Railway Association of Canada

# RAIL TRENDS 2016


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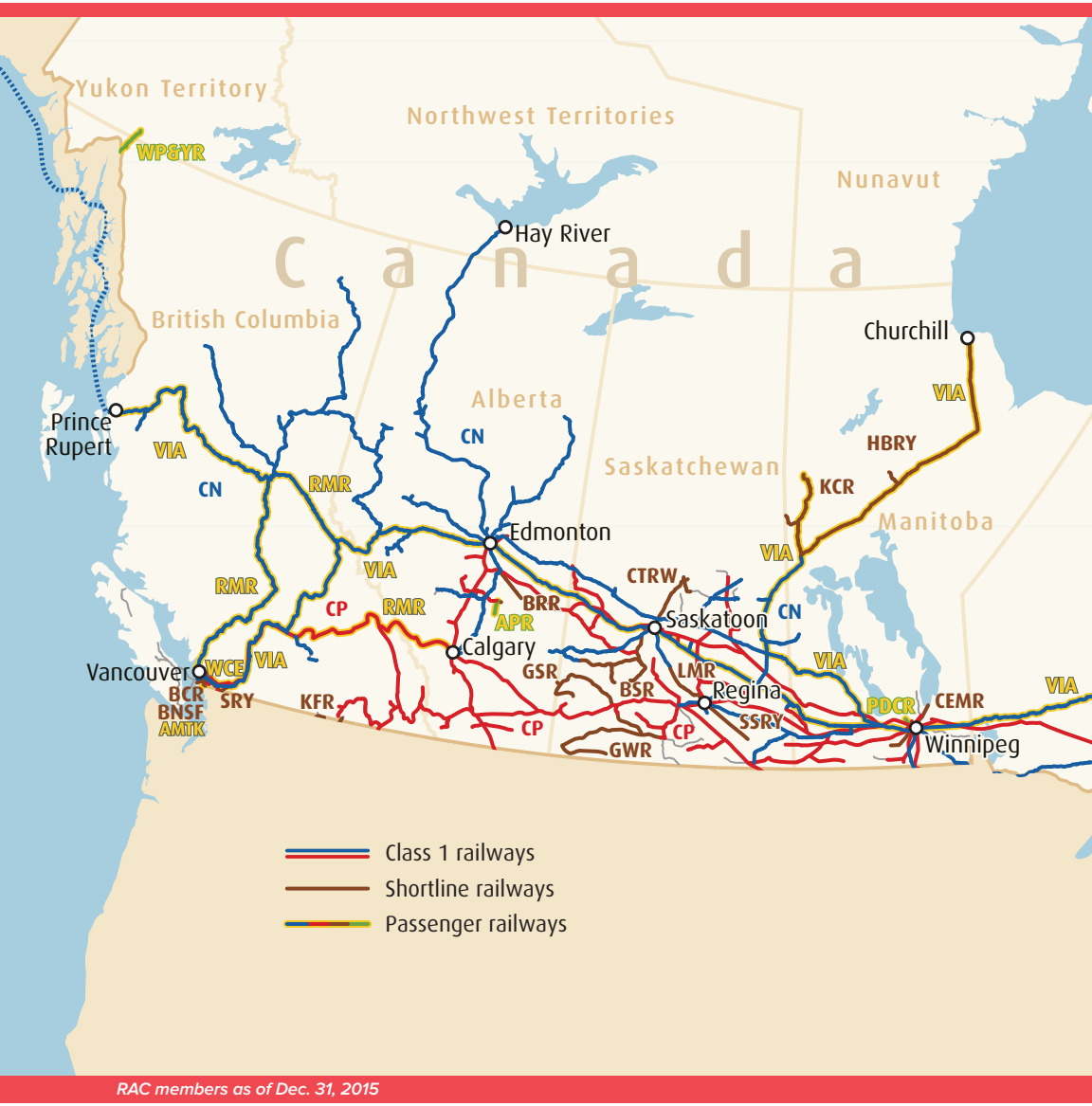


*RAC members as of Dec. 31, 2015*

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99 Bank Street
Suite 901
Ottawa, ON
K1P 6B9

Phone: (613) 567-8591
Fax: (613) 567-6726
Email: rac@railcan.ca

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# MEMBER COMPANIES
## 2015

| | |
|---|---|
| | 6970184 Canada |
| **AMT** | Agence métropolitaine de transport |
| **APR** | Alberta Prairie Railway Excursions |
| **AMTK** | Amtrak |
| **AMIC** | ArcelorMittal Mines Canada |
| **BCRY** | Barrie-Collingwood Railway |
| **BRR** | Battle River Railway |
| **BCR** | British Columbia Railway |
| **BS** | Big Sky Rail |
| **BNSF** | BNSF Railway |
| **CBNS** | Cape Breton & Central Nova Scotia Railway |
| **CR** | Capital Railway |
| **CTRW** | Carlton Trail Railway |
| **CMQ** | Central Maine & Québec Railway |
| **CEMR** | Central Manitoba Railway |
| **CFC** | Charlevoix Railway |
| **CFA** | Chemin de fer Arnaud |
| **CN** | CN |
| **CFL** | Compagnie du chemin de fer Lanaudière |
| **CP** | Canadian Pacific |
| **RS** | Compagnie du chemin de fer Roberval-Saguenay |
| **CSX** | CSX Transportation |
| **EMRY** | Eastern Maine Railway |
| **ETR** | Essex Terminal Railway |
| **GEXR** | Goderich-Exeter Railway |
| **RMR** | Great Canadian Railtour Company |
| **GSR** | Great Sandhills Railway |
| **GWR** | Great Western Railway |
| **HBRY** | Hudson Bay Railway |
| **HCRY** | Huron Central Railway |
| **KRC** | Keewatin Railway |
| **KFR** | Kettle Falls International Railway |
| **KLTR** | Knob Lake and Timmins Railway |
| **LMR** | Last Mountain Railway |
| **GO** | Metrolinx |
| **NBSR** | New Brunswick Southern Railway |
| **NCR** | Nipissing Central Railway |
| **NS** | Norfolk Southern Railway |
| **ONR** | Ontario Northland Railway |
| **OSR** | Ontario Southland Railway |
| **OBRY** | Orangeville-Brampton Railway |
| **OVR** | Ottawa Valley Railway |
| **PDCR** | Prairie Dog Central Railway |
| **CFQG** | Quebec Gatineau Railway |
| **QNSL** | Quebec North Shore and Labrador Railway |
| **CFRR** | Romaine River Railway |
| **SCFG** | Société du chemin de fer de la Gaspésie |
| **SSR** | South Simcoe Railway |
| **SOR** | Southern Ontario Railway |
| **SRY** | Southern Railway of British Columbia |
| **SLQ** | St. Lawrence & Atlantic Railroad |
| **SSRY** | Stewart Southern Railway |
| **SCR** | Sydney Coal Railway |
| **TTR** | Toronto Terminals Railway |
| **TSH** | Tshiuetin Rail Transportation |
| **VIA** | VIA Rail Canada |
| **WCE** | West Coast Express |
| **WP&YR** | White Pass and Yukon Route Railroad |

# ASSOCIATE MEMBERS
## 2015

Absopulse Electronics
Accuworx
Alexander Holburn Beaudin & Lang LLP
Almita Piling
Amsted Rail
Atlantic Industries Limited
Bayside Canadian Railway
BCIT
Bombardier Transportation
Canada Heavy Haul Railway United Technologies
Canadian Heartland Training Railway Services
Canadian Rail Research Laboratory
Canadian Urban Transit Association
Céjep Sept-Iles
CentrePort Canada
Consultants F. Drapeau
Contrans Flatbed Group
CPCS Transcom Limited
Crescent Point Energy
CSTP
Davanac
Dominion Railway Services
Drain-All
Elbow River Marketing
Entretien Ferroviaire Boivin
Envirotec Services Incorporated
Ferus Natural Gas Fuels
FLO Components
Forma-Train
Gaz Propane Rainville
Gestion AFM-Séma
HDR Engineering
Hewitt Equipement
IBI Group
Kenneth Peel
Loram
McCarthy Tétrault
Mecfor
Montréal Port Authority
NARSTCO
Newalta Industrial Services
North American Rail Safety
Ontario Steel Haulers
PNR Railworks
Quantum Murray LP
Rail Cantech
Raildecks
RailTerm
RB&C Maintenance of Way
Red Giant Oil Company
Red River College
Réparations ferroviaires K.L.N.
Resolute Forest Products
RTC Rail Solutions
Sandy Cooke Consulting
Secure Energy
SKF Lincoln Lubricators
Soulanges Railway Services
Stantec
Supco Canada Railway Supply Group
T-Rail Products
TTX Railcar Canada
Vidal Street Industrial Park
Whiting Equipment Canada
X-Rail Signalisation

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# PRESIDENT'S MESSAGE

Canada's railways had some remarkable achievements across all areas of railroading in 2015. The performance data contained in *Rail Trends 2016* illustrates these accomplishments and more, but it doesn't tell the whole story.

In 2015, the industry launched a series of key safety improvements, especially in the areas of transparency, training and outreach. That year, Canada's railways held more than 50 safety-related public meetings with mayors, city managers and First Nations chiefs from coast to coast, and shared information about the goods moving through 590 communities, to help first responders prepare and plan for a rail incident. In addition, the industry launched the AskRail™ mobile app, aimed at providing emergency responders with real-time information about a train's railcar contents in the event of an emergency. Moreover, Canada's railways trained more than 6,000 first responders, railway employees and industrial plant workers on dangerous goods handling and emergency response. This is on top of the more than 160 first responders that the industry sponsored to receive rail-specific dangerous goods training in Pueblo, Colo. and at the Justice Institute of British Columbia.

In addition to these safety measures, our members continue to invest in technologies and initiatives to reduce fuel consumption and thus emit fewer greenhouse gases, and demonstrate that railways can be part of Canada's climate change solution.

Despite year-over-year declines in freight traffic in 2015, investment levels have remained high and rates have stayed low. These trends, combined with the industry's safety and sustainability initiatives, show that Canada's railways will continue to deliver exceptional service to their customers now and into the future.

Sincerely,

Michael Bourque
President and Chief Executive Officer
Railway Association of Canada

# FOREWORD

This is the 24rd edition of *Rail Trends*, the Railway Association of Canada's (RAC) annual report on the performance of Canada's freight and passenger railways. This publication contains a rolling 10-year review of financial and statistical results, reflecting multiple aspects of railway performance in Canada.

The data in *Rail Trends* comes from RAC members-companies – Class 1 and shortline freight railways, as well as tourist, intercity and commuter passenger rail service providers. In some cases, relative variations reflect a change in the way certain members report data.

Canadian Class 1 freight railways (CN and CP) account for the majority of Canadian freight rail activity. For that reason, most of the data presented in *Rail Trends* reflects Class 1 carriers. While RAC represents the vast majority of non-Class 1 railways in Canada, it does not represent that entire sector.

Data reflects performance in Canada only. Figures may not add up to totals due to rounding. Definitions of railway terms appear in Appendix A, and safety-specific definitions are provided in Appendix C.

A detailed profile of railway industry performance by province is available at www.railcan.ca.

The data in *Rail Trends* is categorized into the following sub-sections:

- Safety
- Freight traffic
- Passenger transportation
- Financial information, investments and taxes
- Employment
- Track and equipment

**Statistical summary (year-over-year and 10-year comparisons)**

| | 2006 | 2014 | 2015 |
|---|---|---|---|
| Revenue ton-miles (billions) | 244 | 306 | **283** |
| Revenue tonne-kilometres (billions) | 356 | 447 | **413** |
| Miles of rail operated[1] | 29,978 | 27,304 | **27,428** |
| Kilometres of rail operated | 48,243 | 43,942 | **44,141** |
| Locomotives | 3,271 | 2,700 | **2,400** |
| Freight cars (000) | 100 | 59 | **60** |
| Gallons of fuel (millions) | 486 | 484 | **470** |
| Litres of fuel (millions) | 2,210 | 2,201 | **2,136** |
| Employees | 34,558 | 32,681 | **32,958** |
| Annual wage per employee ($) | 73,356 | 92,491 | **96,445** |

1 Miles (kilometres) of rail operated includes rail over which a railway has operating rights.

# SAFETY

Canada's railways are among the safest in North America. The industry has invested more than $20 billion since 1999 to ensure the safety of its infrastructure—including investments in innovative safety technologies that have led to significantly lower accident rates. Between 2011 and 2015, Canada's freight rail accident rate declined by 2.4 per cent, while its passenger rail accident rate fell by 6.1 per cent.

Excluding crossing and trespassing accidents, non-main-track collisions and derailments accounted for more than three quarters of all railway accidents in 2015. Most non-main-track accidents are minor and occur during switching operations at speeds of less than 10 m.p.h.

***NOTE:* Rail Trends *safety data reflects the performance of RAC's federally and provincially regulated freight and passenger member-railways. The data in this section comes from the Transportation Safety Board of Canada (TSB) and RAC. The TSB maintains a database of safety performance statistics on federally regulated railways, as well as provincially regulated railways that voluntarily report their data. RAC collects similar statistics for its member-railways. Each organization uses the same safety definitions, and the data reflects railway operations in Canada only.***

**Safety summary (year-over-year and 10-year comparisons)**

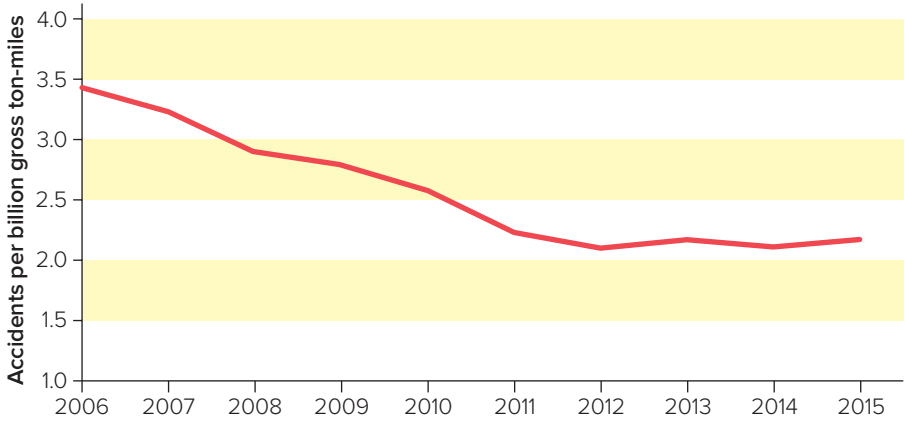
| | 2006 | 2014 | 2015 |
|---|---|---|---|
| Main-track collisions | 3 | 8 | **4** |
| Main-track derailments | 162 | 105 | **80** |
| Crossing accidents | 280 | 184 | **180** |
| Non-main track collisions | 110 | 114 | **95** |
| Non-main track derailments | 849 | 654 | **679** |
| Collisions/derailments involving track units | 23 | 34 | **53** |
| Employee/passenger accidents | 21 | 13 | **15** |
| Trespassing accidents | 122 | 56 | **52** |
| Fires/explosions | 26 | 37 | **32** |
| Other accident types | 46 | 47 | **63** |
| **Total accidents** | **1642** | **1252** | **1253** |

## *FREIGHT*

In 2015, the freight sector's accident rate[2] increased by 3.2 per cent to 2.18 accidents per billion gross ton-miles (BGTM) from the previous year. This accident rate was 2.7 per cent lower than the five-year average of 2.24. Since 2006, the freight sector's accident rate has fallen by 36.4 per cent, or an average of more than 4 per cent each year.

| | Freight accidents | BGTM | Accident rate |
|---|---|---|---|
| 2006 | 1578 | 459.63 | 3.43 |
| 2007 | 1497 | 463.36 | 3.23 |
| 2008 | 1304 | 449.92 | 2.90 |
| 2009 | 1104 | 397.29 | 2.78 |
| 2010 | 1155 | 447.05 | 2.58 |
| 2011 | 1057 | 473.31 | 2.23 |
| 2012 | 1060 | 503.88 | 2.10 |
| 2013 | 1149 | 529.38 | 2.17 |
| 2014 | 1191 | 564.31 | 2.11 |
| **2015** | **1187** | **544.79** | **2.18** |

**Freight accident rate**



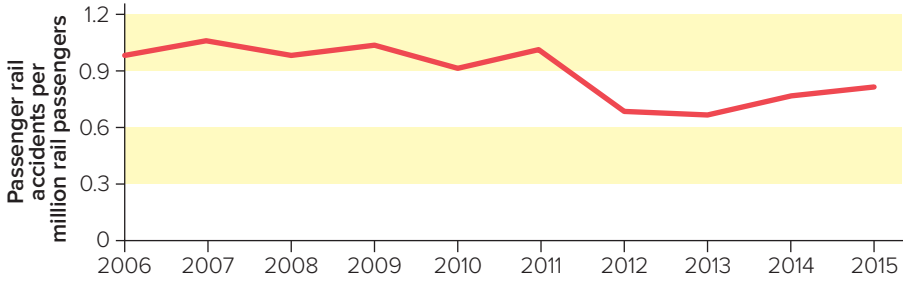

2 Calculated by dividing the number of reportable freight rail accidents by the freight sector's workload in gross ton-miles.

## *PASSENGER*

In 2015, the passenger rail sector's accident rate[3] increased by 6.3 per cent from the previous year and was in line with the five-year average of 0.81 accidents per million rail passengers. Since 2006, the passenger sector's accident rate has fallen by 17.3 per cent.

| | Total Accidents | Intercity passengers (000) | Commuter passengers (000) | Tourist passengers (000) | Total passengers (000) | Accident rate |
|---|---|---|---|---|---|---|
| 2006 | 64 | 4,320 | 60,634 | 360 | 65,314 | 0.98 |
| 2007 | 72 | 4,478 | 63,393 | 378 | 68,249 | 1.05 |
| 2008 | 71 | 4,899 | 67,052 | 352 | 72,303 | 0.98 |
| 2009 | 73 | 4,538 | 65,962 | 175 | 70,675 | 1.03 |
| 2010 | 67 | 4,477 | 68,562 | 222 | 73,261 | 0.91 |
| 2011 | 74 | 4,461 | 68,427 | 192 | 73,080 | 1.01 |
| 2012 | 52 | 4,246 | 71,522 | 214 | 75,982 | 0.68 |
| 2013 | 51 | 4,250 | 72,002 | 215 | 76,467 | 0.67 |
| 2014 | 61 | 4,094 | 75,901 | 371 | 80,366 | 0.76 |
| **2015** | **66** | **4,171** | **77,233** | **363** | **81,767** | **0.81** |

**Passenger accident rate**



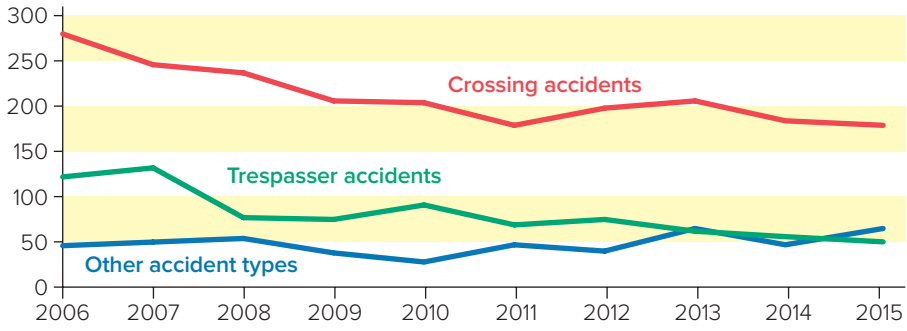

3 Calculated by dividing the number of passenger rail accidents by the total number of intercity and tourist passengers and rail commuters.

## *CROSSING AND TRESPASSING ACCIDENTS*

Accidents at grade crossings and trespassing on railway property are the two most pressing public safety issues associated with rail operations in Canada. These accidents account for more than 85 per cent of rail-related deaths and serious injuries in Canada each year, have tragic consequences for all involved, and hinder the performance of our country's trade gateways.

In 2015, the number of crossing accidents decreased by 2.2 per cent from the previous year, and was down 7.3 per cent from the 2010-2014 average of 194. Trespassing accidents fell by 7.1 per cent, year over year, and dropped by 26.3 per cent from the five-year average of 71.

| | Crossing accidents | Trespassing accidents | Other accident types |
|---|---|---|---|
| 2006 | 280 | 122 | 46 |
| 2007 | 246 | 132 | 50 |
| 2008 | 237 | 77 | 54 |
| 2009 | 206 | 75 | 38 |
| 2010 | 204 | 91 | 28 |
| 2011 | 179 | 69 | 47 |
| 2012 | 198 | 75 | 40 |
| 2013 | 206 | 62 | 65 |
| 2014 | 184 | 56 | 47 |
| **2015** | **180** | **52** | **63** |



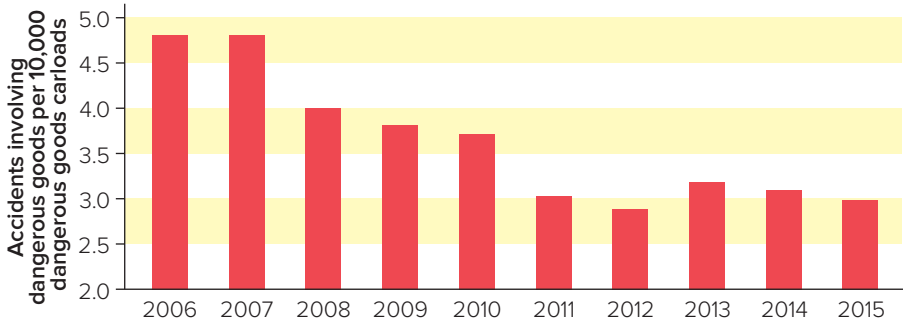

*Operation Lifesaver (OL) is an organization sponsored by Canada's railway industry and Transport Canada, which works to raise awareness about the hazards surrounding rail property and trains. In 2015, OL's network of 65 volunteers conducted more than 600 presentations and other activities across Canada about the importance of public-rail safety.*

## ACCIDENTS INVOLVING DANGEROUS GOODS

In 2015, the industry's accident rate involving dangerous goods[4] fell by 3.8 per cent from the previous year, and was 6.2 per cent lower than the 2010-2014 average.[5]

| | Total accidents involving dangerous goods | Dangerous goods carloads | Accident rate (accidents per 1,000 dangerous goods carloads) |
|---|---|---|---|
| 2006 | 196 | 406,425 | 0.48 |
| 2007 | 206 | 426,789 | 0.48 |
| 2008 | 170 | 422,764 | 0.40 |
| 2009 | 145 | 379,650 | 0.38 |
| 2010 | 149 | 400,318 | 0.37 |
| 2011 | 129 | 425,124 | 0.30 |
| 2012 | 124 | 428,660 | 0.29 |
| 2013 | 157 | 493,360 | 0.32 |
| 2014 | 179 | 576,226 | 0.31 |
| **2015** | **147** | **491,802** | **0.30** |

### Accidents involving dangerous goods




*In 2015, RAC's Transportation of Dangerous Goods Team held 97 TRANSCAER® events to inform municipalities about the products being transported through their communities. Seven RAC member companies conducted the events, which drew more than 2,000 first responders.*

4 "Dangerous goods" are defined in section 2 of the *Transportation of Dangerous Goods Act, 1992*.

5 Calculated by dividing total accidents involving dangerous goods by the number of dangerous goods carloads moved by Canada's railways.

# FREIGHT TRAFFIC

Each year, Canada's freight railways transport more than $280 billion worth of goods, including half of the country's exports by volume. Everything, from the food we eat to the cars we drive and the fuel we use to heat our homes, moves by rail.

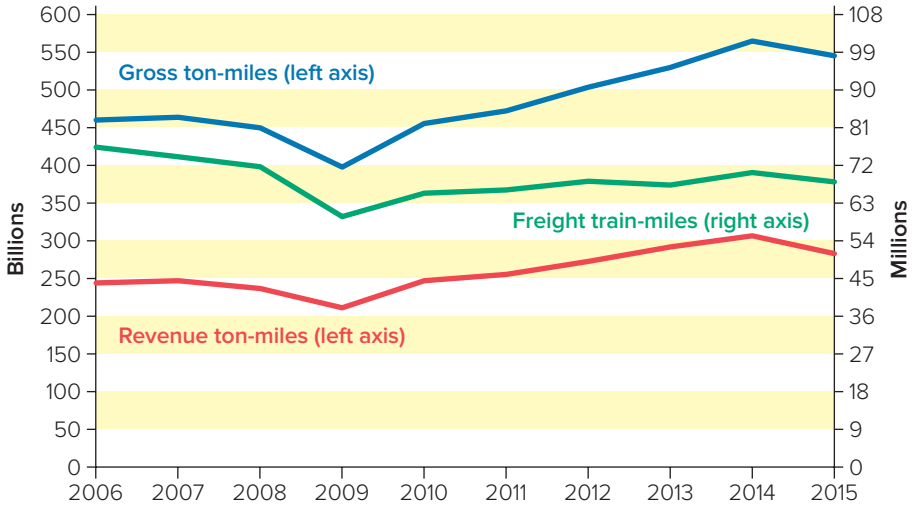
Freight railway productivity is foundational to the Canadian economy. Businesses in many segments – including agriculture, minerals and consumer goods – rely on safe and efficient rail transportation in order to increase their productivity, remain competitive in global markets and provide well-paying jobs.

Velocity on the Canadian rail network – one of the largest in the world – allows railways to achieve productivity gains, which are passed down to customers in the form of lower rates. In fact, Canada has among the lowest freight rates in the world. Canada's railways have made significant investments in technology and rolling stock, allowing for longer, safer, lower-emitting trains to be operated, and thus more efficient railway movements.

## *REVENUE TON-MILES, GROSS TON-MILES AND FREIGHT TRAIN-MILES*

In 2015, freight rail traffic, as measured by revenue ton-miles (RTM), declined by 7.5 per cent from the previous year and increased by 3.1 per cent from the 2010-2014 average of 274.6 billion RTM. Year over year, gross ton-miles and freight train-miles fell by 3.5 per cent and 3.2 per cent, respectively.

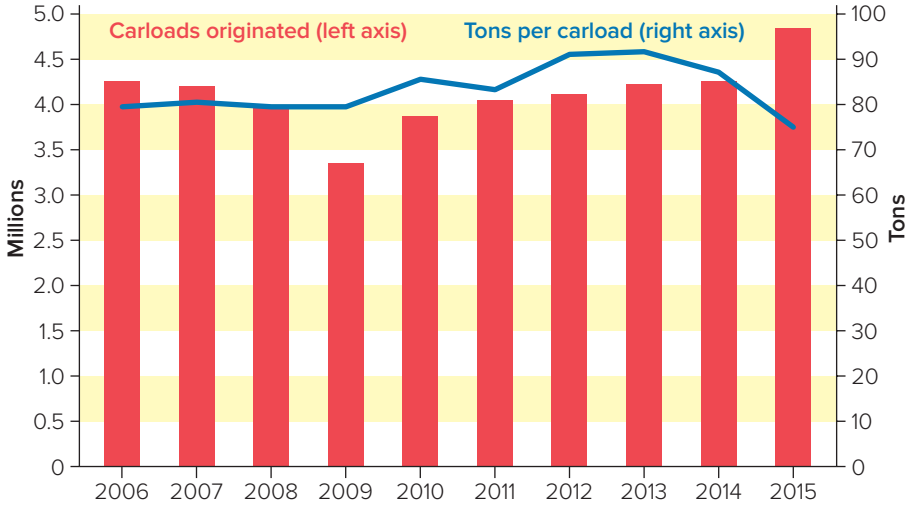
| | Revenue ton-miles (millions) | Revenue tonne-kilometres (millions) | Gross ton-miles (millions) | Gross tonne-kilometres (millions) | Freight train miles (000) | Freight train kilometres (000) |
|---|---|---|---|---|---|---|
| 2006 | 243,744 | 355,831 | 459,633 | 670,997 | 76,451 | 123,035 |
| 2007 | 247,709 | 361,619 | 463,356 | 676,433 | 74,100 | 119,253 |
| 2008 | 237,323 | 346,457 | 449,922 | 656,821 | 71,712 | 115,409 |
| 2009 | 210,898 | 307,880 | 397,293 | 579,990 | 59,576 | 95,877 |
| 2010 | 247,154 | 360,809 | 455,047 | 664,303 | 65,157 | 104,859 |
| 2011 | 255,001 | 372,264 | 473,312 | 690,960 | 66,082 | 106,348 |
| 2012 | 273,504 | 399,275 | 503,879 | 735,590 | 68,145 | 109,668 |
| 2013 | 291,172 | 425,069 | 529,379 | 772,816 | 67,207 | 108,160 |
| 2014 | 306,282 | 447,127 | 564,313 | 823,815 | 70,313 | 113,157 |
| **2015** | **283,188** | **413,414** | **544,791** | **795,315** | **68,044** | **109,506** |



## CARLOADS

The number of carloads originated in Canada grew by 14.0 per cent in 2015 from the previous year, led by intermodal goods. However, the overall weight of freight transported fell by 2.1 per cent, as railways carried fewer heavy commodities such as coal. As a result, the tonnage per carload fell by 14.1 per cent from the previous year. In 2015, the number of carloads was 17.8 per cent higher than the five-year average of 4.1 million carloads, while tonnage was 0.1 per cent higher than the five-year average of 360.9 million tons.

| | Carloads originated (000) | Tons originated (000) | Tonnes originated (000) | Tons per carload[6] | Tonnes per carload |
|---|---|---|---|---|---|
| 2006 | 4,260 | 339,394 | 307,897 | 80 | 73 |
| 2007 | 4,196 | 337,989 | 306,623 | 81 | 73 |
| 2008 | 3,984 | 318,688 | 289,114 | 80 | 73 |
| 2009 | 3,367 | 269,028 | 244,062 | 80 | 73 |
| 2010 | 3,872 | 334,264 | 303,258 | 86 | 78 |
| 2011 | 4,044 | 337,074 | 305,793 | 83 | 76 |
| 2012 | 4,113 | 375,780 | 340,907 | 91 | 83 |
| 2013 | 4,234 | 388,621 | 352,557 | 92 | 83 |
| 2014 | 4,238 | 368,970 | 334,730 | 87 | 79 |
| **2015** | **4,831** | **361,342** | **327,809** | **75** | **68** |



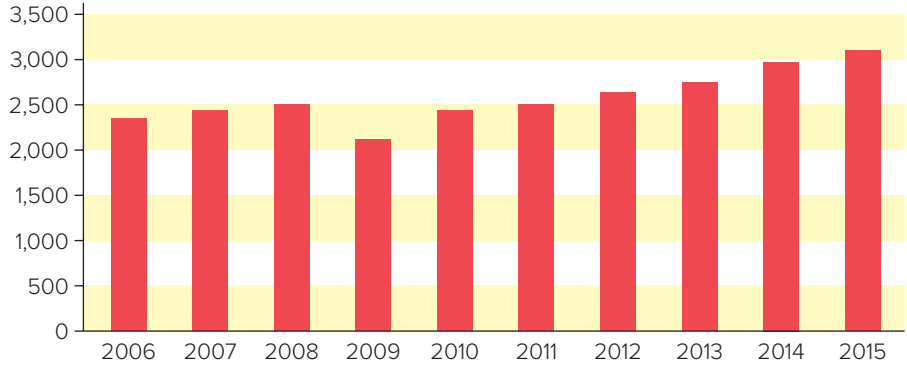

6 Tons (tonnes) per carload is calculated by dividing tons (tonnes) originated by carloads originated.

## *INTERMODAL TRAFFIC*

In 2015, total intermodal traffic[7] originated in Canada – including container and trailer traffic – rose by 4.2 per cent from the previous year to a record high. The 2015 total was 16.6 per cent higher than the five-year average of 2.6 million intermodal units.

| | Trailers (000) | Containers (000) | Total (000) |
|---|---|---|---|
| 2006 | 106 | 2,251 | 2,357 |
| 2007 | 102 | 2,334 | 2,436 |
| 2008 | 101 | 2,396 | 2,497 |
| 2009 | 83 | 2,033 | 2,116 |
| 2010 | 81 | 2,361 | 2,442 |
| 2011 | 80 | 2,424 | 2,504 |
| 2012 | 98 | 2,540 | 2,638 |
| 2013 | 118 | 2,628 | 2,746 |
| 2014 | 93 | 2,883 | 2,978 |
| **2015** | **96** | **3,006** | **3,103** |

**Intermodal units originated (000) (containers & trailers)**




7 Total intermodal traffic originated in Canada reflects both the Canadian and U.S. operations of Canadian Class 1 railways. Intermodal units are actual counts of trailers and containers, regardless of size, and are not "twenty-foot equivalent units (TEUs)."

## CARLOADS BY COMMODITY

RAC tracks 11 commodity groupings moved by freight railways in Canada.[8] Based on the number of carloads moved, the largest increases among commodity groupings in 2015 (according to each grouping's year-over-year increase) were intermodal goods (+57.0%), minerals (+26.2%), and manufactured and miscellaneous goods (+10.3%). The largest declines were reported in the coal (-9.7%) and machinery and automotive (-7.7%) groupings.

### Carloads originated by commodity grouping

| | Agriculture | Coal | Minerals | Forest products | Metals | Machinery & auto |
|---|---|---|---|---|---|---|
| 2006 | 453,151 | 321,266 | 600,823 | 388,035 | 362,000 | 244,395 |
| 2007 | 454,034 | 349,983 | 609,422 | 317,158 | 359,982 | 234,830 |
| 2008 | 430,292 | 324,931 | 574,645 | 253,279 | 369,475 | 195,308 |
| 2009 | 474,980 | 277,048 | 368,631 | 182,395 | 273,800 | 148,123 |
| 2010 | 462,445 | 327,419 | 703,270 | 205,120 | 160,895 | 185,962 |
| 2011 | 466,305 | 348,556 | 790,520 | 228,448 | 160,827 | 186,522 |
| 2012 | 472,474 | 353,201 | 805,952 | 209,654 | 161,541 | 220,216 |
| 2013 | 465,340 | 383,013 | 810,750 | 215,254 | 150,906 | 199,068 |
| 2014 | 547,122 | 336,632 | 676,865 | 213,980 | 157,086 | 193,294 |
| **2015** | **537,013** | **303,932** | **854,186** | **235,169** | **150,273** | **178,429** |

| | Fuels & chemicals | Paper products | Food products | Manufactured & miscellaneous | Intermodal | Total |
|---|---|---|---|---|---|---|
| 2006 | 470,833 | 274,092 | 41,454 | 66,333 | 819,552 | 4,041,934 |
| 2007 | 470,876 | 252,150 | 41,822 | 65,923 | 832,663 | 3,988,843 |
| 2008 | 443,125 | 228,072 | 42,365 | 75,160 | 847,647 | 3,784,299 |
| 2009 | 401,141 | 175,693 | 42,232 | 79,445 | 741,807 | 3,165,295 |
| 2010 | 419,905 | 170,823 | 52,240 | 92,949 | 847,832 | 3,628,860 |
| 2011 | 432,657 | 157,780 | 54,948 | 94,935 | 890,168 | 3,811,666 |
| 2012 | 479,669 | 149,740 | 60,906 | 93,129 | 946,223 | 3,952,706 |
| 2013 | 539,566 | 150,029 | 56,405 | 103,605 | 987,186 | 4,061,122 |
| 2014 | 593,186 | 139,110 | 61,993 | 101,733 | 1,072,278 | 4,093,278 |
| **2015** | **579,131** | **131,571** | **64,512** | **112,194** | **1,683,988** | **4,830,398** |

*Statistics Canada provides monthly statistics of commodity movements in Canada in its Railway Carloadings publication. This publication offers a brief analysis, along with a number of tables showing car loadings and tonnes carried for 63 commodity groupings.*

8 Not all RAC member companies report carloads originated by commodity grouping. As a result, the total number of carloads originated by commodity grouping is lower than the total number of carloads originated (page 10). The intermodal total is estimated by multiplying the number of intermodal units by an average load factor to determine the equivalent number of carloads.

## *FREIGHT REVENUE BY COMMODITY*

The freight rail sector's revenue increased by 8.2 per cent to $10.7 billion in 2015 from 2014.[9] On a revenue basis, the largest increases among commodity groupings (based on each grouping's year-over-year increase) were food products (+29.8%), minerals (+29.7%) and forest products (+22.0%). Year over year, revenues decreased in two groupings: coal (-16.8%) and metals (-2.8%).

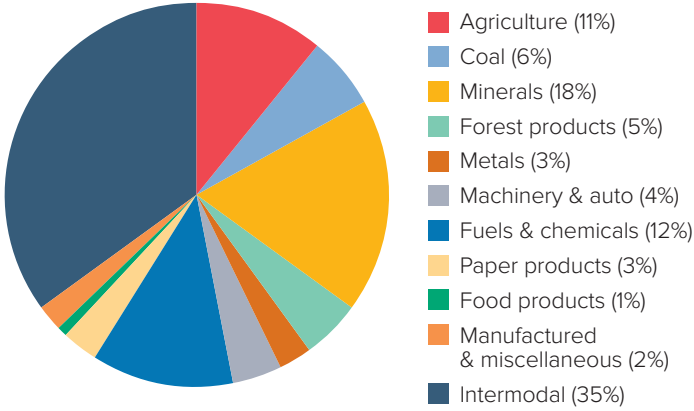
**Revenue from carloads originated by commodity grouping ($ millions)**

| | Agriculture | Coal | Minerals | Forest products | Metals | Machinery & automotive |
|---|---|---|---|---|---|---|
| 2006 | 1,125 | 676 | 764 | 928 | 489 | 433 |
| 2007 | 1,157 | 709 | 819 | 780 | 476 | 445 |
| 2008 | 1,161 | 706 | 833 | 646 | 531 | 443 |
| 2009 | 1,259 | 502 | 525 | 478 | 317 | 337 |
| 2010 | 1,221 | 598 | 772 | 500 | 381 | 394 |
| 2011 | 1,297 | 713 | 898 | 564 | 424 | 381 |
| 2012 | 1,374 | 749 | 926 | 611 | 455 | 508 |
| 2013 | 1,433 | 833 | 973 | 660 | 448 | 481 |
| 2014 | 1,725 | 760 | 1,030 | 702 | 501 | 481 |
| **2015** | **1,871** | **632** | **1,336** | **857** | **487** | **541** |

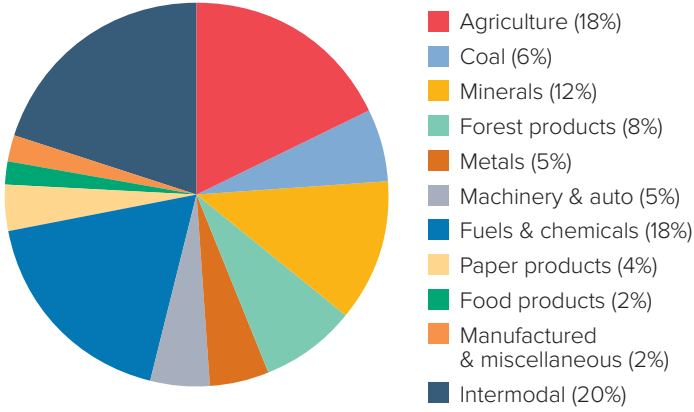
| | Fuels & chemicals | Paper products | Food products | Manufactured & miscellaneous | Intermodal | Total |
|---|---|---|---|---|---|---|
| 2006 | 836 | 582 | 81 | 114 | 2,377 | 8,405 |
| 2007 | 837 | 541 | 81 | 116 | 2,452 | 8,413 |
| 2008 | 902 | 531 | 89 | 126 | 2,702 | 8,672 |
| 2009 | 818 | 423 | 94 | 113 | 2,273 | 7,139 |
| 2010 | 853 | 437 | 128 | 130 | 2,592 | 8,006 |
| 2011 | 928 | 427 | 146 | 133 | 1,893 | 7,805 |
| 2012 | 1,155 | 411 | 161 | 153 | 1,997 | 8,499 |
| 2013 | 1,420 | 406 | 155 | 174 | 2,019 | 9,001 |
| 2014 | 1,756 | 393 | 181 | 177 | 2,162 | 9,869 |
| **2015** | **1,934** | **426** | **235** | **192** | **2,171** | **10,682** |

9 Not all RAC member companies record revenue from carloads originated by commodity grouping. The data in this section reflects reported freight revenue from originated carloads grouped by commodity grouping. As a result, total freight revenue from carloads originated by commodity grouping is lower than total freight operating revenue (page 22).

The chart below illustrates carloads originated by commodity grouping as a per cent of all commodity carloads in 2015.




The chart below illustrates revenues by commodity grouping as a per cent of all revenues in 2015.



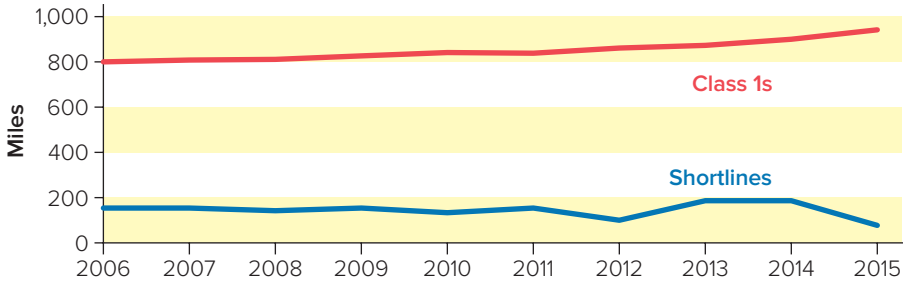
## AVERAGE CARS PER FREIGHT TRAIN AND AVERAGE LENGTH OF HAUL

In 2015, the average length of haul[10] by transcontinental railways (CN and CP) increased by 3.8 per cent to a record high, while the average length of haul by shortline railways fell by 54.3 per cent. The average number of railcars per freight train[11] edged up by 1.7 per cent to a record high of 102 cars.

| | Average miles (kilometres) hauled by transcontinental railways (CN and CPR) | | Average miles (kilometres) hauled by shortline railways | | Average cars per freight train |
|---|---|---|---|---|---|
| | Miles | Kilometres | Miles | Kilometres | Cars |
| 2006 | 803 | 1,292 | 159 | 256 | 79 |
| 2007 | 807 | 1,299 | 151 | 243 | 81 |
| 2008 | 818 | 1,316 | 146 | 235 | 82 |
| 2009 | 830 | 1,336 | 159 | 256 | 87 |
| 2010 | 850 | 1,368 | 138 | 163 | 92 |
| 2011 | 849 | 1,366 | 170 | 274 | 81 |
| 2012 | 868 | 1,396 | 99 | 159 | 90 |
| 2013 | 871 | 1,402 | 186 | 300 | 99 |
| 2014 | 908 | 1,462 | 190 | 306 | 100 |
| **2015** | **943** | **1,517** | **87** | **140** | **102** |

*Canada's 50-plus shortline railways transport roughly $20 billion worth of freight — everything from metals, lumber, grain and manufactured goods — to and from continental rail networks, such as CN and CP's, each year. Shortlines invest roughly 12 per cent of their annual revenues into maintaining their own infrastructure, while their main competitor, the trucking sector, operates on publicly funded infrastructure (roads and highways).*

### Average length of haul




10 Calculated by dividing revenue ton-miles (revenue tonne-kilometres) by revenue tons (revenue tonnes).

11 Calculated by dividing loaded and empty car-miles (car-kilometres) by train-miles (train-kilometres).

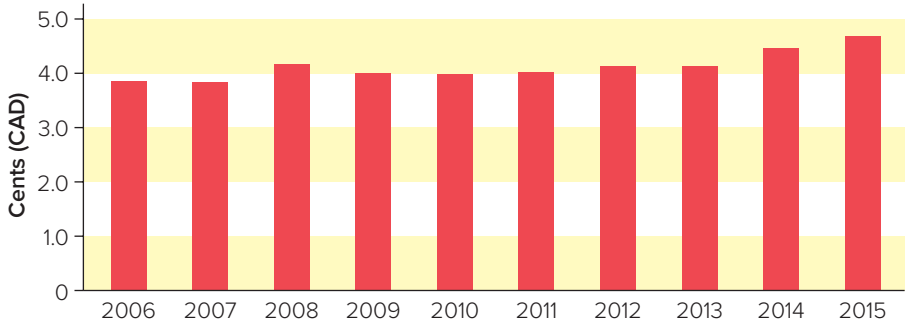
## RATES

Freight revenue per ton-mile[12] is often viewed as a proxy for railway rates because it shows the level of revenue collected by railways for moving goods over a certain distance.

In 2015, freight operating revenue grew slightly from 2014, while freight rail traffic fell by 7.5 per cent. As a result, freight revenue per ton-mile grew by 5.2 per cent from the previous year. Between 2006 and 2015, freight revenue per ton-mile increased by an average of 2.3 per cent each year.

| | Freight revenue (cents) per | | Freight revenue per ton-mile index | Commodity price index[13] |
|---|---|---|---|---|
| | ton-mile | tonne-kilometre | 2001 = 100 | 2001 = 100 |
| 2006 | 3.87 | 2.65 | 118.3 | 185.2 |
| 2007 | 3.84 | 2.63 | 117.4 | 197.6 |
| 2008 | 4.2 | 2.87 | 128.4 | 239.5 |
| 2009 | 4 | 2.74 | 122.3 | 160.8 |
| 2010 | 3.99 | 2.74 | 122.0 | 196.7 |
| 2011 | 4.04 | 2.77 | 123.5 | 231.7 |
| 2012 | 4.14 | 2.84 | 126.6 | 217.1 |
| 2013 | 4.13 | 2.83 | 126.5 | 217.2 |
| 2014 | 4.46 | 3.06 | 136.5 | 213.8 |
| **2015** | **4.69** | **3.21** | **143.3** | **136.2** |

### Freight revenue per ton-mile




12 Calculated by dividing freight operating revenue by revenue ton-miles (revenue tonne-kilometres).

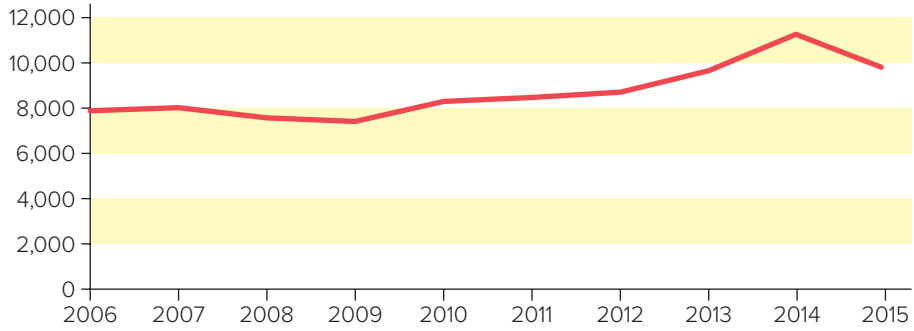
13 Source: Bank of Canada data.

## PRODUCTIVITY

The best measure of freight railway labour productivity is the rate of revenue ton-miles per employee.[14] By this measure, employee productivity fell by 12.9 per cent in 2015 from a record high in 2014, as traffic decreased and the freight railway workforce grew slightly. Railway productivity in 2015 was up 5.9 per cent from the five-year average of 9.3 million RTM per employee.

| | Revenue ton-miles per employee (000) | Revenue tonne-kilometres per employee (000) | Road miles per employee | Road kilometres per employee |
|---|---|---|---|---|
| 2006 | 7,963 | 11,625 | 0.98 | 1.58 |
| 2007 | 8,045 | 11,745 | 0.96 | 1.54 |
| 2008 | 7,625 | 11,132 | 0.94 | 1.51 |
| 2009 | 7,404 | 10,809 | 0.98 | 1.58 |
| 2010 | 8,287 | 12,098 | 0.96 | 1.54 |
| 2011 | 8,496 | 12,402 | 0.90 | 1.46 |
| 2012 | 8,772 | 12,806 | 0.86 | 1.39 |
| 2013 | 9,608 | 14,026 | 0.91 | 1.47 |
| 2014 | 11,302 | 16,499 | 0.84 | 1.35 |
| **2015** | **9,839** | **14,363** | **0.83** | **1.34** |

**RTM per employee (000)**




14 Calculated by dividing the annual sum of revenue-producing tonnage by the average number of freight railway employees.

## FUEL CONSUMPTION AND COST

Canada's railways are highly efficient and low emitters of greenhouse gas (GHG) emissions. A train can move a tonne of freight more than 200 km on a single litre of fuel. In fact, railways are between four and five times more fuel efficient than trucks, and three times more fuel efficient than cars. Shifting just 15 per cent of freight from trucks to rail would reduce GHG emissions by close to 5.6 megatonnes of $CO_2$ equivalent.[15]

In 2015, freight railways consumed 469.9 million gallons of fuel, down 3 per cent from the previous year, while also moving less traffic. As a result, the freight railway sector's fuel efficiency[16] decreased by 3.8 per cent to 642 RTM per gallon. The cost of diesel fuel[17] dropped by 28.4 per cent to $3.46 per gallon in 2015.

| | Total fuel consumed | | Revenue ton-miles per gallon of fuel consumed | Revenue tonne-kilo-metres per litre of fuel consumed | Gross ton-miles (millions) | Gross tonne-kilo-metres (millions) | Cost of diesel fuel | |
|---|---|---|---|---|---|---|---|---|
| | gallons (000) | litres (000) | | | | | per gallon ($) | per litre (cents) |
| 2006 | 486,218 | 2,210,384 | 527 | 169 | 459,633 | 670,997 | 2.81 | 61.8 |
| 2007 | 492,125 | 2,237,237 | 529 | 170 | 463,356 | 676,433 | 3.07 | 67.6 |
| 2008 | 480,661 | 2,185,120 | 520 | 167 | 449,922 | 656,821 | 4.23 | 93.0 |
| 2009 | 411,612 | 1,871,221 | 545 | 175 | 397,293 | 579,990 | 2.94 | 64.8 |
| 2010 | 450,782 | 2,049,289 | 562 | 182 | 455,047 | 664,303 | 3.25 | 71.4 |
| 2011 | 436,558 | 1,984,178 | 621 | 202 | 473,312 | 690,960 | 4.25 | 93.5 |
| 2012 | 471,912 | 2,145,346 | 615 | 198 | 503,879 | 735,590 | 4.24 | 93.3 |
| 2013 | 464,275 | 2,110,651 | 664 | 214 | 529,379 | 772,816 | 4.44 | 97.6 |
| 2014 | 484,572 | 2,202,872 | 667 | 215 | 564,313 | 823,815 | 4.83 | 106.2 |
| **2015** | **469,855** | **2,135,996** | **642** | **206** | **544,791** | **795,315** | **3.46** | **76.0** |

15 To learn more about how Canada's railways are part of the climate change solution, visit http://www.railcan.ca/environment/thinking_green.

16 Calculated by dividing total revenue ton-miles (revenue tonne-kilometres) by the total volume of fuel consumed.

17 Includes fuel expenses and gallons (litres) consumed by both freight and passenger railways.

# PASSENGER TRANSPORTATION

Canadian railways offer a comfortable, affordable and environmentally friendly way to travel for more than 75 million passengers each year. Canada has commuter railways that serve its urban centres, an intercity passenger rail service that connects more than 400 communities from coast to coast and tourist railways that give visitors an unbeatable view of its landscape.

In 2015, overall passenger rail transportation increased as more commuter and intercity passengers travelled by rail.

*Photo: VIA Rail*

## COMMUTER RAIL

Within the commuter rail sector, the total number of railway commuters in British Columbia, Ontario and Quebec – the three provinces with commuter railway services – increased by 1.7 per cent in 2015 from the previous year. The average number of commuters per train in 2015 grew by 7.6 per cent from the previous year to its highest level since 2012. In addition, commuter passenger-miles rose by 22.5 per cent year over year.

| | Commuter passenger[18] | | Commuter train | | Average rail commuters per train | Rail commuters (000) in British Columbia, Ontario and Quebec[19] |
|---|---|---|---|---|---|---|
| | miles (000) | kilometres (000) | miles (000) | kilometres (000) | | |
| 2006 | 237,781 | 382,672 | 2,730 | 4,394 | 300 | 60,634 |
| 2007 | 247,066 | 397,615 | 2,808 | 4,518 | 339 | 63,393 |
| 2008 | 256,123 | 412,190 | 2,832 | 4,558 | 340 | 67,052 |
| 2009 | 245,942 | 395,806 | 2,876 | 4,628 | 301 | 65,962 |
| 2010 | 256,134 | 412,209 | 3,008 | 4,841 | 310 | 68,562 |
| 2011 | 278,244 | 447,791 | 3,171 | 5,103 | 255 | 68,427 |
| 2012 | 288,161 | 463,752 | 4,356 | 7,011 | 342 | 71,522 |
| 2013 | 320,596 | 515,950 | 4,477 | 7,205 | 287 | 72,002 |
| 2014 | 326,969 | 526,206 | 4,610 | 7,419 | 276 | 75,901 |
| **2015** | **400,666** | **644,810** | **4,022** | **6,473** | **297** | **77,233** |

18 Commuter passenger-miles (commuter passenger-kilometres) statistics before 2013 exclude GO Transit, which began reporting this data to RAC in 2013.

19 Rail commuter totals from 2012-2014 have been revised.

## INTERCITY PASSENGER RAIL

In the intercity passenger rail sector, passenger-miles and passenger train-miles increased by 2.8 and 0.9 per cent, respectively, in 2015 from the previous year. The average number of intercity passengers per train[20] grew by 1.8 per cent, while the average length of journey increased by 0.2 per cent.

| | Passenger cars in service | Number of passengers (000) | Passenger miles (millions) | Passenger kilometres (millions) |
|---|---|---|---|---|
| 2006 | 537 | 4,320 | 906 | 1,458 |
| 2007 | 538 | 4,478 | 912 | 1,468 |
| 2008 | 540 | 4,899 | 986 | 1,588 |
| 2009 | 559 | 4,538 | 894 | 1,439 |
| 2010 | 545 | 4,477 | 877 | 1,412 |
| 2011 | 544 | 4,461 | 888 | 1,428 |
| 2012 | 542 | 4,246 | 871 | 1,402 |
| 2013 | 552 | 4,186 | 861 | 1,386 |
| 2014 | 552 | 4,094 | 834 | 1,343 |
| **2015** | **551** | **4,171** | **857** | **1,380** |

| | Passenger train | | Passenger car | |
|---|---|---|---|---|
| | miles (000) | kilometres (000) | miles (000) | kilometres (000) |
| 2006 | 7,381 | 11,879 | 49,400 | 79,501 |
| 2007 | 7,330 | 11,796 | 48,708 | 78,388 |
| 2008 | 7,414 | 11,932 | 49,140 | 79,083 |
| 2009 | 7,334 | 11,803 | 47,290 | 76,106 |
| 2010 | 7,331 | 11,799 | 46,275 | 74,472 |
| 2011 | 7,273 | 11,705 | 48,239 | 77,633 |
| 2012 | 7,075 | 11,386 | 48,725 | 78,415 |
| 2013 | 6,809 | 10,958 | 43,673 | 70,285 |
| 2014 | 6,720 | 10,814 | 41,587 | 66,928 |
| **2015** | **6,781** | **10,913** | **43,843** | **70,559** |

| | Average intercity passengers per train | Average length of journey | | Average passenger load factor (%) | On-time performance (%) |
|---|---|---|---|---|---|
| | | miles | kilometres | | |
| 2006 | 123 | 214 | 344 | 54 | 84 |
| 2007 | 124 | 209 | 336 | 55 | 77 |
| 2008 | 133 | 206 | 332 | 59 | 75 |
| 2009 | 122 | 203 | 327 | 57 | 83 |
| 2010 | 120 | 204 | 328 | 57 | 82 |
| 2011 | 122 | 204 | 328 | 55 | 84 |
| 2012 | 123 | 213 | 342 | 54 | 82 |
| 2013 | 126 | 214 | 344 | 56 | 82 |
| 2014 | 124 | 213 | 342 | 60 | 76 |
| **2015** | **126** | **213** | **343** | **56** | **71** |

20 Calculated by dividing the number of intercity passengers by the number of passenger trains.

# FINANCIAL INFORMATION, INVESTMENTS AND TAXES

## OPERATING EXPENSES, REVENUES AND INCOME

In 2015, operating expenses of RAC member-railways fell by 8.4 per cent to $10.5 billion, mainly due to lower costs for fuel and transportation. Operating revenue edged up 0.2 per cent to $14.7 billion, year over year. As a result, the operating income[21] of Canada's railways in 2015 was a record high of $3.2 billion.

| | Operating income ($ millions) | | | Operating revenues ($ millions) | | |
|---|---|---|---|---|---|---|
| | Total operating revenues | Total operating expenses | Total operating income | Freight | Passenger[22] | Other |
| 2006 | **10,613** | **8,211** | **2,164** | 9,430 | 622 | 561 |
| 2007 | **10,704** | **8,495** | **2,402** | 9,516 | 624 | 564 |
| 2008 | **11,197** | **9,167** | **2,209** | 9,957 | 661 | 579 |
| 2009 | **9,599** | **8,352** | **2,030** | 8,433 | 627 | 539 |
| 2010 | **10,768** | **9,171** | **1,247** | 9,551 | 673 | 544 |
| 2011 | **11,533** | **9,774** | **1,598** | 10,305 | 668 | 561 |
| 2012 | **12,633** | **10,575** | **1,760** | 11,322 | 674 | 637 |
| 2013 | **13,330** | **10,380** | **2,058** | 12,040 | 668 | 622 |
| 2014 | **14,653** | **11,431** | **2,948** | 13,287 | 687 | 679 |
| **2015** | **14,679** | **10,468** | **3,218** | **13,270** | **727** | **682** |

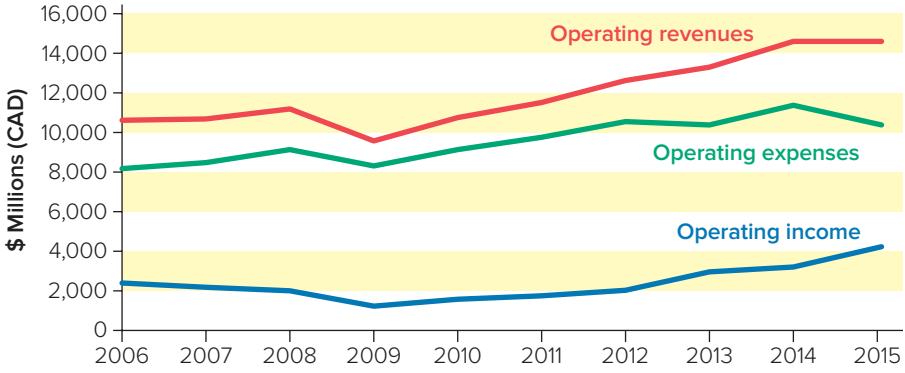
**Operating expenses ($ millions)**

| | Transportation[23] | Fuel | Maintenance of equipment | Maintenance-of-way and structures | General and administrative | Total |
|---|---|---|---|---|---|---|
| 2006 | 2,224 | 1,367 | 1,575 | 1,408 | 1,637 | 8,211 |
| 2007 | 2,337 | 1,513 | 1,634 | 1,549 | 1,462 | 8,495 |
| 2008 | 2,376 | 2,032 | 1,564 | 1,718 | 1,477 | 9,167 |
| 2009 | 2,065 | 1,212 | 1,555 | 1,612 | 1,908 | 8,352 |
| 2010 | 2,195 | 1,464 | 1,452 | 1,766 | 2,294 | 9,171 |
| 2011 | 2,381 | 1,854 | 1,570 | 1,910 | 2,059 | 9,774 |
| 2012 | 2,534 | 2,002 | 1,549 | 1,873 | 2,617 | 10,575 |
| 2013 | 2,521 | 2,061 | 1,698 | 1,968 | 2,132 | 10,380 |
| 2014 | 2,976 | 2,340 | 1,876 | 2,109 | 2,131 | 11,431 |
| **2015** | **2,508** | **1,624** | **1,870** | **2,315** | **2,153** | **10,468** |

21 Operating income reflects earnings before interest and taxes.

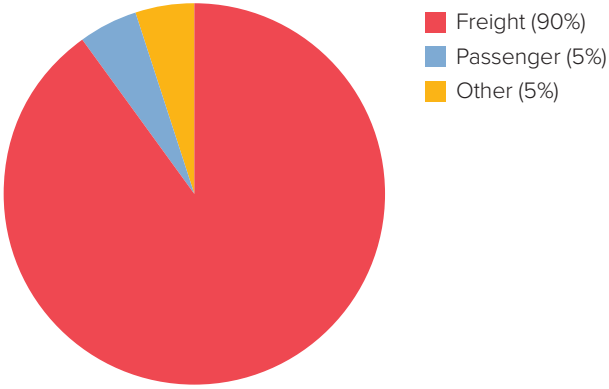
22 Federal, provincial and municipal funding of $435 million in 2009 for intercity passenger and commuter services is excluded.

23 Transportation costs are expenses incurred through the movement of rolling stock (locomotives, railcars, etc.) that are not reported under other operating expense categories.

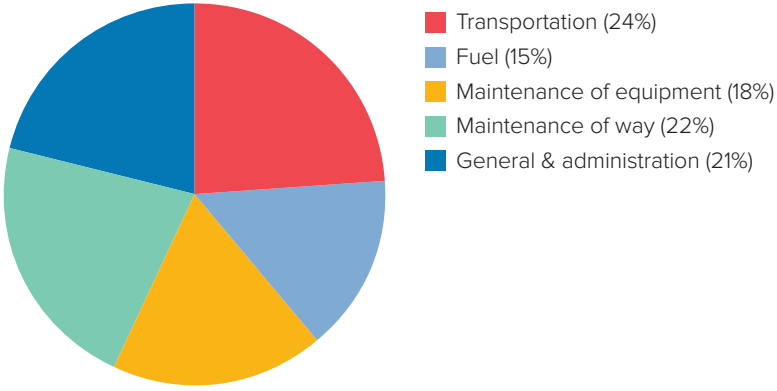



The charts below illustrate operating revenues and expenses by category as a percentage of RAC member railway totals in 2015.

## Operating revenues




## Operating expenses



## INVESTMENTS

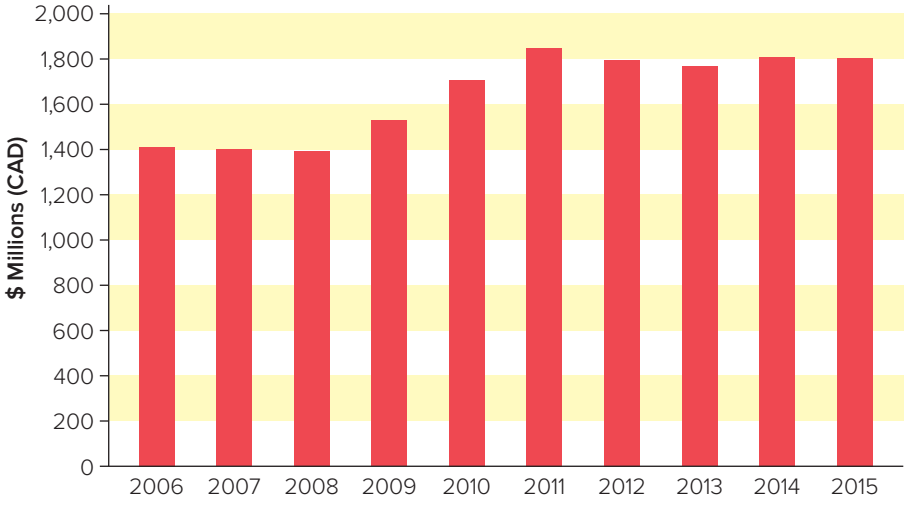
On a system-wide basis, railways invest roughly 20% of their revenues into their infrastructure each year — including investments to ensure safe, reliable and efficient service. Canada's railways invested $1.80 billion into their Canadian networks in 2015, a 0.2 per cent decrease from the previous year, and a 1 per cent increase over the five-year average of $1.78 billion. In particular, investment (based on year-over-year changes) increased for terminals and fuel stations (+160%), and work equipment and roadway machines (+91.7%). Track and roadway continues to reflect the majority of capital expenditures.

### Investments ($ millions)

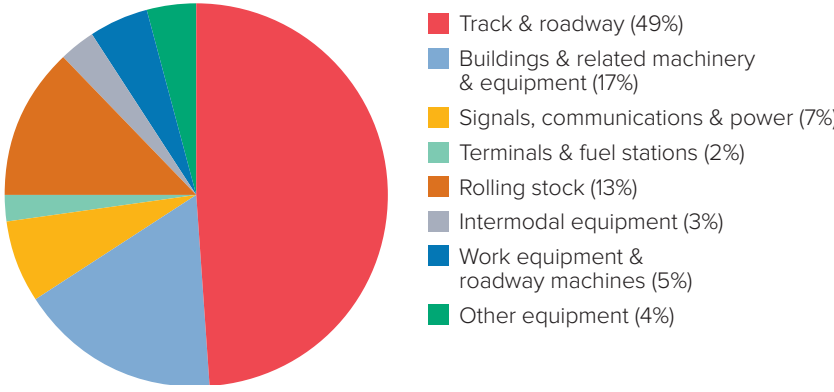
| | Track & roadway | Buildings & related machinery & equipment | Signals, communications & power | Terminals & fuel stations |
|---|---|---|---|---|
| 2006 | 613 | 212 | 74 | 37 |
| 2007 | 618 | 255 | 44 | 43 |
| 2008 | 688 | 189 | 79 | 26 |
| 2009 | 706 | 257 | 72 | 24 |
| 2010 | 804 | 231 | 109 | 16 |
| 2011 | 971 | 314 | 108 | 15 |
| 2012 | 961 | 269 | 122 | 41 |
| 2013 | 892 | 357 | 100 | 32 |
| 2014 | 982 | 287 | 93 | 10 |
| **2015** | **888** | **309** | **130** | **26** |

| | Rolling stock | Intermodal equipment | Work equipment & roadway machines | Other equipment | Total investments |
|---|---|---|---|---|---|
| 2006 | 352 | 48 | 44 | 28 | 1,408 |
| 2007 | 350 | 30 | 41 | 18 | 1,399 |
| 2008 | 290 | 29 | 68 | 22 | 1,391 |
| 2009 | 317 | 34 | 42 | 72 | 1,524 |
| 2010 | 427 | 15 | 49 | 55 | 1,706 |
| 2011 | 307 | 11 | 53 | 64 | 1,844 |
| 2012 | 255 | 22 | 49 | 77 | 1,795 |
| 2013 | 239 | 17 | 50 | 77 | 1,764 |
| 2014 | 230 | 53 | 48 | 102 | 1,806 |
| **2015** | **233** | **61** | **92** | **62** | **1,801** |

## Investments




The chart below illustrates investments by category as a percentage of all investments made by RAC member-railways in 2015.

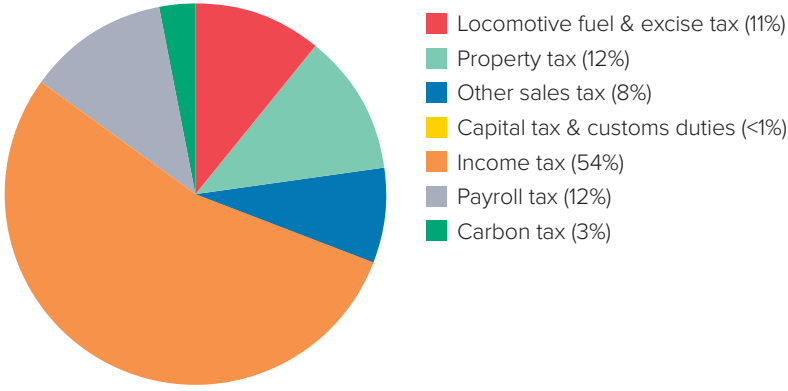


## TAXES

In 2015, Canada's railways paid a record high of $1.4 billion in taxes – a 31.5 per cent increase from the previous year. The main contributor to this increase was a 67.7 per cent – or $313 million – jump in the total income tax paid by railways from the previous year.

### Taxes by category ($ millions)

| | Locomotive fuel & excise tax | Property tax | Other sales tax | Capital tax & customs duties | Income tax | Payroll taxes | Carbon tax | Total |
|---|---|---|---|---|---|---|---|---|
| 2006 | 188 | 155 | 102 | 21 | 471 | 147 | n/a | 1,084 |
| 2007 | 188 | 154 | 97 | 15 | 381 | 154 | n/a | 989 |
| 2008 | 187 | 152 | 99 | 14 | 323 | 155 | n/a | 930 |
| 2009 | 177 | 152 | 97 | 14 | 265 | 148 | n/a | 853 |
| 2010 | 195 | 150 | 96 | 14 | 185 | 147 | n/a | 787 |
| 2011 | 204 | 153 | 70 | 0 | 372 | 158 | n/a | 957 |
| 2012 | 220 | 158 | 70 | 0 | 159 | 170 | n/a | 777 |
| 2013 | 219 | 169 | 43 | 1 | 629 | 150 | n/a | 1,209 |
| 2014 | 186 | 179 | 65 | 1 | 462 | 154 | 44 | 1,091 |
| **2015** | **159** | **168** | **115** | **3** | **775** | **171** | **45** | **1,435** |



## Payroll taxes ($ millions)

| | Canada/Quebec Pension Plan | Unemployment insurance | Health taxes | Total |
|---|---|---|---|---|
| 2006 | 72 | 32 | 43 | 147 |
| 2007 | 75 | 33 | 46 | 154 |
| 2008 | 77 | 33 | 45 | 155 |
| 2009 | 74 | 30 | 44 | 148 |
| 2010 | 73 | 31 | 43 | 147 |
| 2011 | 77 | 34 | 47 | 158 |
| 2012 | 84 | 37 | 49 | 170 |
| 2013 | 75 | 32 | 43 | 150 |
| 2014 | 77 | 37 | 40 | 154 |
| **2015** | **82** | **36** | **53** | **171** |

## Taxes by jurisdiction ($000)

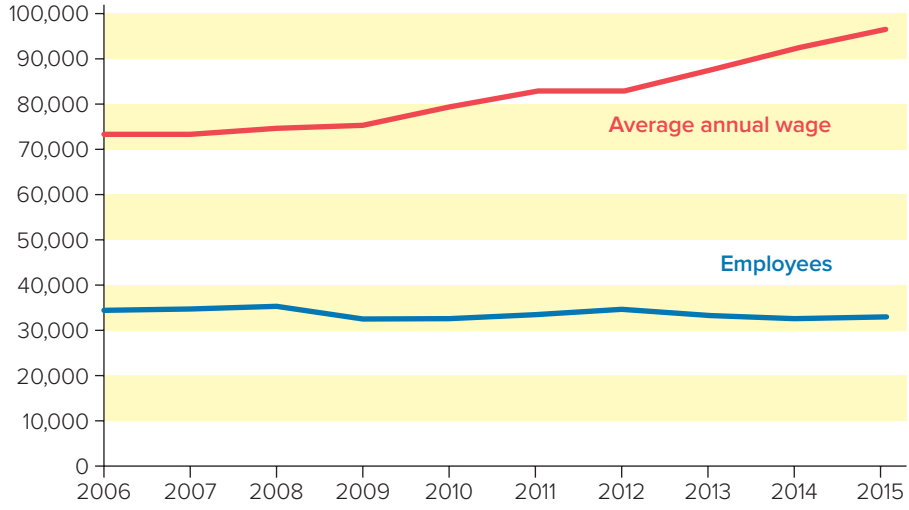
| | Locomotive fuel & excise tax | | Fuel tax per litre (cents) | Property tax | |
|---|---|---|---|---|---|
| | 2014 | 2015 | 2015 | 2014 | 2015 |
| Alberta | 5,034 | 6,944 | 2 | 16,254 | 17,769 |
| British Columbia | 16,413 | 15,425 | 11 | 41,204 | 43,947 |
| Manitoba | 11,090 | 11,434 | 6 | 13,644 | 15,549 |
| Nfld. & Labrador | 0 | 0 | 22 | 33 | 33 |
| New Brunswick | 1,183 | 1,252 | 4 | 1,976 | 1,184 |
| Nova Scotia | 0 | 0 | 15 | 2,816 | 3,017 |
| Ontario | 26,212 | 25,889 | 5 | 43,671 | 30,162 |
| Quebec | 3,404 | 6,706 | 3 | 39,508 | 36,102 |
| Saskatchewan | 40,114 | 40,442 | 15 | 19,645 | 20,655 |
| Northwest Territories | 0 | 22 | 11 | 93 | 80 |
| Federal | 82,650 | 50,769 | 4 | 0 | 0 |
| **Total** | 186,100 | **158,884** | | 178,844 | **168,497** |

| | Other sales tax | | Capital tax & customs duties | | Income tax | |
|---|---|---|---|---|---|---|
| | 2014 | 2015 | 2014 | 2015 | 2014 | 2015 |
| Alberta | 0 | 0 | 1,027 | 0 | 37,585 | 66,715 |
| British Columbia | 35,074 | 36,443 | 0 | 0 | 1,358 | 23,435 |
| Manitoba | 15,972 | 21,986 | 137 | 132 | 1,414 | 8,820 |
| Nfld. & Labrador | 0 | 143 | 0 | 0 | 0 | 0 |
| New Brunswick | 0 | 0 | 0 | 0 | 0 | 0 |
| Nova Scotia | 0 | 0 | 0 | 0 | 4 | 0 |
| Ontario | 2,154 | 1,785 | 118 | 0 | 48,514 | 63,694 |
| Quebec | 1,470 | 16,573 | 0 | 0 | 19,545 | 28,428 |
| Saskatchewan | 9,643 | 11,261 | 88 | 65 | 2,634 | 16,466 |
| Northwest Territories | 0 | 0 | 0 | 0 | 0 | 0 |
| Federal | 513 | 26,723 | -375 | 2,422 | 351,343 | 567,329 |
| **Total** | 64,826 | **114,914** | 995 | **2,619** | 462,396 | **774,888** |

# EMPLOYMENT

The Canadian railway industry's workforce grew by 0.8 per cent in 2015, while the sector's compensation[24] grew by 2.6 per cent. As a result, the average annual wage per employee increased by 4.3 per cent in 2015, to $96,445.

| | Total compensation ($ millions) | Average number of employees | Average annual wage per employee ($) |
|---|---|---|---|
| 2006 | 2,535 | 34,558 | 73,356 |
| 2007 | 2,566 | 34,938 | 73,440 |
| 2008 | 2,633 | 35,208 | 74,790 |
| 2009 | 2,439 | 32,337 | 75,415 |
| 2010 | 2,584 | 32,565 | 79,346 |
| 2011 | 2,797 | 33,624 | 83,163 |
| 2012 | 2,870 | 34,629 | 82,883 |
| 2013 | 2,924 | 33,167 | 88,153 |
| 2014 | 3,023 | 32,681 | 92,491 |
| **2015** | **3,101** | **32,958** | **96,445** |




24 Compensation includes salaries and compensation paid, but excludes company paid benefits such as the Canada/Quebec Pension Plan, unemployment insurance and health taxes.

# TRACK AND EQUIPMENT

Canadian freight railways operated 27,428 miles (44,141 kilometres) of track in 2015, up 0.5 per cent from the previous year.[25] The increase was mainly due to track mileage reported by new RAC member-railways. The industry's freight car fleet grew by 1.6 per cent in 2015, mainly due to railways owning more of their own cars. The number of locomotives in service fell by 11.1 per cent, year over year.

| | Miles | Kilometres | Index 2000 = 100 | Freight cars in service | Locomotives in service |
|---|---|---|---|---|---|
| 2006 | 29,978 | 48,243 | 104 | 99,946 | 3,271 |
| 2007 | 29,713 | 47,816 | 103 | 92,373 | 3,165 |
| 2008 | 29,366 | 47,258 | 101 | 83,984 | 3,046 |
| 2009 | 28,163 | 45,323 | 97 | 75,836 | 2,742 |
| 2010 | 27,654 | 44,501 | 96 | 71,788 | 2,954 |
| 2011 | 27,102 | 43,617 | 94 | 71,750 | 2,977 |
| 2012 | 26,923 | 43,328 | 93 | 64,485 | 3,063 |
| 2013 | 27,270 | 43,887 | 94 | 59,395 | 3,043 |
| 2014 | 27,304 | 43,942 | 94 | 58,577 | 2,696 |
| **2015** | **27,428** | **44,141** | **95** | **59,509** | **2,400** |

## Track operated, by provinces and territories

| | 2014 | | 2015 | |
|---|---|---|---|---|
| | Miles | Kilometres | Miles | Kilometres |
| Alberta | 4,041 | 6,503 | 3,988 | 6,418 |
| British Columbia | 4,174 | 6,717 | 4,218 | 6,788 |
| Manitoba | 2,833 | 4,559 | 2,847 | 4,582 |
| Nfld. & Labrador | 162 | 261 | 175 | 282 |
| New Brunswick | 720 | 1,159 | 720 | 1,159 |
| Nova Scotia | 419 | 674 | 419 | 674 |
| Ontario | 6,265 | 10,082 | 6,271 | 10,092 |
| Quebec | 3,613 | 5,815 | 3,662 | 5,893 |
| Saskatchewan | 5,002 | 8,050 | 5,053 | 8,132 |
| Northwest Territories | 75 | 121 | 75 | 121 |
| **Total** | 27,304 | 43,942 | **27,428** | **44,141** |
| Intercity passenger trains[26] | 7,820 | 12,585 | 7,922 | 12,749 |
| Commuter and tourist trains[27] | 3,101 | 4,990 | 2,955 | 4,736 |
| Segments terminating in the U.S.[28] | 152 | 244 | 152 | 244 |
| **Grand total** | 38,377 | 61,762 | **38,457** | **61,870** |

25 Miles (kilometres) of track operated includes rail over which a railway has operating rights. Segments of track acquired by non-RAC-member railways would have the effect of reducing the total track mileage reported in *Rail Trends*.

26 Reflects intercity passenger railways' track and operating rights over track owned by other railways.

27 Reflects commuter and tourist railways' track and operating rights over track owned by other railways.

28 Reflects railway subdivisions that begin in Canada and terminate in the United States.

# APPENDIX A
## GLOSSARY

**Class 1 railway:** A railway with annual operating revenues exceeding $250 million for two consecutive years.

**Container:** A large, weatherproof box designed for shipping and/or transferring freight between rail, truck or marine modes. Specialized containers are equipped with heating and cooling capabilities for perishable products.

**Gross ton-miles (Gross tonne-kilometres):** The movement of total train weight over a distance of one mile. Total train weight is comprised of the freight cars, their contents and any inactive locomotives. It excludes the weight of the locomotives pulling the trains.

**Intermodal service:** The movement of trailers or containers by rail and at least one other mode of transportation. Import and export containers generally are shipped via marine and rail. Domestic intermodal service usually involves truck and rail.

**On-time performance:** The ability to meet customer requirements as to pick-up and delivery schedules.

**Passenger-mile:** A passenger-mile denotes one mile travelled by one passenger, and is used to measure the volume of passenger traffic.

**Revenue ton-miles (Revenue tonne-kilometres):** The movement of one revenue-producing ton of freight over a distance of one mile.

**Shortline railway:** A railway with annual operating revenues of less than $250 million for two consecutive years.

**Track operated:** The first main track over which a railway operates. This excludes second and other main track, passing tracks and crossovers, industrial tracks, spurs and yard tracks. Excludes track used by intercity passenger trains, commuter and tourist trains, and segments of track terminating in the U.S.

**Train-mile:** The movement of a train the distance of one mile.

# APPENDIX B
## CONVERSION FACTORS

| | |
|---|---|
| Miles to kilometres | 1.6093 |
| Tons (short) to metric tonnes | 0.9072 |
| Gallons to litres | 4.5461 |
| Revenue ton-miles to revenue tonne-kilometres | 1.4599 |
| Kilometres to miles | 0.6214 |
| Metric tonnes to tons (short) | 1.1023 |
| Litres to gallons | 0.2200 |
| Revenue tonne-kilometres to revenue ton-miles | 0.6850 |

# APPENDIX C
## SAFETY DEFINITIONS

The following definitions apply to railway occurrences that are required to be reported under the *Canadian Transportation Accident Investigation and Safety Board Act* and its associated regulations.

**Reportable railway accident**
An incident in which:

1. a person is killed or sustains a serious injury as a result of
   (i) getting on or off or being on board the rolling stock, or
   (ii) coming into contact with any part of the rolling stock or its contents;
2. the rolling stock or its contents
   (i) are involved in a collision or derailment,
   (ii) sustain damage that affects the safe operation of the rolling stock,
   (iii) cause or sustain a fire or explosion, or
   (iv) cause damage to the railway that poses a threat to the safe passage of rolling stock or to the safety of any person, property or the environment.

**Dangerous goods involvement**
An accident is considered to have dangerous goods involvement if any of a train's cars carrying (or having last contained) a dangerous good derails, strikes or is struck by any other rolling stock or object. It does not mean that there was any release of product. Also included are crossing accidents in which the motor vehicle involved (e.g., tanker truck) is carrying a dangerous good.

**Crossing accident**
A crossing accident is when a locomotive or railcar is involved in a collision with a motor vehicle or pedestrian at a railway crossing, resulting in death, serious injury or property damage.

**Trespassing accident**
Trespassing accidents occur when people – primarily pedestrians who are not authorized to be on railway rights-of-way – are struck by locomotives or railway cars anywhere other than at railway crossings.

**Other accident types**
Other accident types include but are not limited to, trespassing, collisions/derailments involving track units, rolling stock collisions with objects, or employee/passenger accidents.