November 1, 2010

Financial Accounting Standards Board
Attn: Technical Director
401 Merrit 7
P.O Box 5116
Norwalk, CT 06856-5116

File Reference: 1860-100
Re: Compensation—Retirement Benefits—Multiemployer Plans (Subtopic 715-80) - Disclosure about an Employer’s Participation in a Multiemployer Plan

Dear Sir or Madam,

Canadian National Railway Company (CN) is a publicly held corporation with its common shares listed on the New York and the Toronto Stock Exchanges. The Company is engaged in the rail and related transportation business operating approximately 20,800 route miles of track in Canada and the U.S. CN prepares its financial information based on U.S. generally accepted accounting principles.

We appreciate the opportunity to comment on the Financial Accounting Standards Board’s (FASB) Proposed Accounting Standards Update, Compensation—Retirement Benefits—Multiemployer Plans (Subtopic 715-80) - Disclosure about an Employer’s Participation in a Multiemployer Plan.

While we support the FASB’s efforts to improve the transparency regarding an employer’s participation in multiemployer plans, we believe that the proposed disclosures are too extensive and do not provide additional meaningful information to investors. In addition, while the FASB’s proposed amendments are similar to the IASB’s proposed guidance, they are not identical, and therefore it does not arrive at a single converged global standard. Please refer to our comments and suggestions in response to the questions in the proposed accounting standards update, included below.

Question 1: Do you agree that the proposed quantitative and qualitative disclosures will result in a more useful and transparent disclosure of an employer’s obligations arising from its participation in a multiemployer plan? Why or why not? If not, what changes would you suggest to the proposed amendments?
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It is our belief that the proposed quantitative and qualitative disclosures do not result in more meaningful and transparent disclosure in regards to an employer's obligations arising from its participation in a multiemployer plan. We believe that the accounting and disclosure requirements in ASC 715-80-50-2, provides the necessary transparency to users of the financial statements when it is probable or at least reasonably possible that an obligation would occur due to a company's withdrawal from a plan. Including disclosure of potential obligations when it is not probable or at least reasonably possible that they may actually occur may be misinterpreted or worse mislead the users of the financial statements.

In addition, many multiemployer plan administrators have an actuary which issues a valuation report based on assets, liabilities, plan terms, and assumptions as of January 1. As part of this valuation, their actuaries determine the vested benefits as of the close of the preceding year, i.e., December 31; therefore, due to the time required for plan administrators to compile their information and have an actuarial valuation completed, much of the proposed disclosure would be one year in arrears. We believe that including such dated information may be misleading to users and does not improve the transparency regarding an employer's participation in multiemployer plans.

**Question 4:** The Board plans to require that the amendments in the final Update be effective for public entities for fiscal years ending after December 15, 2010. Are there any significant operational issues that the Board should consider in determining the appropriate effective date for the final amendments?

As the comment deadline is on November 1, 2010, we believe that if the Board issues the amendments as proposed, that the effective date of December 31, 2010 for companies with calendar year ends will not provide enough time to adequately compile and review the additional required information. In many instances, this will be the first time that multiemployer plan administrators are asked to prepare and provide the information required under the amendments, and it is our concern that they may not be able to provide such detailed information for December 31st year ends given the short implementation period. We respectfully request that should the proposed accounting standards update be issued that the update be effective for fiscal years ending after December 15, 2011 and not before. This one year delay would give multiemployer plan administrators and the participating companies enough time to properly assemble and review the additional information which is to be disclosed.

Sincerely,

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