

Railway carloadings, December 2021

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Highlights

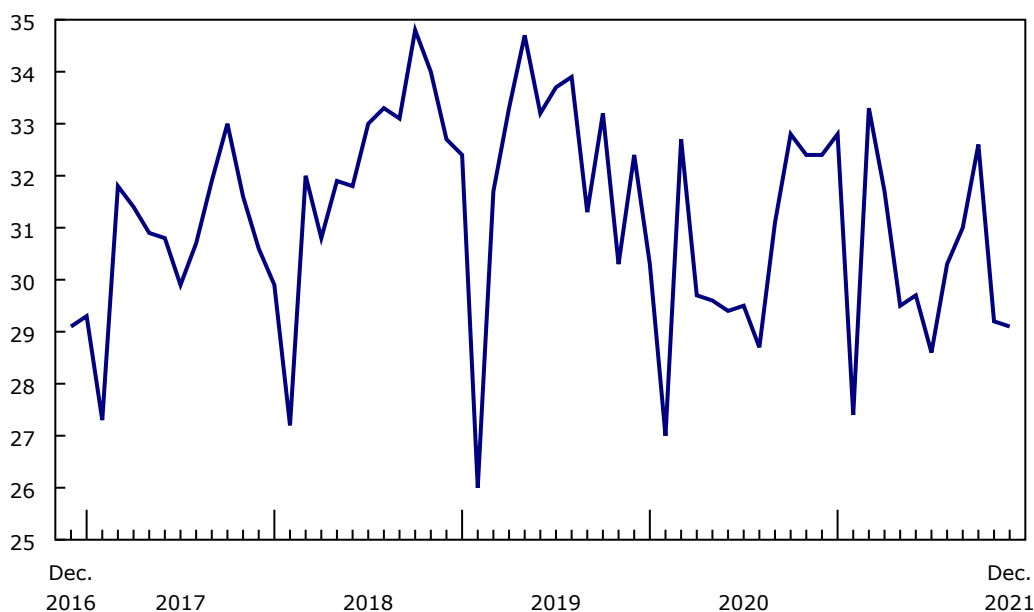
In December 2021, the volume of cargo carried by Canadian railways reached 29.1 million tonnes, down 10.2% from December 2020 levels. Fewer shipments of grain and coal contributed to this fourth consecutive month of year-over-year decline.

Despite this string of declines, total freight moved by Canadian railways ended the year essentially the same as 2020, with a discernible shift from some agricultural products to iron and steel products as well as containers and freight from American connections.

To further explore current and historical data in an interactive format, please visit the [Monthly Railway Carloadings: Interactive Dashboard](#).

Chart 1 Railway carloadings, total tonnage

millions of tonnes



Source(s): Table 23-10-0216-01.

The year in review, 2021

The total annual rail freight carried in Canada during the year was just over 365 million tonnes, essentially the same as 2020. However, 2021 was full of ups and downs for the railway industry with ongoing supply chain disruptions, container shortages and weather-related events.

During the first six months of 2021, cargo volumes shipped by rail were consistently above 2020 totals, approaching pre-pandemic levels. This growth was led by intermodal freight loadings (mainly containers), which reached record-high levels, up 20.0% or greater each month from January to June 2021. Gains were driven by increasing



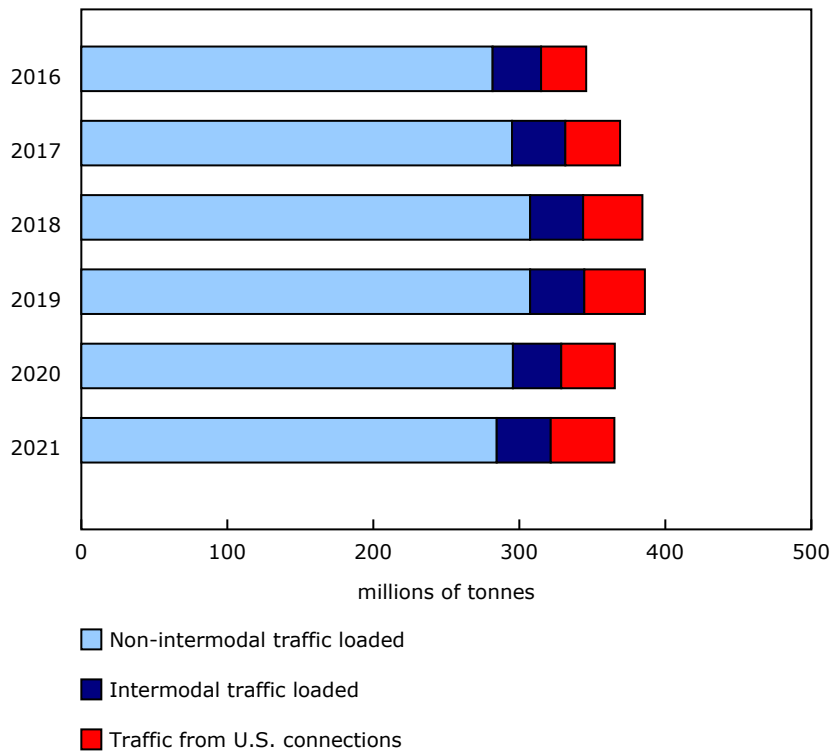
levels of consumer goods for inventory replenishment and e-commerce in the wake of the COVID-19 pandemic. Higher shipments of iron and steel also contributed to the increase, with post-COVID-19 stimulus packages focused on infrastructure and construction.

Going into the second half of 2021, total freight carried by Canadian railways began to lag behind 2020 levels, falling into double-digit declines (-10.0% or greater) in November and December, caused by a confluence of factors. This included bottlenecks in the global supply chain, such as a labour shortage due to COVID-19, shipping container imbalances, and congestion at many freight ports. Extreme weather-related events in Western Canada in 2021 further exacerbated the disruptions.

Despite these disruptions, total cargo volume moved by Canadian railways remained largely unchanged from 2020 to 2021, edging down (-0.1%) to 365.2 million tonnes. While this total was 5.4% below the pre-pandemic peak reached in 2019, it remained comfortably above the 10-year average. In fact, Canadian railways played a critical role in supporting international trade as Canada's exports and imports reached record highs in 2021, rising by 22.0% and 12.2% respectively, according to data on [Canadian international merchandise trade](#).

In 2021, while domestic non-intermodal freight loadings fell 3.7% year-over-year to 284.6 million tonnes, the second year of decline, this was offset by intermodal freight loadings. This container traffic was up by 11.7% in 2021, topping 37.0 million tonnes for the first time. Similarly, freight traffic from connections with US railways reached an all-time high in 2021, rising 18.7% from 2020 to 43.6 million tonnes.

Chart 2
Railway carloadings components, total tonnage, 2016-2021



Source(s): Table 23-10-0216-01.

Key commodity shift in 2021

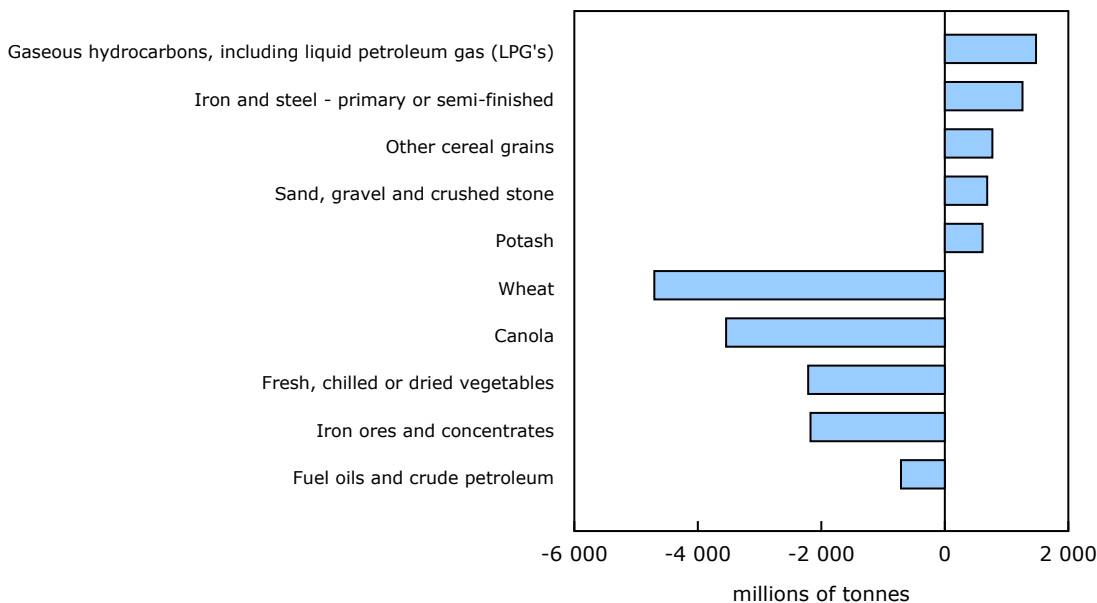
The pandemic brought about rapid changes in goods transported by rail. With the global economy gradually reopening in 2021, it sparked a rise in fuel consumption and industrial production as well as a shift from agricultural and food products to commodities related to energy and steel.

In fact, agricultural and food products accounted for most (96.8%) of the total decrease in non-intermodal freight loadings from 2020 to 2021. Leading the way was wheat, with loadings of 22.8 million tonnes, down 17.1% from 2020 levels, the largest tonnage drop in 19 years. Similarly, loadings of canola decreased from 12.6 million tonnes in 2020 to 9.1 million tonnes in 2021, a decrease of 28.0%, the largest drop ever recorded.

These declines reflected several factors, including the depletion of stocks along with lower crop production due to drought conditions in the Prairies in summer 2021. The decline was further exacerbated by extreme weather-related events in 2021, including temporary disruptions to rail amid wildfires in southern British Columbia, followed by [flooding and landslides in mid-November that halted rail shipments](#) in and out the Port of Vancouver.

Other large decreases were reported for loadings of iron ores and concentrates (decreasing 3.9% from 2020 to 54.2 million tonnes in 2021), which might reflect disruptions from a temporary mine site earlier in the year. Finally, fuel oils and crude petroleum loadings declined by 5.0% in 2021.

Chart 3
Railway carloadings, tonnage difference from 2020 to 2021, by product



Source(s): Table 23-10-0216-02.

Partly offsetting the declines were increases in loadings of gaseous hydrocarbons, including liquid petroleum gas, which increased 19.3% to 9.1 million tonnes in 2021. With post-COVID stimulus packages focused on infrastructure and construction, loadings of primary or semi-finished iron and steel grew 33.7% from 2020 to 5.0 million tonnes in 2021. According to data from Statistics Canada's [Monthly Survey of Manufacturing](#), sales in the primary metal industry increased 40.7% from 2020 to 2021.

In 2021, loadings of other cereal grains rose 12.8% year-over-year to 6.8 million tonnes while sand gravel and crushed stone were up 22.6% from 2020, reaching 3.7 million tonnes. Similarly, loadings of potash totalled 23.0 million tonnes in 2021, a 2.7% increase from 2020, reflecting continued strong global demand for fertilizers.

Focus on December 2021

In December 2021, the total volume of cargo carried by Canadian railways reached 29.1 million tonnes, down 10.2% from the same month in 2020. Overall, domestic rail operations accounted for all of the drop in the volume of cargo carried in December. Non-intermodal freight loadings fell 15.5% year over year to 22.2 million tonnes, reflecting broad-based declines for many commodities.

The main decreases were reported in agricultural and food products, principally wheat (-47.0%, or -1 120 000 tonnes), followed by canola (-47.6%, or -549 000 tonnes), other cereal grains (-62.1%, or -458 000 tonnes), and fresh, chilled or dried vegetables (-72.6%, or -280 000 tonnes). Other significant decreases were reported in coal (-10.4%, or -298 000 tonnes).

There were increased year-over-year carloadings for several commodities in December, especially iron ores and concentrates (+7.9%, or +377 000 tonnes), iron and steel (primary or semi-finished) (+19.0%, or +66 000 tonnes), and gasoline and aviation turbine fuel (+41.5%, or +63 000 tonnes).

In December, domestic intermodal freight loadings (mainly containers) fell 9.8% to 2.8 million tonnes, their lowest level for this month in five years.

Finally, freight traffic from the US rail connections remained well above the volume recorded in 2020 for the 10th consecutive month, rising 35.6% year-over-year to 4.1 million tonnes, the highest volume ever recorded for the month of December.

Note to readers

The Monthly Railway Carloadings Survey collects data on the number of rail cars, tonnage, units and 20-foot equivalent units from railway transporters operating in Canada that provide for-hire freight services.

Cargo loadings from Armstrong, Ontario, to the Atlantic coast are classified to the eastern division (eastern Canada), while loadings from Thunder Bay, Ontario, to the Pacific coast are classified to the western division (western Canada).

Survey data are revised on a monthly basis to reflect new information.

The data in this release are not seasonally adjusted.

The [Transportation Data and Information Hub](#) provides Canadians with online access to comprehensive statistics and measures on the country's transportation sector.

Available tables: [table 23-10-0216-01](#).

Definitions, data sources and methods: [survey number 2732](#).

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; infostats@statcan.gc.ca) or Media Relations (statcan.mediahotline-ligneinfomedias.statcan@statcan.gc.ca).