

Rail transportation, 2017

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Industry revenues reach new peak

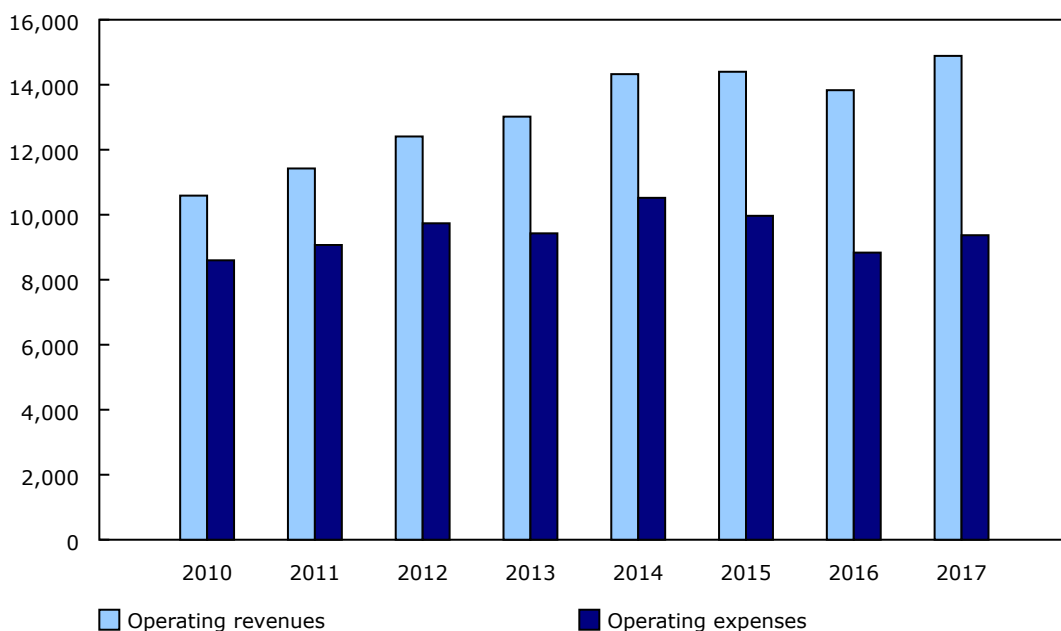
Canadian railways generated operating revenues of almost \$14.9 billion in 2017, up 7.6% from 2016. This growth was driven by increases in both freight and passenger revenues. Moving freight accounted for 91.0% of railway operating revenues.

On the other side of the ledger, railways reported operating expenses of \$9.4 billion, up 6.1% from 2016—despite a 24.0% increase in the total cost of diesel fuel purchased in 2017.

As a result, the railway industry operating ratio—the industry's operating expenses expressed as a proportion of operating revenues—was 0.63 in 2017, a slight improvement from 0.64 the previous year. In other words, during 2017 the industry incurred expenses of roughly 63 cents to generate one dollar in revenue.

Chart 1
Rail operating revenues and expenses, 2010 to 2017

millions of dollars



Source(s): Calculations are based on data from tables [23-10-0045-01](#) and [23-10-0046-01](#).

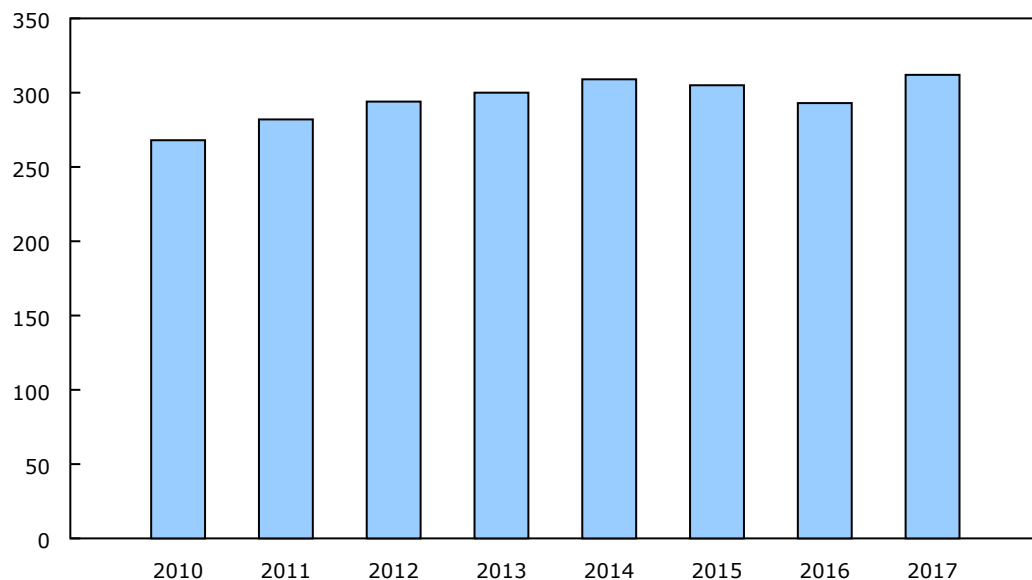
Freight volumes rebound in 2017

Following two years of declines, the volume of goods transported by Canadian rail carriers reached over 311.7 million tonnes in 2017, up 6.4% from 2016. Changes in total volumes mainly reflected variations in the top six commodities, which together accounted for almost half (47.6%) of shipments by weight.



Chart 2
Total freight volume transported by rail, 2010 to 2017

millions of tonnes



Source(s): Table 23-10-0062-01.

By weight, there were double-digit increases in the shipments of fuel oils and crude petroleum (+21.9%), coal (+17.2%) and potash (+14.1%) in 2017. More tonnes of canola (+7.5%) and wheat (+5.3%) were also moved by rail. Partially offsetting these increases was a 9.1% decline in iron ores and concentrates moved by rail.

In 2017, over half (57.8%) of all rail shipments by weight originated in British Columbia, Alberta or Saskatchewan.

In terms of volume, coal was the largest commodity that originated from British Columbia, with almost all (98.0%) moved within the province and destined for export. Next by weight, most general freight from British Columbia went east to other provinces, with Ontario the destination for 29.8%.

By volume, fuel oils and crude petroleum was the largest commodity that originated in Alberta. About two-thirds (66.3%) was destined for the United States or Mexico. Wheat was next, with virtually all of it sent to British Columbia for export.

By weight, potash was the largest commodity moved by rail out of Saskatchewan. Half (50.1%) of the tonnage was destined for the United States or Mexico, while about one-third (36.3%) went to British Columbia for export. Wheat was the second largest volume originating from Saskatchewan and most was destined for export via British Columbia.

Railways operating more productively

The Canadian railway industry operated more productively over the period from 2013 to 2017. The industry was moving more tonnes of revenue freight per employee and a longer distance on average. In 2017, the average haul of revenue freight was 1,242 kilometres, 12.7% longer than in 2013.

In 2017, the industry was able to haul more revenue freight by using a larger number of cars per freight train, up 14 cars on average from 2013. Over this period, Canadian railways were hauling more freight over greater distances by using longer trains while maintaining average train speeds.

Table 1
Rail operating performance indicators, 2013 to 2017

	2013	2014	2015	2016	2017
Revenue freight per employee (thousands of tonne-kilometres)	11,872	12,716	12,793	13,121	13,943
Revenue freight average haul (kilometres)	1,102	1,178	1,240	1,238	1,242
Average cars per freight train (number)	99	103	104	110	113
Average freight train speed (kilometres per hour)	39	38	41	42	41

Source(s): Tables [23-10-0057-01](#) and [23-10-0060-01](#).

Note to readers

This release is based on two data sources—an annual survey and a commodity origin and destination statistics administrative file from Transport Canada. The former collects financial as well as operating and employment data from a census of Canadian railways that provide for-hire freight and passenger services.

The commodity origin and destination statistics file measures the movements of commodities carried by Canadian National Railway (CN), Canadian Pacific Railway (CP), carriers that interline with CN and CP, as well as a number of regional and short-haul carriers that do not interline with either CN or CP.

Data aggregations are available for Canada and select geographic regions.

Available tables: [23-10-0045-01](#) to [23-10-0063-01](#) .

Definitions, data sources and methods: survey numbers [2734](#) and [2736](#).

For more information, or to enquire about the concepts, methods or data quality of this release, contact us (toll-free 1-800-263-1136; 514-283-8300; STATCAN.infostats-infostats.STATCAN@canada.ca) or Media Relations (613-951-4636; STATCAN.mediahotline-ligneinfomedias.STATCAN@canada.ca).