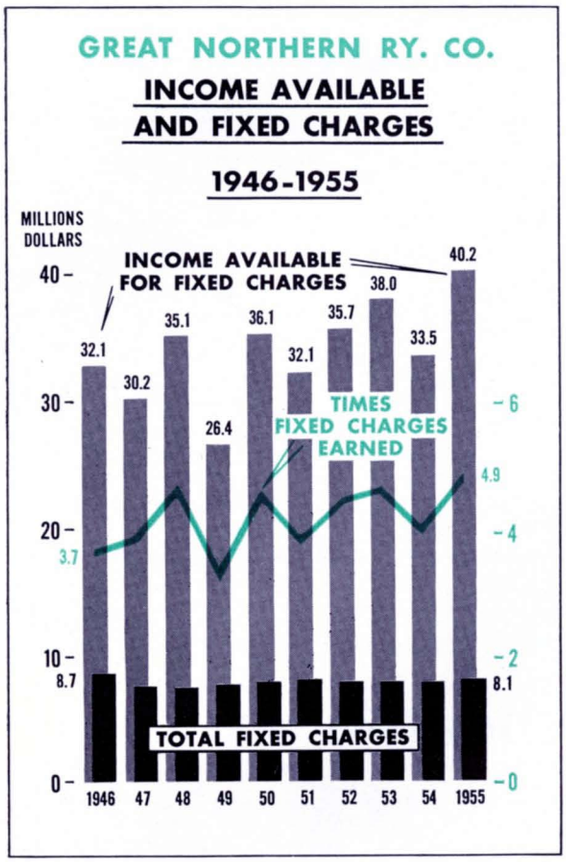
TO LEFT: TRANSFORMER FOR CHIEF JOSEPH DAM IN NORTH CENTRAL WASHINGTON.

ACUTE BOX CAR SHORTAGE ON GREAT NORTHERN IN 1955

Great Northern originates a large volume of grain, flour, lumber, plywood, aluminum and zinc ingots, woodpulp, newsprint and other papers, etc., which require box cars for loading and move to off line destinations. A much smaller traffic is loaded on other railroads for Great Northern destinations. While Great Northern owns sufficient box cars to take care of its requirements, the refusal of other railways to return empty box cars to Great Northern resulted in an acute shortage of equipment especially during the heavy loading summer and fall months.

The chart below shows the difference between number of box car days available on Great Northern's line and the box car days actually owned. For example, in the month of July, 1955, Great Northern owned 21,154 box cars, which multiplied by 31 days in the month represented a total of 655,774 box car days. The total box cars on Great Northern, including those owned by other railroads, averaged only 17,498 cars, equivalent to 542,438 car days. Thus the shortage under ownership was an average of 3,656 cars every day in the month of July or a total shortage of 113,336 car days for the month.





2. PASSENGER SERVICE

Following the 1953 and 1954 decline in passenger traffic, the passengers handled and passengers carried one mile increased in 1955. The proportion of the lower fare coach travel increased with the revenue per passenger mile on all traffic decreasing from 2.21 cents in 1954 to 2.15 cents in 1955, the lowest in 8 years.

Passenger revenues of $10,943,142 compared with $10,974,533 for 1954. The new Great Dome cars put in service on the Empire Builder late in the year had much to do with checking the previous decline. The movement of civilians actually increased while the loss in military travel on government transportation orders accounted for more than the total decrease.

The program of eliminating unprofitable passenger trains was continued. A major reduction was accomplished by combining the Western Star and Fast Mail trains west of Williston. The consolidated train will be operated during the months of light passenger business from October to May, inclusive. During the heavier summer tourist season they will again operate separately. The total saving will be 480,000 train miles annually.

In 1950 passenger service was being given on 6,110 miles of road. Five years later, in 1955, this had been reduced to 4,720 miles of road. In 1950 the passenger train miles totalled 9,011,133, but in 1955 only 7,118,401 passenger train miles were operated.

An indication of the progressive effect of removing unprofitable trains is given by a comparison of the 71 passengers per train in 1955 with the average of 55 in 1950. The volume of business was practically the same in both years.

3. MAIL AND EXPRESS SERVICES

There has been a gradual reduction in mail and express revenues during recent years. Mail revenues in 1954 included $207,000 applicable to the previous year. With this adjustment the revenues reported would have been:

Year	Mail Revenue	Express Revenue
1952	$7,970,800	$2,742,086
1953	7,778,477	2,477,937
1954	8,014,202	2,191,559
1955	7,795,412	2,054,489

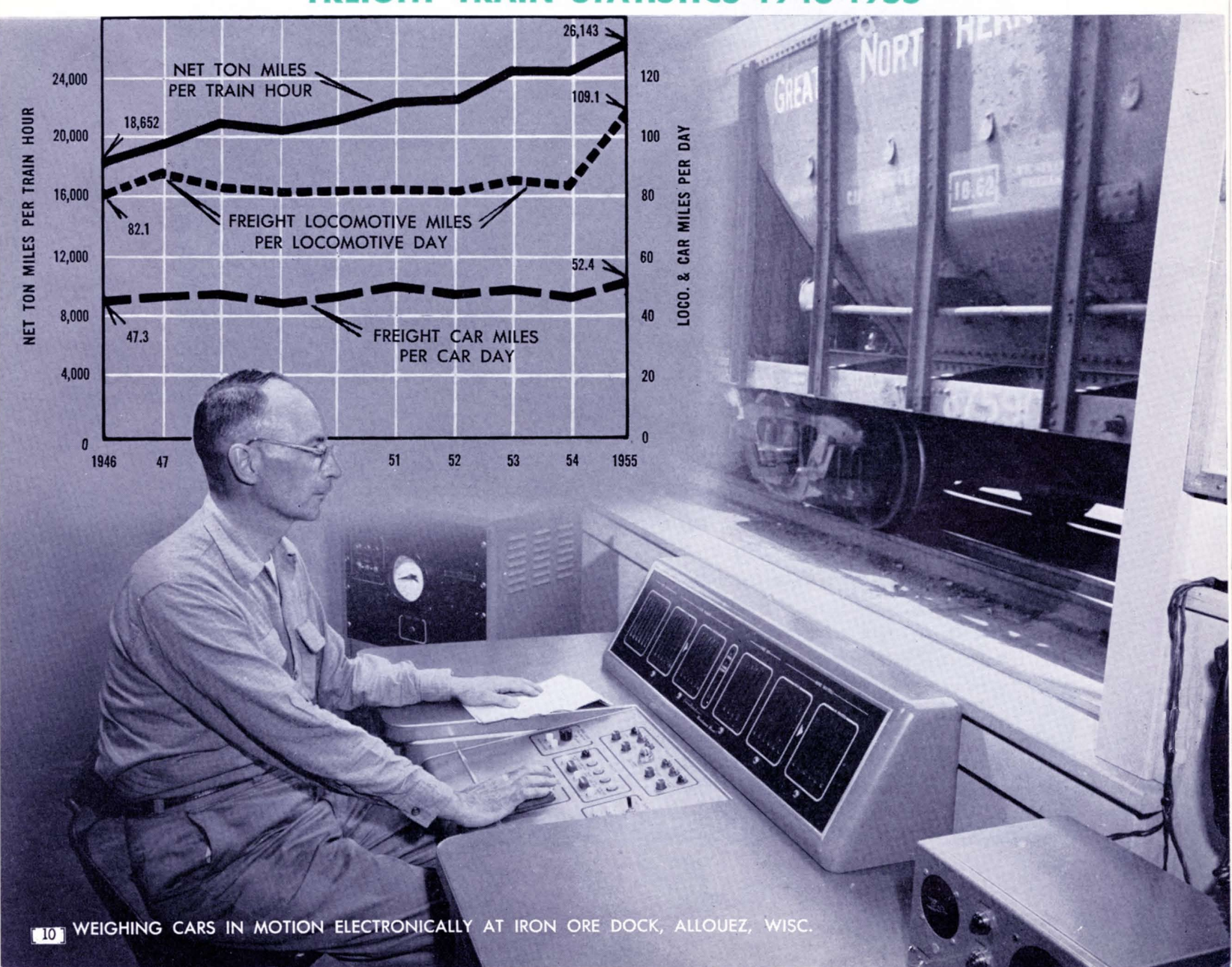
The Post Office Department, in its campaign to lower costs, has been cancelling some of the mail space on local trains. This often leads to a saving for Great Northern through reduction in or elimination of train service. Recently truck service was substituted for train service on a 300 mile run with a reduction in cost of over $200,000 per year and better service for the public.

After many years a new Terminal Post Office building was erected at Seattle on property provided by Great Northern which will eliminate some of the congestion at King Street Station and provide for future expansion. Through transcontinental mail service continues via Great Northern's Fast Mail train.

VOLUME OF TRAFFIC
AND OPERATING AVERAGES

ITEM	1955	1954	1953	1952	1951
REVENUE NET TON MILES (1000's)	19,056,847	17,255,531	18,586,111	17,518,226	18,041,425
PASSENGERS CARRIED ONE MILE (1000's)	508,634	497,173	558,784	612,030	589,519
TRAIN LOAD—NET TONS ALL FREIGHT	1,406	1,397	1,440	1,384	1,426
FREIGHT LOCOMOTIVE MILES PER LOCOMOTIVE DAY	109.1	84.2	85.5	82.5	83.2
FREIGHT CAR MILES PER CAR DAY	52.4	46.5	50.0	48.1	51.6
NET TON MILES PER FREIGHT CAR DAY	1,238	1,050	1,172	1,123	1,234
REVENUE PER NET TON MILE (cents)	1.240	1.279	1.269	1.292	1.195
REVENUE PER PASSENGER MILE (cents)	2.151	2.207	2.238	2.307	2.290
NET TON MILES PER TRAIN HOUR	26,143	24,767	24,351	22,690	22,578

FREIGHT TRAIN STATISTICS 1946-1955



 WEIGHING CARS IN MOTION ELECTRONICALLY AT IRON ORE DOCK, ALLOUEZ, WISC.

MECHANICAL EQUIPMENT SUCH AS THIS SELF-PROPELLED MULTIPLE BALLAST TAMPER SUBSTANTIALLY REDUCES TRACK MAINTENANCE COSTS.

OPERATING EXPENSES

The 1955 operating expenses of $194.4 million were $5.8 million above those of 1954. This increase amounted to 3.1% while the Operating revenues were up $16.8 million—6.7%. The larger volume of business required more train service, and substantial wage increases occurred, effective October 1, 1955 for the train service crafts and December 1, 1955 for all other employes. The favorable weather conditions early in the year were succeeded by severe weather and floods in the Pacific Northwest during November and December.

The percentage of Operating revenues consumed by Operating expenses was reduced to 72.8% for 1955 while the ratio of Transportation expenses to Operating revenues was only 33.0%. Both of these ratios are considered favorable.

Maintenance of way costs of $48.2 million for 1955 were up $1.5 million over the 1954 figures and half of this increase occurred as a result of the more severe weather in December, 1955. Removing snow, ice and sand in that month cost nearly $400,000 more than for December, 1954.

The property was well maintained with 36,400 net tons of new rail being laid, almost the same as the average for the previous 3 years. Over 760,000 ties were applied and some 650,000 cubic yards of crushed rock or stone ballast was applied and 12 miles of roadbed was reinforced with cement grouting. Continuous welded rail was laid for over 15 miles between Aylmer and Karlsruhe on the Fargo-Surrey line cut-off in North Dakota. There is a total of 30 miles of this rail now in service.

Maintenance of equipment expenses in 1955 of $41.6 million were the lowest since 1951.

Despite the lower expenditure for repairs, the equipment has been well maintained as shown by the following tabulation:

	Per cent of Equipment Bad Order at End of Year		
Equipment	1955	1954	Avg. 5 Years 1950-54
Locomotives	7.8%	5.1%	8.3%
Freight cars	2.5	2.7	3.2
Passenger cars	2.9	4.0	4.3

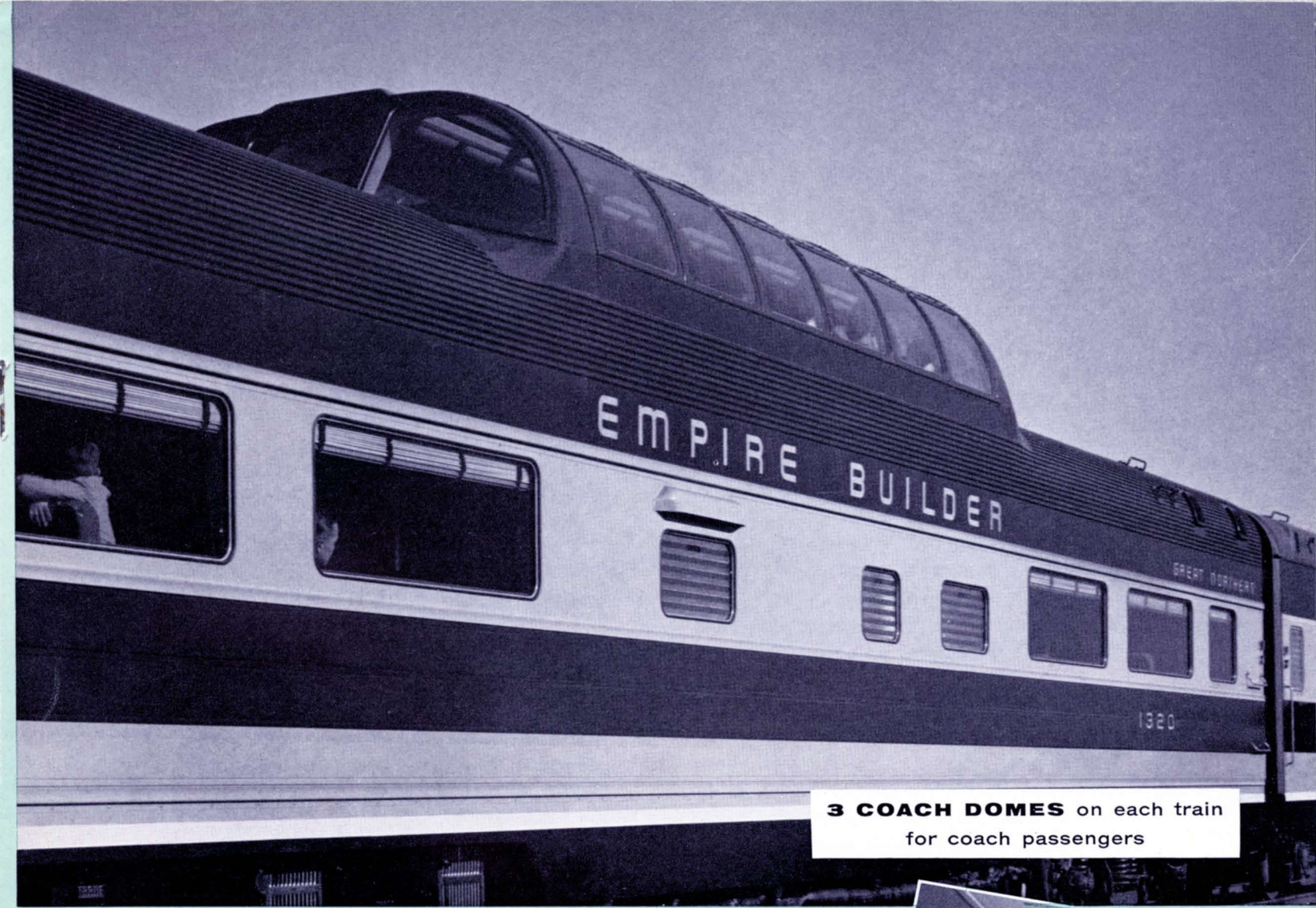
The increase of over 10% in net ton miles in 1955 required a greater use of steam locomotives with their higher operating costs, as all diesels were being used to capacity. Nevertheless, the ratio of Transportation expenses to Operating revenues of 33.0% for 1955 is, with one exception, lower than in any of the last 10 years.

FULL DOME
for sleeping car passengers

New GREAT *on Great Northern Empi*

FULL DOME

Lower Level	Upper Level



3 COACH DOMES on each train
for coach passengers

DOMES

ire Builder Trains in 1955

COACH DOME	
Upper Level	Lower Level

IMPROVEMENTS IN SERVICE

Effective January 12, 1955 freight schedules for westbound service from St. Paul-Minneapolis to Spokane, Seattle and Portland were reduced 18 hours to Spokane and 24 hours to Coast points, with arrival at Seattle and Portland on the 3rd day.

The running time on the streamliner "Empire Builder" between Chicago and Seattle-Portland was reduced one hour westbound and one-half hour eastbound. Three dome coaches and one full-length dome car for sleeping car passengers were placed in service on each of the five trains in the "Empire Builder" fleet with upper deck seating capacity for 147 passengers on each train.

"Piggyback" operations begun in 1954 were expanded during 1955 to provide trailer-on-flat-car service from St. Paul-Minneapolis and Duluth-Superior to Fargo, Minot, Grand Forks and Williston in North Dakota, and Glasgow and Havre in Montana. In addition, "piggyback" service was inaugurated between Seattle-Tacoma, Portland, San Francisco-Oakland and Los Angeles in conjunction with the Santa Fe, Southern Pacific and Western Pacific railroads.

The use of radio for passenger and freight trains was extended to the entire main line in 1955. Yard radio service was established at Great Falls, Mont., the third major yard to be so equipped.

A twin development has been arranged between Great Northern and the Soo Line covering two stretches of adjacent track each approximately 25 miles long. Between Schley and Bemidji, Minnesota, the Soo Line will abandon its trackage, taking use of neighboring Great Northern rails. Between Aberdeen Line Jct., Minnesota and Hankinson, North Dakota, Great Northern will do the abandoning and use Soo Line tracks. Thus each company will realize the saving from the recovery of salvage rail and other track material as well as a continuing reduction in cost of maintaining some 25 miles of track. After a hearing the Interstate Commerce Commission approved these plans in December, 1955.

INDUSTRIAL DEVELOPMENT

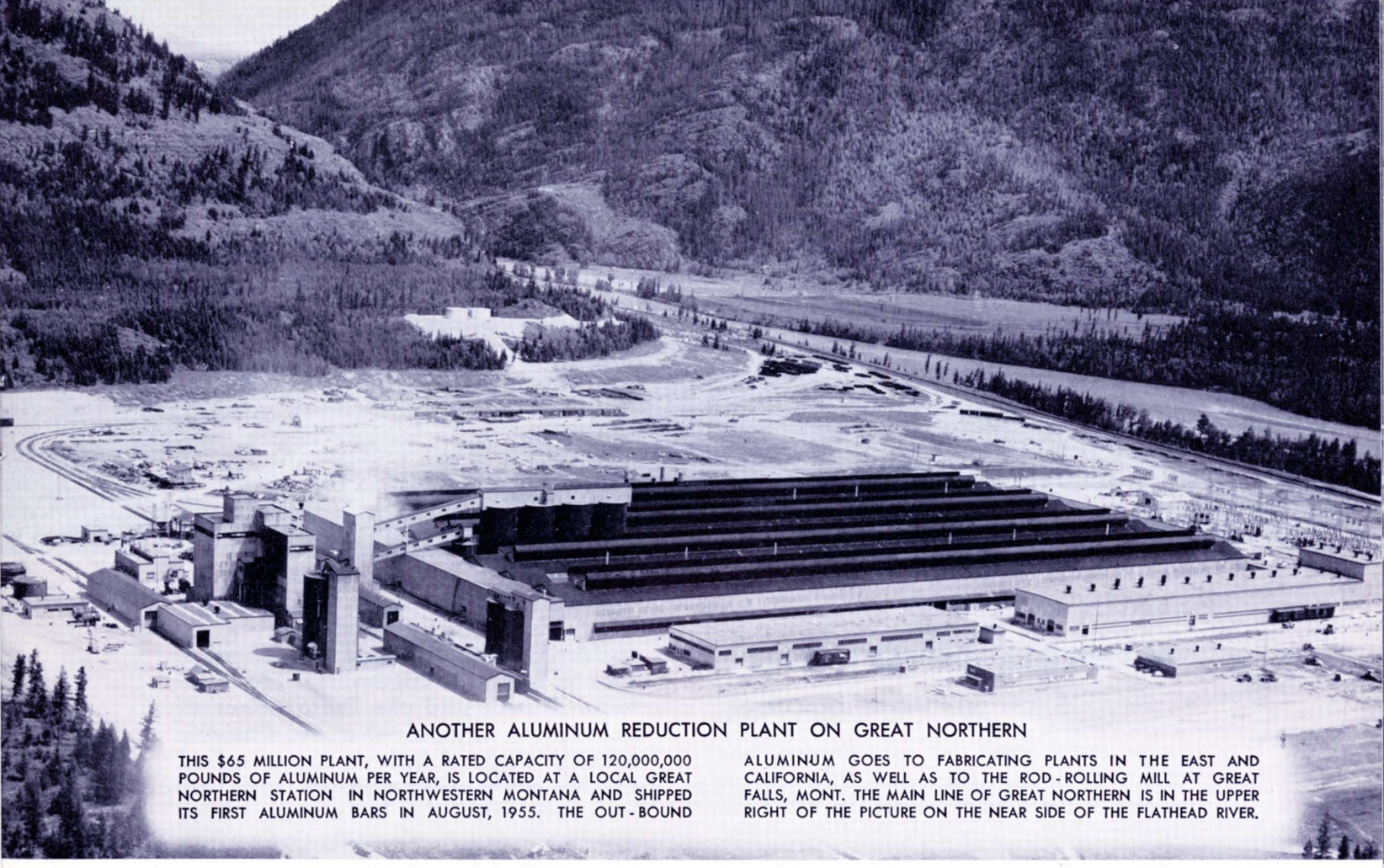
Another 203 new industries were located on Great Northern property in 1955 and others were located on privately owned property served by your Company's trackage.

One of the outstanding developments in Great Northern territory was the placing in operation in August of a $65 million aluminum reduction plant by Anaconda Aluminum Company at Conkelley, a local point on Great Northern in western Montana. This marks the first newcomer in the aluminum field in nearly 10 years. Power supplied from the near-by Hungry Horse Dam is the chief attraction for locating the plant in this area. Great Northern will haul in all of the alumina and other materials from its eastern terminals and haul out all of the aluminum pig to the fabricating plants in Montana, Washington, California and the east.

Fertilizer mixing plants, a box manufacturing plant, a tank farm, pulpwood shipping plant and warehouses in Minnesota, North and South Dakota and Montana comprised some of the types of new industries on the east end of the railroad. Farther west fully a dozen warehouses were built at different Great Northern stations in the Columbia Basin territory of Washington, new grain elevators were added in Washington and Oregon, cold storage warehouses in western Washington were increased in size, new oil refineries and paper making machines were put in operation along Puget Sound and distributing warehouses were established in Vancouver, B. C.

A large portion of the crude oil produced by the 758 wells in the Williston Basin served by Great Northern is now being handled by pipeline, the total movement of crude oil from all origins being only 14,073 cars in 1955 compared with 30,018 cars in 1954. A new oil territory is developing near the Canadian border some 100 miles northeast of Tioga, N. D., and 1,392 cars of crude oil were moved from this area in 1955.

Over 500 acres for additional industrial property were acquired during the year at several locations in the states of Minnesota, North Dakota and Washington.



ANOTHER ALUMINUM REDUCTION PLANT ON GREAT NORTHERN

THIS $65 MILLION PLANT, WITH A RATED CAPACITY OF 120,000,000 POUNDS OF ALUMINUM PER YEAR, IS LOCATED AT A LOCAL GREAT NORTHERN STATION IN NORTHWESTERN MONTANA AND SHIPPED ITS FIRST ALUMINUM BARS IN AUGUST, 1955. THE OUT-BOUND ALUMINUM GOES TO FABRICATING PLANTS IN THE EAST AND CALIFORNIA, AS WELL AS TO THE ROD-ROLLING MILL AT GREAT FALLS, MONT. THE MAIN LINE OF GREAT NORTHERN IS IN THE UPPER RIGHT OF THE PICTURE ON THE NEAR SIDE OF THE FLATHEAD RIVER.

POWER PROJECTS

The power plant at Albeni Falls Dam on the Pend Oreille River in northwestern Idaho was placed on stream in June, 1955 with a capacity of 42,600 kilowatts.

The first power was also produced at Chief Joseph Dam on the Columbia River, some 75 miles northeast of Wenatchee, Wash. Five generators have been put in operation with 320,-000 kilowatts capacity and an additional unit is scheduled to be placed in service every three months until 16 are in operation with a total capacity of 1,024,000 kilowatts. Provision has been made for a possible expansion to 27 units with 1,728,000 kilowatt production.

Studies are continuing on the possibility of constructing the Rocky Reach Dam and the Wells Dam on the Columbia River between Chief Joseph Dam and Wenatchee and a third one in the same general neighborhood on the Wenatchee River, with a total generating capacity of over 1,100,000 kilowatts.

IRRIGATION PROJECTS

In North Dakota the Garrison Diversion Conservancy District was created in 1955 as an official State agency for contracting with the Federal government for diversion structures in established irrigation projects. The irrigation potential is approximately 700,000 acres in Great Northern territory.

In Montana $3 million was appropriated for irrigation development in the Helena Valley Irrigation Project. Work was continued on the Tiber Dam on the Marias River south of Chester, Mont. and contracts have been let for additional construction in 1956. Approximately 127,000 acres served by Great Northern will be made available for irrigation when this project is completed.

In Washington the first unit of the Foster Creek Diversion of Chief Joseph Dam is scheduled for 1957. When completed it will increase the irrigable acreage in this area by approximately 30,000 acres. In the Columbia Basin an additional 24,000 acres were brought under irrigation in Great Northern territory in 1955. If budget recommendations are approved by the present Congress an additional 19,000 acres will be added in 1956.

NEW AUTOMATIC CAR RETARDER FREIGHT CLASSIFICATION YARD AT MINOT, N. D. TO BE COMPLETED IN 1956

PROPERTY INVESTMENT

For 1955 cash expenditures for property improvements amounted to $27.2 million, divided $12.2 million for road property and $15.0 million for equipment. This total expenditure closely approximates the $27.3 million for 1953, but exceeds the $20.8 million of cash laid out for this purpose in 1954.

1. FIXED PROPERTY IMPROVEMENTS

Included in the 1955 fixed property completions were a drop pit for changing wheels at St. Paul; extension to storage building and a rail conservation plant at St. Cloud, Minn. car repair shops; relocation of main line at Fort Benton, Mont.; building embankment for change in line Ripley to Libby, Mont.; a new paint shed and storage building at Hillyard, Wash.; extension to Seattle freight house; sidings extended at 9 locations; 16 automatic crossing signals and 10 automatic crossing gates; 10 snow blowers; 2 large mechanical interlocking plants changed to all-electric operation; 5 ramps for loading trailers on flat cars; and 3 miles of new slide protection fence or additional tiers added to existing slide protection fence were constructed. In the Communications Department wayside stations were constructed between Havre, Mont. and Seattle, Wash.; radio service completed on all switch engines at Great Falls, Mont., and train radio was extended to the Coast line with the installation of a station at Burlington, Wash. and starting one at New Westminster, B. C.

Important work under way for completion in 1956 was work on the new car-retarder freight classification yard at Minot, N. D.; centralized traffic control from Willmar, Minn. to Wahpeton Jct., N. D. and Williston, N. D. to Bainville, Mont., and the installation of ventilating equipment at the Cascade tunnel, Wash. A Univac, the so-called electric brain using punched cards and magnetic tape, has been ordered for 1956 delivery to simplify and reduce the cost of paper work.

2. NEW EQUIPMENT

New equipment received in 1955 included 500 single-door and 500 double-door 50-ton, 40 foot all steel box cars and 25 gondola cars, 70-ton, 65 feet long, all built at Company shops, St. Cloud, Minn. Twenty-five air dump cars were purchased and 12 dome coaches and 5 full dome Great Domes for sleeping car passengers for service on the Empire Builder were delivered. In addition, 4 of twenty-four diesel road-switch locomotives and 2 of twenty-five large diesel oil tank cars on order were received in 1955, the remainder being delivered in 1956.

The Western Fruit Express Co., a wholly owned subsidiary, in 1955 received one hundred 50-foot 70-ton heavily insulated bunkerless refrigerator cars and fifty 50-foot mechanical refrigerator cars, as well as one hundred seventy-four 40-foot ice bunkered refrigerator cars, the balance of 250 such cars on which delivery began in 1954.

For future delivery, in addition to the 20 diesel road-switchers and 23 tank cars, another 1,750 box cars will be built in Great Northern shops and 300 triple hopper cars, 200 gondola cars, 15 airslide cars and a self-propelled combination passenger, mail and baggage car, will be purchased.

TAXES

While the 1955 Railway tax accruals of $37.8 million were up $7.4 million from those of 1954, they were not out of line with the accruals for other recent years, viz:

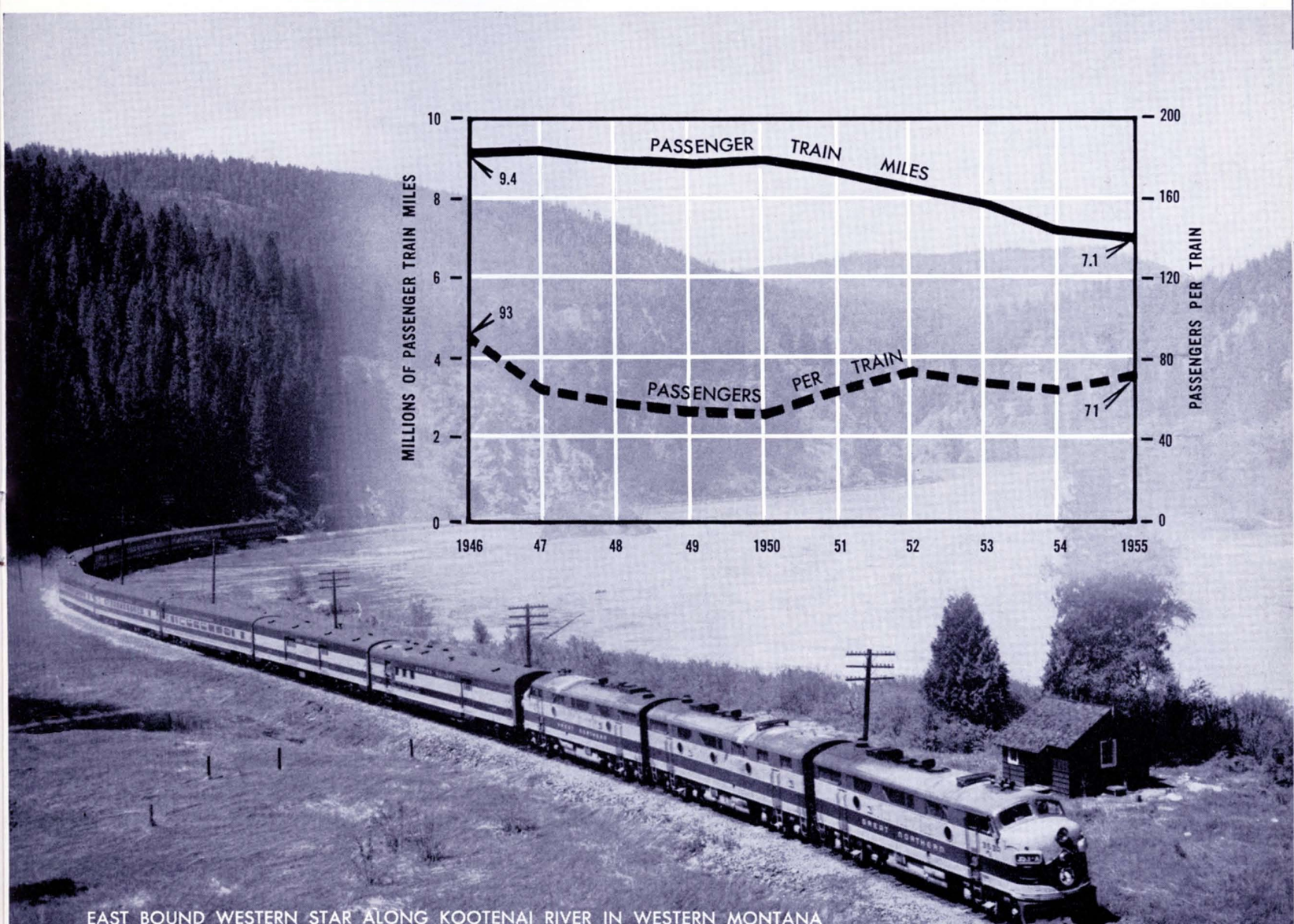
Year	Railway Tax Accruals
1951	$36,850,616
1952	38,056,392
1953	39,655,348
1954	30,436,522
1955	37,806,435

Compared with 1954 the principal increases were the $6.5 million larger United States income tax because of larger net earnings in 1955 and the $.5 million higher Minnesota gross earnings tax due to the increase in Operating revenues. Railroad Retirement taxes were up $.3 million as a higher basis of payment was effective for the entire year 1955 and only for the last half of 1954.

Under the Railroad Unemployment Insurance Act contributions have been made by all railroad companies of ½% of wages paid all employes up to $350 per month. The balance in this fund heretofore has been over $450 million but recently it has fallen to below $400 million. Therefore, as required by law, the former rate of ½% will be increased to 1½%, effective January 1, 1956. This will increase Great Northern's annual contribution from approximately $575,000 to some $1,725,000.

As heretofore, the tax bill for 1955 was nearly 20% above the entire Net income and 2.65 times the dividends paid stockholders.

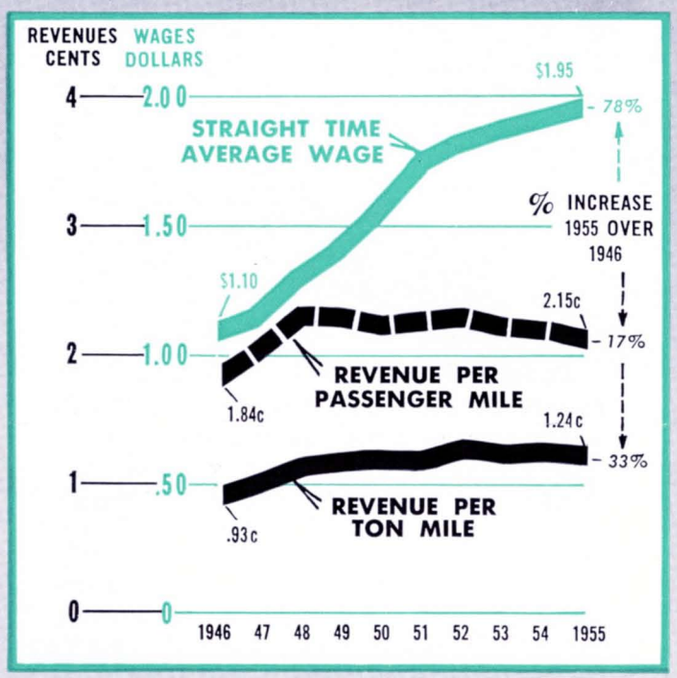
PASSENGER TRAIN STATISTICS 1946-1955



EAST BOUND WESTERN STAR ALONG KOOTENAI RIVER IN WESTERN MONTANA

COMPARISON OF WAGES PAID PER HOUR WITH UNIT REVENUES RECEIVED

1946 - 1955



RAIL RELAYING ON MESABI RANGE MUST NOT INTERFERE WITH IRON ORE TRAIN MOVEMENTS DURING GREAT LAKES NAVIGATION SEASON

LABOR MATTERS

The year 1955 was marked by increases in wages to all Great Northern employes except elected officers. This follows the wage increase pattern established by other industries throughout the nation.

The largest group, comprising the so-called non-operating employes and including the shop crafts, maintenance of way, clerks, telegraphers, signalmen, etc., received a 14½¢ per hour increase, effective December 1, 1955, under a nation-wide award by a special emergency board. In addition, effective March 1, 1956, Great Northern must assume the entire cost of health and welfare benefits for these employes (formerly shared equally by the employe and the railroad) which is equivalent to an additional increase of 2¢ per hour.

A national agreement was made with conductors and brakemen, effective June 16, 1955, increasing their pay in freight service under graduated rates based on the number of cars per train. Passenger conductors and trainmen received a 20¢ per day increase under the same agreement.

Effective October 1, 1955, under national agreements, substantial increases were granted engineers, firemen, conductors, trainmen and switchmen, with further allowances being made the switchmen on December 1, 1955 upon conversion to a 5-day work week.

The total cost of these increases is estimated at $10 million per year.

SAFETY RECORD

For the third consecutive year Great Northern in 1955 had the lowest employe casualties per million man hours of any of the 16 largest railroads, those having more than 40 million man hours of labor per year.

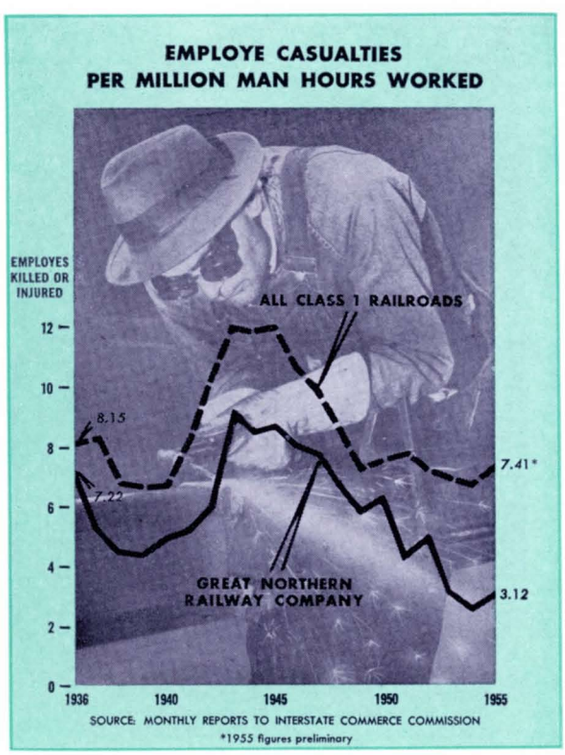
Great Northern's 1955 record was 3.12 employe casualties per million man hours, the other large railroads had an average of 6.87 and all class 1 railroads 7.41. A reportable casualty is one which keeps an employe from performing his regular duties for more than 72 hours during the first 10 days following the accident.

FUNDED DEBT

No new mortgage bonds or equipment paper was issued during 1955, the total long term debt being reduced over $7 million through pay-off of maturing equipment obligations.

Only one class of mortgage bonds are outstanding, the first mortgage General Mortgage Gold Bonds. For the past 5 years $203,662,900 of these bonds have been in the hands of the public at the end of the year. Serially maturing equipment obligations have been issued from time to time and the situation at the end of the year has been:

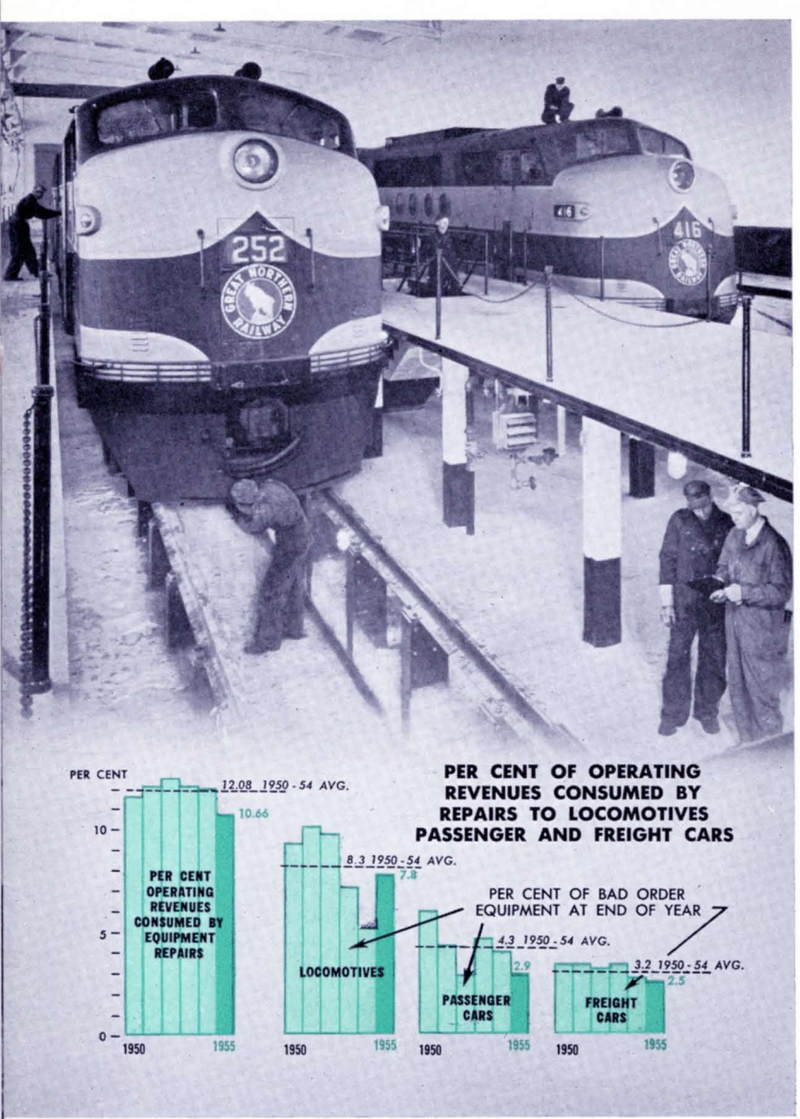
Year Ended Dec. 31 Period	General Mortgage Gold Bonds (Millions)	Equipment Obligations (Millions)	Misc. Obligations (Millions)	Total Long Term Debt (Millions)
1951	$203.7	$70.3	$1.5	$275.5
1952	203.7	62.7	1.4	267.8
1953	203.7	63.2	1.2	268.1
1954	203.7	69.6	1.1	274.4
1955	203.7	62.7	.9	267.3



LITIGATION

Practically all of the railroads of the country have been involved in proceedings before the Interstate Commerce Commission affecting Class Rates and Divisions. After hearings in the Class Rate cases, which affect traffic to, from and within the territory west of the North Dakota-Montana state line, the Commission, on December 30, 1955, released a decision fixing a new basis of Class Rates for a trial period beginning June 1, 1956. The new rates follow closely a proposal submitted to the Commission by the Western railroads and, while producing some loss of revenue, they will nevertheless result in the continuation of a higher level of rates in the West.

In the Divisions cases, lines in various sections of the country are seeking an increased share of the through revenues from the Western railroads, while the latter are attempting to increase their division of rates on many commodities.

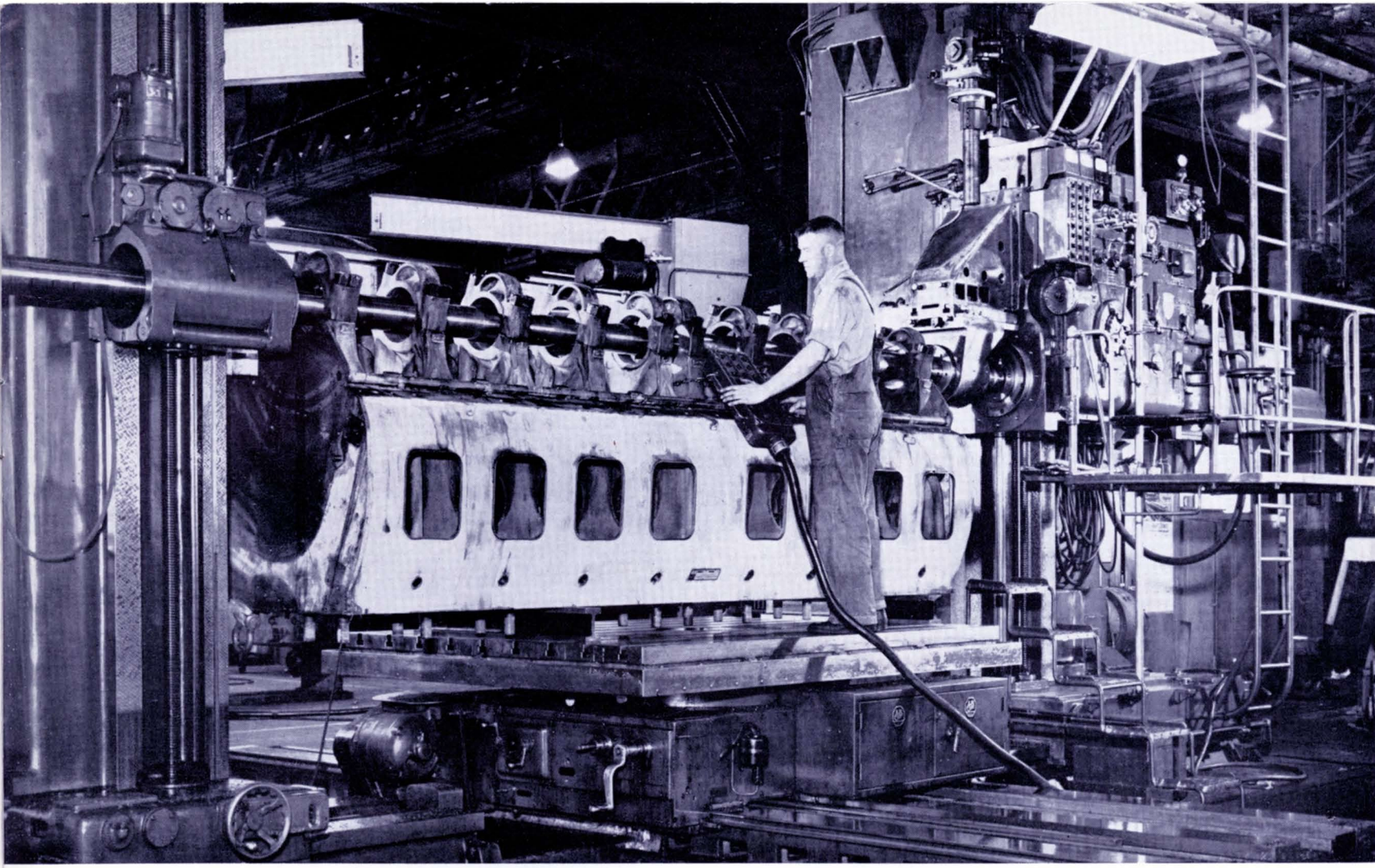


Hearings before an examiner of the Interstate Commerce Commission have now been completed in the Spokane Gateway case, a proceeding brought by the Chicago, Milwaukee, St. Paul and Pacific Railroad Company to obtain a greater share of the business to and from the Spokane, Portland and Seattle Railway Company and its subsidiaries, the Oregon Trunk and the Oregon Electric. Since most of this business east of Spokane now moves over Great Northern and Northern Pacific lines, these two parent companies intervened in opposition to the complaint.

Still pending is the suit brought by Riss & Company, a trucking firm, against some 85 railroads, including Great Northern, to recover large damages, claiming that the railroads have conspired to destroy trade and ruin Riss in violation of the Sherman Antitrust Act. In answering the complaint, the railroads charge that Riss & Company has been operating on the highways without proper authority and have counterclaimed for damages caused by such alleged illegal operation. Depositions of the officers and personnel of the parties have been taken pending commencement of the actual trial of the case, the date for which has not been set.

The above three cases will probably be before the Commission and the courts for some time.

The Interstate Commerce Commission has denied the Government's petition for reconsideration of its decision of April 1, 1955, dismissing all 17 complaints filed by the Government against the railroads to recover alleged freight overcharges on shipments of war material moving between 1941 and 1946. It is understood that the Government has not decided whether it will attempt to have the Commission's decision reviewed by the courts.



LINE BORING DIESEL LOCOMOTIVE CRANK CASE.

SHAREHOLDERS

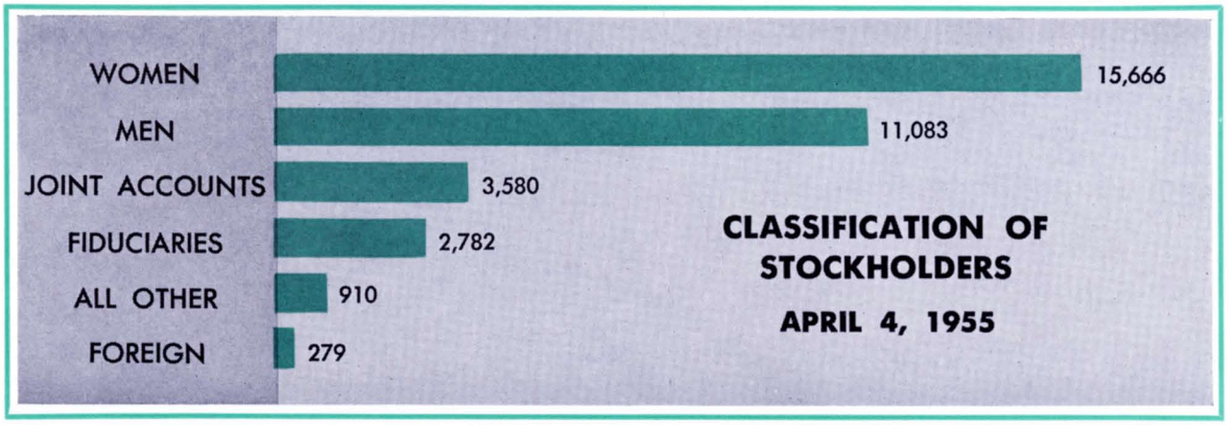
There has been an increase in the number of shareholders following the two-for-one split of the shares on July 2, 1954.

In November, 1954, there were 33,102 shareholders. By April, 1955, this number had increased to 34,300 and by November, 1955, had reached 35,647.

At present the number of shareholders is higher than at any time for over 20 years.

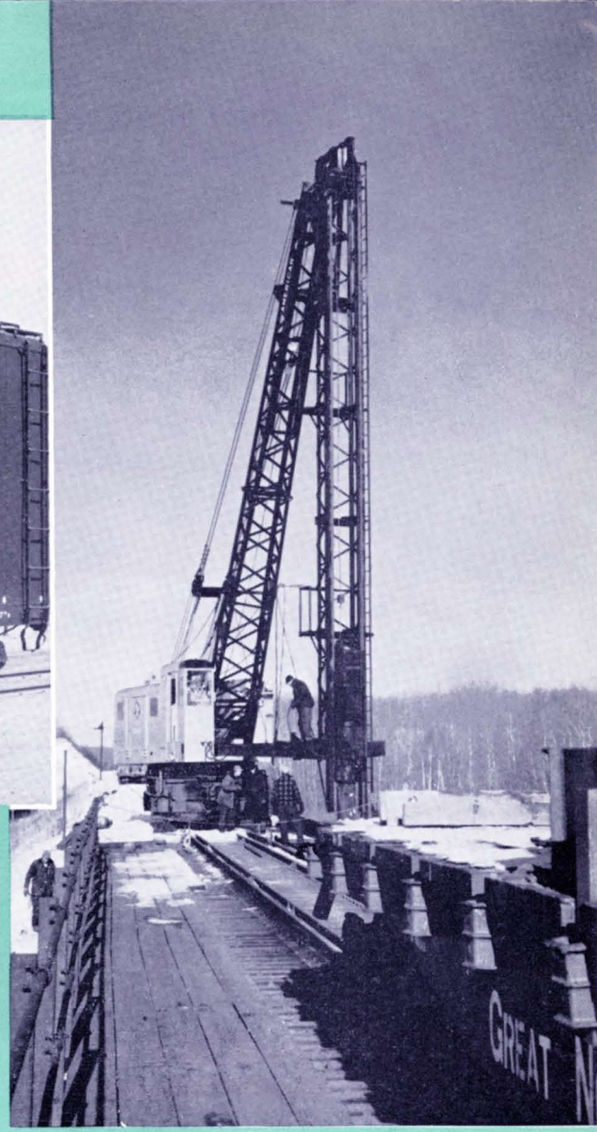
In April, 1955, the ownership of your Company's stock was distributed as follows:

Group	Number of Shareholders	Per Cent
Women	15,666	45.7%
Men	11,083	32.3
Joint accounts	3,580	10.5
Fiduciaries	2,782	8.1
Nominees	442	1.3
Stock brokers and security dealers	218	.6
Foreign	279	.8
Institutions and all others	250	.7
Total	34,300	100.0

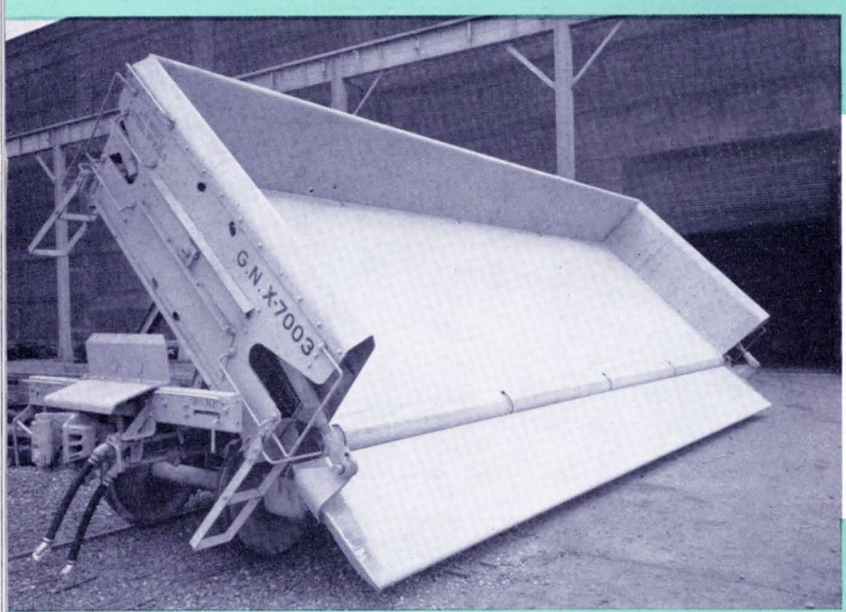


1000 FORTY FOOT ALL STEEL BOX CARS BUILT AT COMPANY SHOPS

Some 1955 New Equipment



DIESEL ELECTRIC LOCOMOTIVE CRANE AND PILE HAMMER



25 AIR DUMP CARS

STREAMLINED ALL STEEL CABOOSE BUILT AT COMPANY SHOPS

PART OF AN ORDER FOR 25 NINETEEN THOUSAND GALLON TANK CARS RECEIVED IN 1955

25 SIXTY-FIVE FOOT, 70-TON GONDOLA CARS BUILT AT COMPANY SHOPS

GENERAL

A study is being undertaken by the Great Northern and Northern Pacific Railway Companies exploring possible unification of these roads with the Chicago, Burlington & Quincy and the Spokane, Portland and Seattle Railway Companies.

The study, which will consider all of the many aspects of this subject, will require several months. Should it indicate that unification is desirable and in the public interest, steps will be taken to determine the best way of putting the properties together.

Dividend and interest income for 1955 amounted to $8,897,353 compared with $8,543,001 for the previous year. The increase was due to the dividend on stock of Northland Greyhound Lines, Inc. amounting to $433,511, with none received in 1954. Dividends received from stock of Chicago, Burlington & Quincy R.R. Co. amounted to $6,226,343 or $7.50 per share in both 1954 and 1955. Interest received on bonds of Spokane, Portland and Seattle Ry. Co. in 1955 was $1,467,748, practically the same as for 1954.

The total mortgage debt of the Spokane, Portland and Seattle Ry. Co. consisted of $73,710,000 in 4% First Mortgage Bonds, due March 1, 1961, owned in equal amounts by Great Northern and Northern Pacific Railway Companies. In order to improve the capital structure prior to maturity, the two owners, late in December, 1955, each sold to Spokane, Portland and Seattle Ry. Co. $4,000,000 principal amount of its First Mortgage Bonds at cost.

During the year 1955 an examining agent of the Internal Revenue Service, in the course of his field audit of Spokane, Portland and Seattle Ry. Co. accounts, proposed substantial additions to taxable income, principally with respect to the forgiveness in 1953 of past due interest on its First Mortgage Bonds. The railway is protesting these proposed adjustments.

Stocks owned in The Crow's Nest Pass Coal Co. Ltd. and Northland Greyhound Lines, Inc. were disposed of during 1955.

The Coal Co. is located in southeastern British Columbia. Great Northern first acquired an interest in 1906. The Coal Co. furnished a supply of fuel for part of Great Northern's main line in Montana via a line of railroad running south to Rexford, Mont. The use of this coal was discontinued in favor of oil and the line was abandoned nearly 20 years ago. Great Northern owned 8% of the stock of the Coal Co.

Northland Greyhound Lines, Inc. is the outgrowth of operations begun by Great Northern in 1925, substituting bus transportation along branch lines of the railway for more expensive train service. Because of Interstate Commerce Commission policy Great Northern, in 1939, disposed of enough stock to reduce its holdings to a minority position. In 1955 Great Northern had a 44% interest in Northland Greyhound Lines, Inc. stock.

Great Northern's stock in these two companies had a book value of $2,043,262 and the selling price was $2,131,063.

Glacier Park Co., a wholly owned subsidiary of Great Northern, in 1955 acquired all of the fixed property, equipment and other tangible assets of Glacier Park Transport Co. for $90,000. This acquisition will permit a co-ordinated service between hotels owned and operated by Glacier Park Co. by which favorable bus schedules can be maintained to fit the needs of the hotel patrons of Glacier Park Co.

Under new provisions of the Internal Revenue Code a taxpayer is given a choice of methods for determining the depreciation deductions to be used in preparing income tax returns beginning with 1954. This applies only to new property created during 1954 or thereafter. Great Northern is currently using the so-called "sum of the year's digits" basis for diesel locomotives and passenger equipment and the "declining balance" method for other equipment, fixed property, etc. This results in a faster recovery of invested capital in the earlier years of the life of the property.

A scholarship program applicable to sons of Great Northern employes was established in 1955. It is proposed to issue three scholarships each year for a four-year college course at the accredited college or university of the recipient's choice. The student will receive a $750 grant each year with an additional $500 to be paid to the college. Opportunity for work on the railroad in the summer will be afforded to supplement the yearly award and a chance for permanent employment after graduation will also be offered. The selection committee is composed of two educators, two business men (not Great Northern officers) and two general chairmen of railway labor organizations, with the first awards to be made in time for college entrance in the fall of 1956.

FOR 1956

It presently appears that the traffic volume to be handled in 1956 will be substantial. Moisture conditions are good to excellent throughout Great Northern territory. Somewhat more wheat and other grains were in storage in country elevators along the line at the beginning of the year compared with the volume in storage at the beginning of 1955. The demand for steel continues high and prospects are favorable for another heavy movement of iron ore. Early in the year indications are for a lumber movement comparable to 1955 with a heavy loading of other commodities.

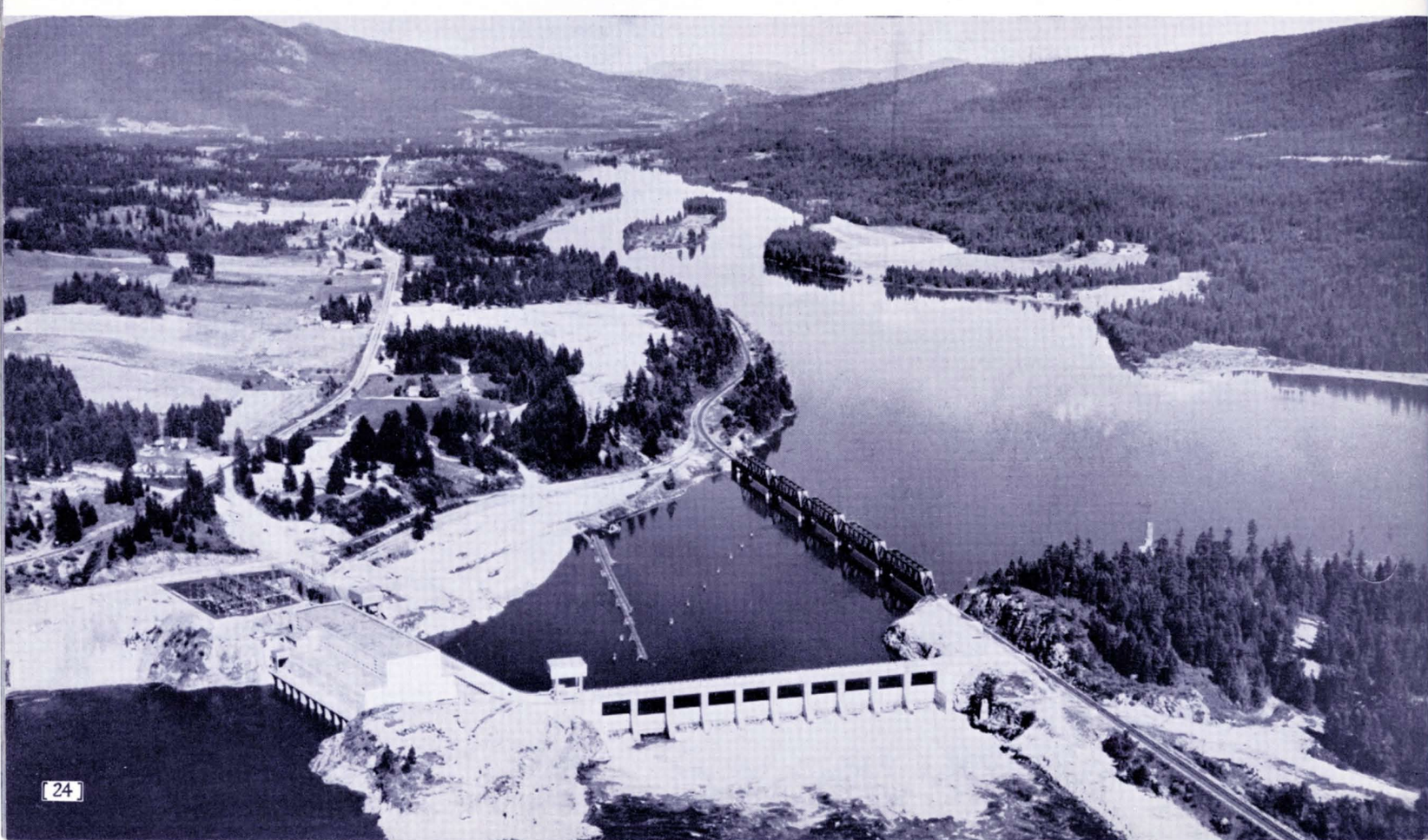
Wage rates being paid are substantially above those of a year ago, but the increase in freight rates, effective March 7, 1956, should tend to equalize this situation at least for the remaining months of the year.

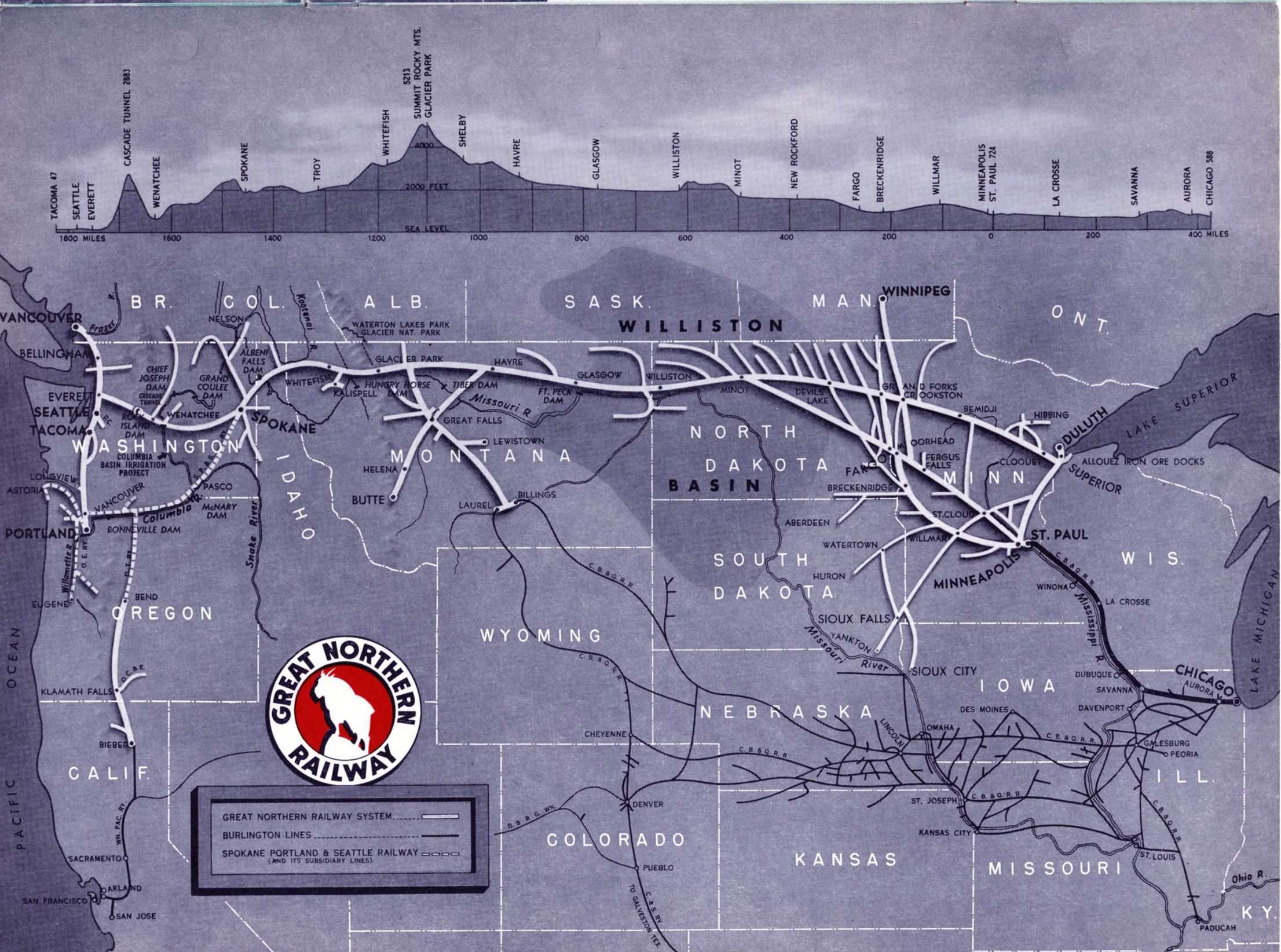
For the first two months of 1956 Net income was less than for 1955. This was not due to a falling off in traffic, as revenues were up some 11% but rather to more severe weather conditions which interfered with the movement of traffic over both the Rocky and Cascade mountain ranges and along Puget Sound. Wage rates were higher in January and February, 1956, with no offsetting increase in freight rates. Recent improvements in fixed property and equipment, including the addition of new diesel locomotives during 1956, should make for a better operating performance later in the year.

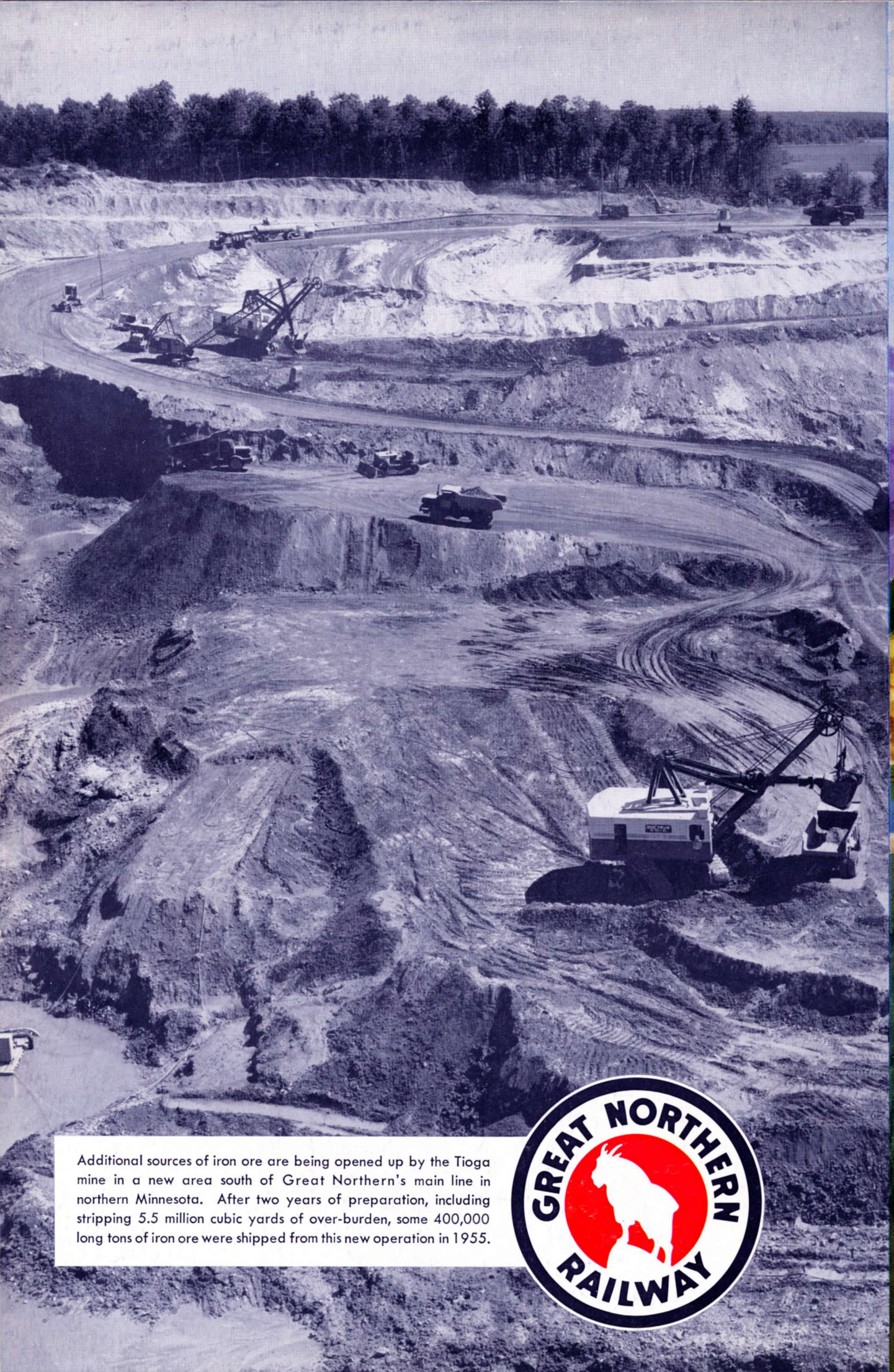
Considering these factors, the intelligent and dependable work of officers and employes and the better tools available to them, your Company is expected to obtain its full share of the traffic available in 1956 and turn in a creditable performance for its patrons and shareholders.

ALBENI FALLS DAM ON THE PEND OREILLE RIVER IN NORTHERN IDAHO

GREAT NORTHERN MAIN LINE CROSSING ON FIVE TRUSS SPAN BRIDGE. FIRST POWER PRODUCED IN 1955. NOT ONLY GENERATES 42,600 KILOWATTS OF POWER BUT PROVIDES OVER 1 MILLION ACRE FEET OF USABLE STORAGE WATER IN LAKE PEND OREILLE TO INCREASE PRODUCTION OF POWER AT DOWNSTREAM COLUMBIA RIVER DAMS IN GREAT NORTHERN TERRITORY.




TACOMA 47
SEATTLE
EVERETT
CASCADE TUNNEL 2883
WENATCHEE
SPOKANE
TROY
WHITEFISH
5213
SUMMIT ROCKY MTS.
GLACIER PARK
4000
2000 FEET
SEA LEVEL
SHELBY
HAVRE
GLASGOW
WILLISTON
MINOT
NEW ROCKFORD
FARGO
BRECKENRIDGE
WILLMAR
MINNEAPOLIS
ST. PAUL 724
LA CROSSE
SAVANNA
AURORA
CHICAGO 588
1800 MILES
1600
1400
1200
1000
800
600
400
200
0
200
400 MILES
BR. COL.
ALB.
SASK.
MAN.
ONT.
WINNIPEG
VANCOUVER
Fraser R.
NELSON
Kootenai R.
WATERTON LAKES PARK
GLACIER NAT. PARK
BELLINGHAM
ALBENI FALLS DAM
CHIEF JOSEPH DAM
GRAND COULEE DAM
CASCADE TUNNEL
WHITEFISH
KALISPELL
HUNGRY HORSE DAM
GLACIER PARK
HAVRE
GLASGOW
WILLISTON
TIBER DAM
FT. PECK DAM
Missouri R.
MINOT
DEVILS LAKE
GRAND FORKS
CROOKSTON
BEMIDJI
HIBBING
DULUTH
LAKE SUPERIOR
EVERETT
SEATTLE
TACOMA
ROCK ISLAND DAM
WENATCHEE
SPOKANE
GREAT FALLS
LEWISTOWN
NORTH DAKOTA
WASHINGTON
COLUMBIA BASIN IRRIGATION PROJECT
M O N T A N A
HELENA
FARGO
MOORHEAD
FERGUS FALLS
CLOQUET
ALLOUEZ IRON ORE DOCKS
SUPERIOR
LONGVIEW
ASTORIA
PASCO
IDAHO
BUTTE
LAUREL
BILLINGS
BASIN
BRECKENRIDGE
MINN.
VANCOUVER
Columbia R.
McNARY DAM
BONNEVILLE DAM
ABERDEEN
ST. CLOUD
PORTLAND
Snake River
WATERTOWN
WILLMAR
ST. PAUL
SOUTH DAKOTA
WIS.
HURON
MINNEAPOLIS
WINONA
LA CROSSE
Willamette R.
O.E. RY.
O.T. RY.
EUGENE
BEND
OREGON
SIOUX FALLS
YANKTON
Missouri River
Mississippi R.
LAKE MICHIGAN
OCEAN
WYOMING
SIOUX CITY
IOWA
DUBUQUE
CHICAGO
AURORA
SAVANNA
DAVENPORT
KLAMATH FALLS
O.C.&E.
DES MOINES
NEBRASKA
CHEYENNE
OMAHA
LINCOLN
GALESBURG
PEORIA
BIEBER
CALIF.
ILL.
PACIFIC
WN. PAC. RY.
DENVER
ST. JOSEPH
KANSAS CITY
SACRAMENTO
COLORADO
KANSAS
MISSOURI
ST. LOUIS
Ohio R.
OAKLAND
SAN FRANCISCO
PUEBLO
SAN JOSE
KY
PADUCAH
TO GALVESTON TEX.
GREAT NORTHERN RAILWAY
GREAT NORTHERN RAILWAY SYSTEM
BURLINGTON LINES
SPOKANE PORTLAND & SEATTLE RAILWAY
(AND ITS SUBSIDIARY LINES)
C.B.&Q.R.R.
B.&R.G.WN.
C.&S.RY.



Additional sources of iron ore are being opened up by the Tioga mine in a new area south of Great Northern's main line in northern Minnesota. After two years of preparation, including stripping 5.5 million cubic yards of over-burden, some 400,000 long tons of iron ore were shipped from this new operation in 1955.

GREAT NORTHERN RAILWAY