

RAC QUARTERLY REPORT

Quarter 1 - 2025

June 25, 2025



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Introduction

The Railway Association of Canada's (RAC) *Quarterly Report* compiles weekly, monthly, and quarterly data from railways and various agencies to provide a timely update on freight and passenger railway performance. Rail industry traffic volumes and performance metrics are strongly linked to the strength of the economy, as well as the performance of the rail industry's supply chain partners. To provide appropriate context, the *Quarterly Reports* begin by providing an overview of recent performance of the Canadian economy and forecast where the economy is heading. The report then narrows in on supply chains before presenting the detailed results for rail.

The consolidation of relevant rail and non-rail data in one report helps the reader to better understand the factors that impact rail performance. These reports serve as a useful resource for professionals working in supply chains and logistics, transportation policy, economic policy, or in any of the economic sectors that are served by rail.

Links to all data sources are included throughout the report. In addition, RAC's quarterly and annual industry performance reports can be accessed on the [RAC website](#).

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Executive Summary

In the first quarter of 2025, Canada's rail industry delivered strong performance amid a complex economic and operational landscape. While the economy showed growth – Canada's GDP increased by 2.2% – businesses faced rising tariff uncertainty, global shipping challenges, and severe winter conditions. In this context, Canadian freight railways remained a resilient and reliable partner in national supply chains.

Revenue-ton miles (RTMs) for Class 1 railways rose 2% year-over-year, driven by an 18% increase in automotive, 14% increase in coal, as well as increases in agricultural products like wheat and canola. Railways achieved these gains despite three consecutive weeks of cold-weather operating restrictions in February, showcasing the rail network's resilience.

Passenger rail ridership results were mixed. As the economic outlook over the next few quarters looks bleak, initiatives like free and discounted VIA Rail travel with the Canada Strong Pass should encourage more rail travellers this summer.

In Q1-2025, Canada's Class 1s invested \$1.2 billion (up 12% year-over-year), with plans to invest \$6.3 billion in 2025. Eight out of twelve financial, operating, and safety metrics improved. Continuing into 2025, labour stability has been strengthened with new multi-year agreements in place at CN and CPKC. In addition, the May 8, 2025, *Industrial Inquiry Commission on West Coast Ports: Final Report* provides recommendations toward labour stability. At the time of publication, the federal government had not indicated its intention respecting the recommendations of the Commission.

The industry's safety performance continued its improving trend, making meaningful progress in Q1. Compared to the previous five-year average, Canada's Class 1s improved their FRA train accident rate by 27% and their FRA personal injuries rate by 22%. For Canada's federally-regulated railways, the TSB accident rate improved by 15%, main track derailments were cut by 18%, and accidents involving dangerous goods were down 17%. These improvements reinforce the industry's commitment to safe and dependable operations. While crossing and trespassing remain key issues, progress was made on the policy front, as Quebec introduced rail setback regulations, which came into force on December 1st, 2024.

Overall, Canadian railways delivered reliable, efficient, and safe service in Q1-2025, supporting trade, industrial competitiveness, and national economic stability during a period of tremendous uncertainty.

State of the Canadian Economy

Rail industry traffic volumes are strongly linked to the strength of the economy. Trends in the key economic indicators outlined below often prove useful in understanding trends in rail traffic. The overall macroeconomic environment, economic outlook, and business and consumer confidence can impact rail traffic of certain commodities more than others.

Data for all key economic indicators are provided on a seasonally adjusted basis. Therefore, the most recent data are analyzed against the past several months, rather than against the same quarter of the previous year. Between December 2024 and March 2025, there were no major changes in any of the five key indicators (employment, GDP, trade, retail sales, and manufacturing shipments).

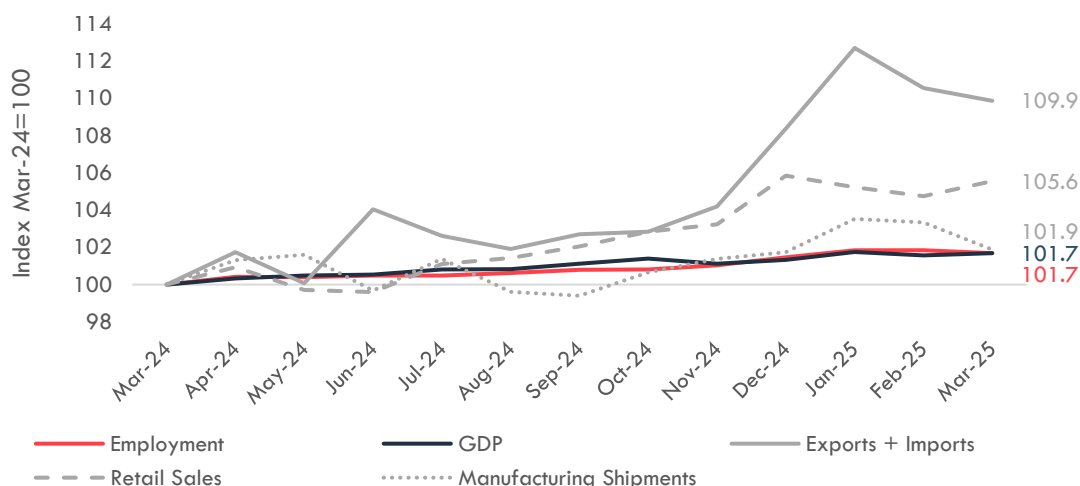
From December 2024 to March 2025, total employment (all industries) increased by 0.2% (44,500 jobs).

Over the same three months, GDP increased by 0.4%. Changes in GDP were positive in 13 out of 20 sectors, led by increases (in absolute dollar terms) in manufacturing (+1.9% or \$3.8B); wholesale trade (+1.7% or \$2.0B); and mining, quarrying, and oil and gas extraction (+1.6% or \$1.9B). The transportation and warehousing sector's GDP increased by 0.9% (\$899M). In absolute dollar terms, the real estate and rental and leasing sector experienced the largest decrease in GDP (-0.6% or -\$1.9B), followed by retail trade (-0.8% or -\$960M).

From December 2024 to March 2025, two-way trade increased by 1.4%, retail sales decreased by 0.3%, and manufacturing shipments increased by 0.1%.

In the first quarter, the increase in manufacturing sector GDP was mostly driven by gains in the transportation equipment manufacturing industry, and motor vehicles and parts were the largest contributors to the growth in trade (both imports and exports). Some auto sector activity may have been "pulled forward" ahead of the introduction of U.S. auto tariffs, which came into effect on April 3, 2025.

Key Canadian Economic Indicators



Growth of Key Canadian Economic Indicators

	Employment (millions)	GDP (\$B, annualized)	Exports + Imports (\$B)	Retail Sales (\$B)	Manufacturing Shipments (\$B)
December 2024	20.92	2,284	136.4	70.0	71.8
March 2025	20.96	2,292	138.3	69.8	71.9
3-month change	0.2%	0.4%	1.4%	-0.3%	0.1%

Source: Statistics Canada, [Labour Force Survey](#); [Gross domestic product at basic prices](#); [Canadian International Merchandise Trade](#); [Retail trade sales by industry](#); and [Monthly Survey of Manufacturing](#).

Note: Data are seasonally adjusted. The GDP index is an index of Real GDP in chained (2017) dollars. The indices for trade, retail sales, and manufacturing shipments are in nominal dollars.

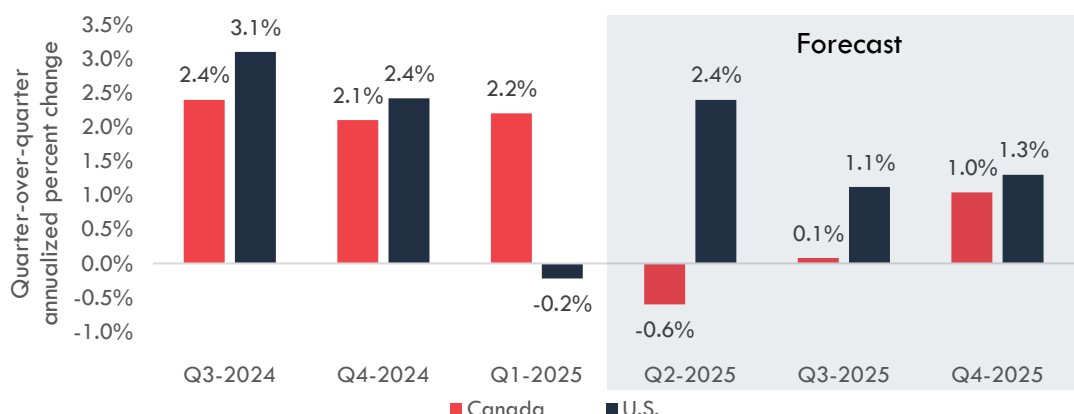
Economic Outlook

In Q1-2025, the U.S. economy contracted by 0.2%. Increases in consumer spending and business investment were more than offset by a reduction in government spending and a widening trade gap, as imports increased in advance of the introduction of new tariffs.¹ In the same quarter, Canada's GDP increased by 2.2%, mainly attributed to pre-tariff inventory building and an increase in machinery investment.²

With a series of tariffs introduced in the March to June period, rising tariff and trade uncertainty is expected to contribute to slower economic growth over the next several quarters.

As of their June forecasts, Canada's large banks are forecasting a potential recession in Q2 through Q3 2025. TD and BMO are forecasting negative growth in both quarters, while Scotiabank is forecasting negative growth in Q2 followed by a modest increase in Q3. CIBC and RBC are forecasting growth each quarter of between just 0.0% and 0.5%.

Canadian and U.S. Real GDP Forecast



Source: RAC analysis based on [TD](#), [Scotiabank](#), [CIBC](#), [RBC](#), and [BMO](#) forecasts. The figures presented are the average of the five banks' latest forecasts.

Canadian Class 1s are expecting low to mid-single digit RTM growth in 2025, weighted towards the second half of the year, as the industry laps the 2024 labour disruptions. There is greater labour certainty this year across the supply chain, with several new agreements reached. However, headwinds remain present in the form of tariffs and trade uncertainty, an increase in blank sailings,³ and a challenging macroeconomic environment.

¹ Q1 US GDP signals a weak starting point, Carrie Freestone, RBC Economics, April 30, 2025.

² Canada GDP growth slowing but not contracting, Nathan Janzen and Abbey Xu, RBC Economics, May 30, 2025.

³ A Blank sailing is when an ocean carrier cancels or skips a scheduled port(s) of call.

Supply Chains

Canadian rail operations are deeply integrated in complex supply chains with several interdependent partners, including shippers, intermodal facilities, transload centres, auto compounds, the trucking industry, ports, and more. When disruption occurs at one link, the impacts are felt widely and deeply across other transportation service providers, businesses, and consumers.

Labour Disruptions

In recent years, Canada's supply chains have experienced numerous disruptive work stoppages. In 2024, more than 1.3 million days of work were lost in the transportation and warehousing sector resulting from work stoppages, the highest level since 1966. The compounding effect of recurring labour uncertainty, including work stoppages, or the mere threat of work stoppages, negatively impact businesses, consumers, and Canada's reputation as a reliable trading partner. The *Canada Labour Code* should be amended to grant the federal cabinet authority to compel binding arbitration instead of requiring a Ministerial reference to the Canada Industrial Relations Board (CIRB) once a stoppage begins. This would ensure workable and timely solutions can be deployed to keep the country's supply chains moving, protecting Canadians and the national economic interest.

In 2025, Canadian supply chains are not expected to experience the same level of labour disruptions as they did in 2024. Both CN and CPKC recently ratified several multi-year labour agreements. In addition, it is not anticipated that there will be major disruptions at the ports.

The July 2023 labour dispute at West Coast ports prompted the federal government to commission an inquiry. The *Industrial Inquiry Commission on West Coast Ports: Final Report*,⁴ May 8, 2025, provides recommendations toward labour stability. At the time of publication, the federal government had not indicated its intention respecting the recommendations of the Commission.

Global Maritime trade

Conflict around the Suez Canal persists and vessels are continuing to re-direct around the southern tip of Africa to avoid the conflict. In Q1-2025, tonnage moving through the canal was down by more than 60% compared to 2020-2023 levels, most notably impacting container ships.

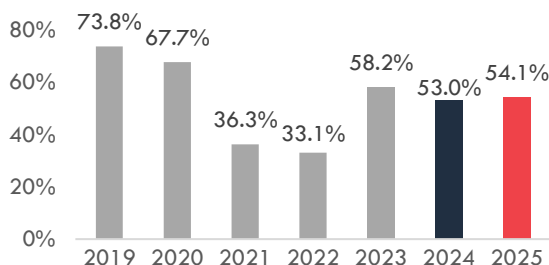
The Panama Canal had drought-related restrictions in place from June 2023 to September 2024, which limited the number of vessels per day below the normal maximum of 36. In Q1-2025, with no drought-related restrictions in place, transits were slightly below the maximum 36 allowable per day, averaging 32.6 vessels per day in January, 34.8 in February, and 33.7 in March.

⁴ <https://www.canada.ca/en/employment-social-development/programs/labour-relations/reports/industrial-inquiry-commission-longshoring-west-coast-ports.html>

Global Marine Vessels

In Q1-2025, global marine vessel on-time performance⁵ was at 54.1%. This is a slight improvement from 53.0% in Q1-2024 but remained highly unfavourable compared to Q1-2019 (pre-COVID-19 pandemic), when schedule reliability was at 73.8%.

Global Schedule Reliability, Q1

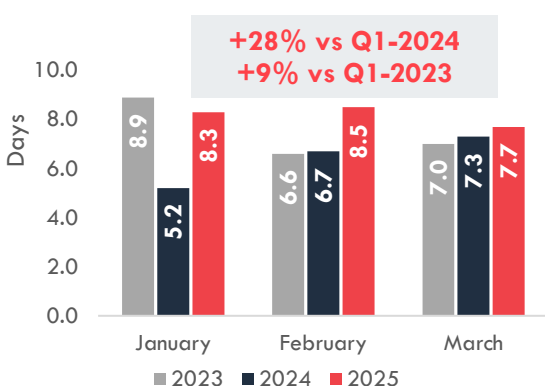


Source: Sea-Intelligence, [Global Liner Performance \(GLP\) report](#)

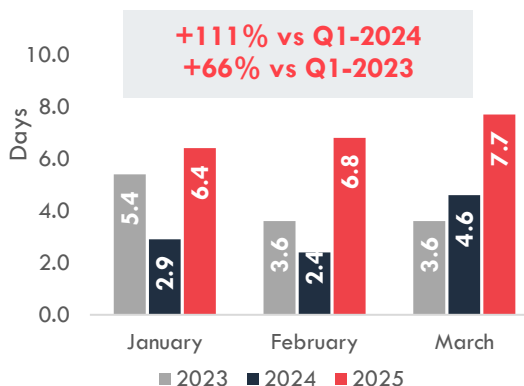
Canadian Ports

Dwell times at Canada's major ports, including Vancouver and Montreal, were longer than they were in previous years.

Vancouver - Gateway terminal rail



Montreal - Average terminal dwell of containers (import-rail)



Source: Port of Vancouver, [Supply chain performance, Container terminal rail performance](#); Port of Montreal, [Performance Reports, Monthly Intermodal Scorecard](#)

Canadian Railways

In Q1-2025, railway dwell times averaged 9.05 hours – an 8% increase compared to Q1-2024. The increase was almost entirely attributed to extreme cold weather in February, when railways faced three consecutive weeks of train length and speed restrictions. For further details on railway terminal dwell performance, see [Select Key Financial, Operating, and Safety Metrics](#).

Globally, while challenges persist in maritime trade and vessel on-time performance, positive developments on labour certainty in Canada may help to strengthen the country's supply chains and support trade in the face of tariff uncertainty.

⁵ Measured using Sea-Intelligence's [Global Liner Performance report](#), Global Schedule Reliability

Network-wide Canadian Class 1 Freight Data

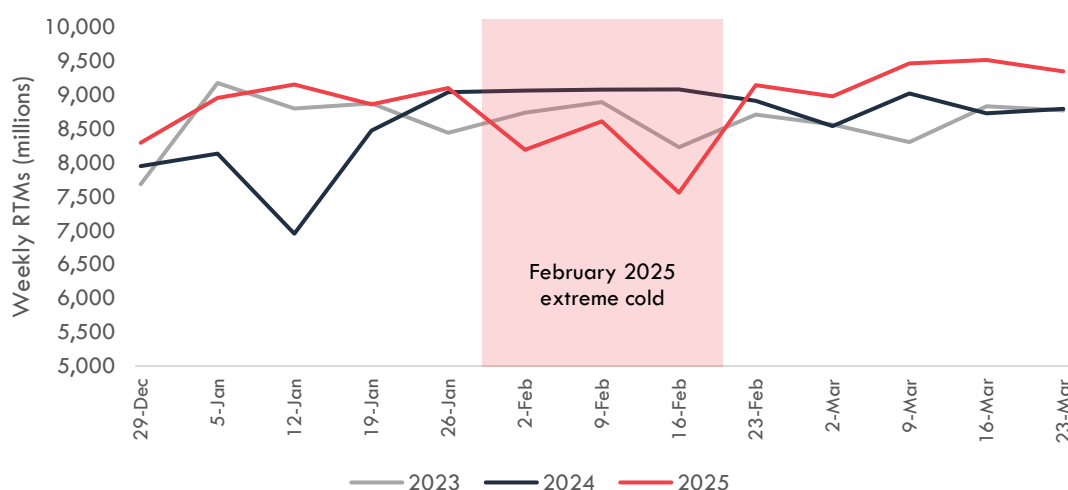
This section provides an update on the performance of Canada's Class 1 railways. Each week, Canada's Class 1 railways publicly release a suite of indicators covering traffic volumes, operational performance, and more. In presenting CN and CPKC's network-wide (North America) traffic and performance results in an aggregated format, this section is a useful resource for those interested in monitoring the performance of Canada's large railways.

Weekly Trend

In Q1-2025, Canadian Class 1 rail traffic, measured in revenue ton-miles (RTMs) – exceeded 2024 levels in 10 of 13 weeks. Traffic levels were lower for three weeks in February, when extreme cold resulted in three consecutive weeks of train length and speed restrictions.

Class 1s finished the quarter with RTMs up 2% over Q1-2024.

Canadian Class 1 Revenue Ton-miles, Q1



Source: [CN Key Weekly Metrics](#); [CPKC Weekly Key Metrics](#)

Note: The dates indicate the first day of the week (e.g., "5-Jan" corresponds to the week of Jan 5-11). The week starting January 5, 2025 (for the 2025 series), is compared against the weeks starting January 7, 2024, and January 8, 2023.

Traffic Volumes by Commodity

As shown in the figure and table below, compared to Q1-2024, RTMs were up 2% while total carloads were flat.

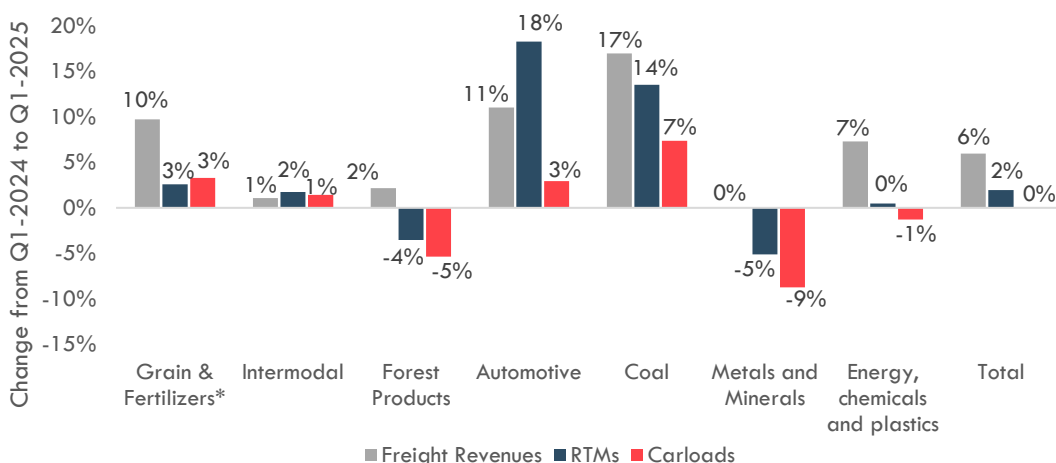
As mentioned earlier, some auto sector trade activity was "pulled forward" in Q1 ahead of the introduction of U.S. auto tariffs on April 3, 2025. Automotive RTMs surged by 18% (+313 million RTMs), posting the strongest growth in percentage terms among the seven commodity groups.

On an absolute RTM basis, growth was led by coal (+14%, 1,339 million RTMs). Higher coal volumes were supported by an increase in shipments of Canadian metallurgical coal, inventory drawdowns, and greater exports through the relatively longer haul to the Gulf Coast.

The three highest volume commodity categories each experienced modest RTM growth: grain & fertilizers (3%); intermodal (2%); and energy, chemicals and plastics (0.5%). Canadian grain was a bright spot within the grain & fertilizers category, as western Canadian grain shipments (tonnes) were up 9% compared to Q1-2024 and 20% compared to the previous three-year average.

Forest products and metals and minerals were the only commodity categories to experience a reduction in RTM traffic. These commodity groupings are contending with trade and tariff uncertainty. On March 12, the U.S. introduced 25% tariffs on steel and aluminum (against all countries), which were subsequently increased to 50% on June 4.⁶ In August 2024, the U.S. tariff rate⁷ on Canadian softwood lumber increased from 8.05% to 14.54%, and throughout Q1-2025, there was uncertainty whether softwood lumber would be subject to additional 25% reciprocal tariffs. In early April 2025, U.S. plans to increase the tariff rate on Canadian softwood lumber to 34.45% in fall 2025 were announced.

Class 1 Freight Revenues, RTMs, and Carloads by Commodity, Q1



Q1: Canadian Class 1 RTMs (millions), by Commodity

	Q1-2025	Q1-2024	Change (%)	Change (#)
Grain & Fertilizers*	38,038	37,078	3%	960
Intermodal	21,781	21,410	2%	371
Forest Products	7,730	8,013	-4%	-283
Automotive	2,025	1,712	18%	313
Coal	11,229	9,890	14%	1,339
Metals and Minerals	11,433	12,051	-5%	-618
Energy, chemicals and plastics	21,537	21,433	0%	104
Total	113,773	111,587	2%	2,186

Source: [CN Quarterly Review](#); [CPKC Earnings Release](#).

*Includes potash.

⁶ The U.K. is exempt from the increase to 50%, their rate remains at 25%.

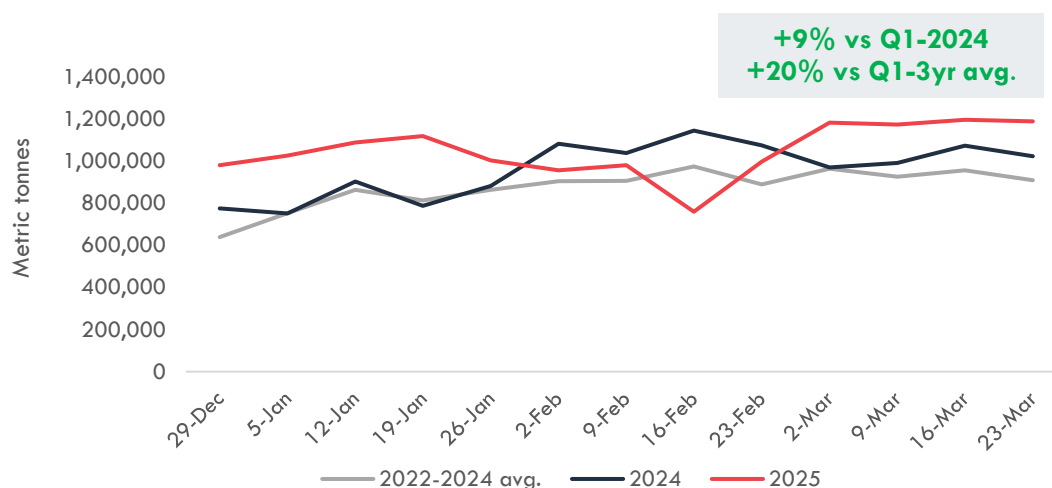
⁷ Softwood lumber tariffs include countervailing duties and anti-dumping duties.

Railway grain volumes fluctuate year-to-year and are strongly linked to the size of the grain crop and when producers and grain companies decide to ship their product, which is significantly influenced by changes in market prices for grain. Through investments in on-farm storage, producers can hold onto grain, choosing to sell when the market is most favourable. Demand to ship grain is not consistent on a weekly basis. Typically, demand peaks in the fall and is followed by lower demand later in the crop year.

Canada's Class 1 railways delivered strong grain performance in Q1-2025, especially considering the three consecutive weeks of extreme cold and train length and speed restrictions in reporting weeks February 2 through February 22.

For the quarter, shipments were up 9% year-over-year and up 20% compared to the previous 3-year average. Weekly shipments exceeded the previous 3-year average in every week except the week of February 16 (the third consecutive week of tier restrictions).

Western Canadian Grain Shipments, Q1 (calendar year)



Source: [CN Western Canadian Grain Report](#); [CPKC Canadian Grain Performance Scorecard](#)

Canada's Class 1 railways delivered for their customers through extreme cold in Q1-2025. Traffic volumes increased most notably for grain and coal. Tariff uncertainty had an influence on traffic. Automotive RTMs increased as railways serviced "pull forward" demand to avoid 25% tariffs, while traffic volumes for forest products (tariff uncertainty) and metals and minerals (25% tariffs) declined.

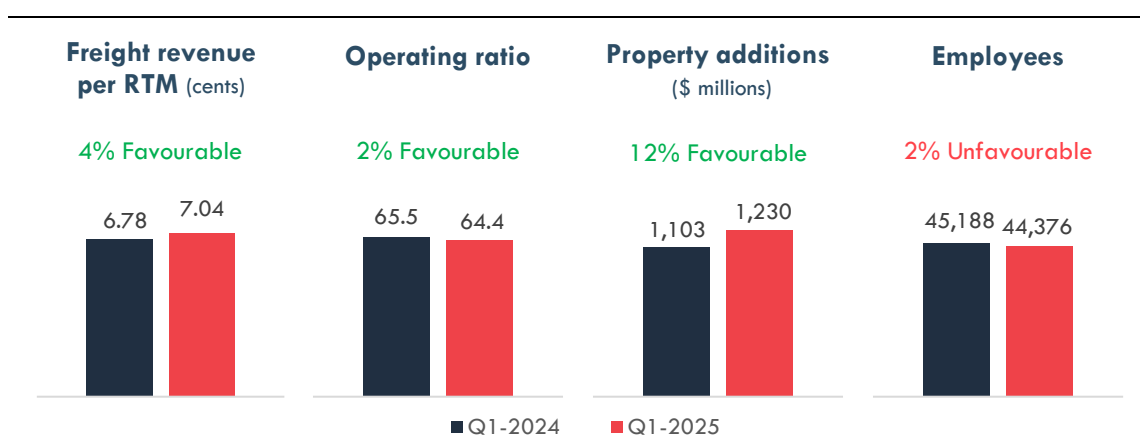
Select Key Financial, Operating, and Safety Metrics

In Q1-2025, eight out of twelve key financial, operating, and safety metrics improved.

From Q1-2024 to Q1-2025, overall freight revenue per RTM increased by 4%. Freight revenue per RTM decreased for automotive (-6%) and intermodal (-1%), while increasing for other commodities. Operating expense per RTM also increased (not shown), by 2%. Overall, the average Class 1 operating ratio improved by 2%.

Canada's Class 1 railways continued to make significant investments⁸ in their networks, investing an impressive \$1.2 billion in Q1-2025 – a 12% increase compared to the same period last year. As per their capital plans, Canada's Class 1 railways plan to invest \$6.3B in 2025.

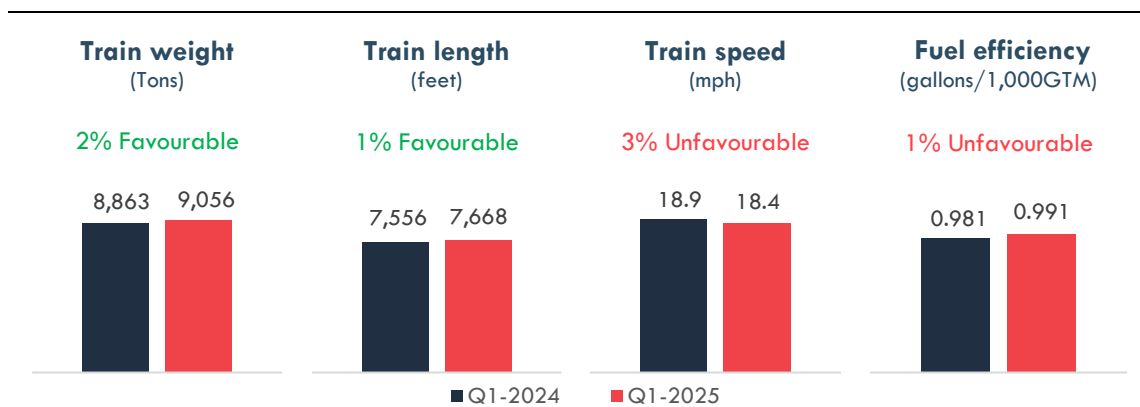
At 44,376 employees, headcount was 2% below Q1-2024; however, headcount was about equal to the level in Q1-2023 (44,404) and well-above Q1-2022 (41,430).



Source: [CN Quarterly Review](#); [CPKC Earnings Release](#).

Note: The operating ratio is calculated as the simple average of CN and CPKC.

In Q1-2025, Class 1 railways' average train weight and train length for the quarter increased, despite several consecutive weeks of tier restrictions in February. However, the persistent extreme cold in February negatively impacted average train speed (-3%). Throughout the three weeks of extreme cold in February, average train speeds were down by about 10%.



Source: [CN Quarterly Review](#); [CPKC Earnings Release](#).

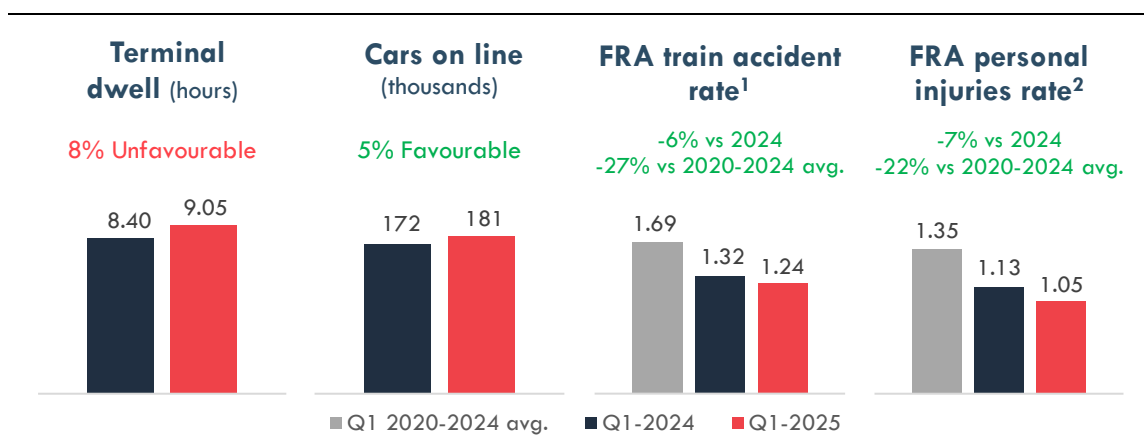
Note: All four metrics are calculated using the simple average of CN and CPKC.

⁸ Property additions include capital investments in track and roadway, rolling stock, buildings, information technology and other assets.

In Q1-2025, railway dwell times averaged 9.05 hours – an 8% increase compared to Q1-2024. The increase was almost entirely attributed to persistent extreme cold weather in February, when railways faced three consecutive weeks of train length and speed restrictions to maintain safety. These tier restrictions impact supply chain velocity and capacity, including metrics like terminal dwell. On a monthly basis, dwell times in January and March were very similar to 2024, while dwell times were up by about 20% in February. February 2024 was much milder, with only a few days of tier restrictions, thus providing a tough compare).

The average number of rail cars on line increased by 5%, or 9,300 cars, and were higher than Q1-2024 levels in each week. There were 4,100 additional covered hopper cars on line throughout the quarter to support a very strong first quarter (calendar year) for grain.

In Q1-2025, the Canadian Class 1 FRA train accident rate and FRA personal injuries rate both improved.⁹ Over the past several years, Canadian Class 1 railways' safety rates have continued to trend in a positive direction. Compared to the 2020-2024 average, both FRA rates have improved by over 20%.



Source: [CN Quarterly Review](#); [CPKC Earnings Release](#); [CPKC Unaudited Combined Summary of Supplemental Data](#); [CN Key Weekly Metrics](#); [CPKC Weekly Key Metrics](#).

Note: Terminal dwell, the FRA train accident rate, and the FRA personal injuries rate are calculated using the simple average of CN and CPKC.

¹ Accidents per million train-miles

² Injuries per 200,000 employee hours

Despite a challenging, cold February, Canada's Class 1 railways showed resilience. They continued to invest their networks, serve their customers, and achieve exceptional safety results.

⁹ The Canadian Class 1 railways report the two FRA rates for their network-wide operations in their quarterly and annual reports (i.e., the rates are not confined to just U.S. operations).

Canadian Freight Rail Industry Data

This section provides an update on traffic volumes (by commodity and region), trade, and freight rates. The freight rail industry data in this section have strong overlap with the Class 1 freight data reported above. However, the Class 1 data cover CN and CPKC's operations across North America, whereas this section is specific to Canadian operations and include data from all freight railways, including shortlines. This section of the report is a useful resource for those interested in following the rail industry's contributions to the Canadian economy.

Carloads & Intermodal Units

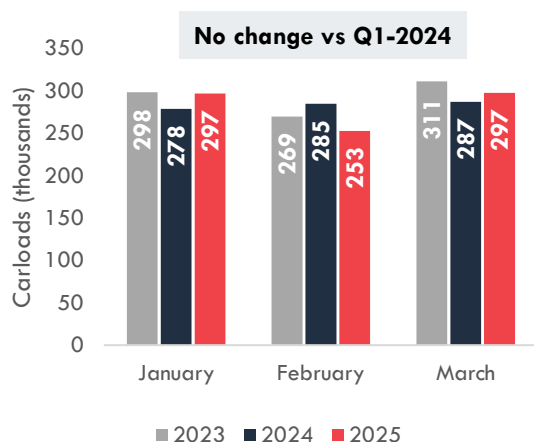
Statistics Canada reports monthly carloadings for over 60 commodities (which are categorized into 10 commodity groupings in this report), as well as intermodal units.

Traffic volumes took a significant dip in February 2025 (approximately 10% down compared to February 2024), as extreme cold resulted in three consecutive weeks of train length and speed restrictions to maintain safety. Despite the challenging February, quarterly non-intermodal carloadings held flat compared to Q1-2024 and intermodal traffic increased by 2%.

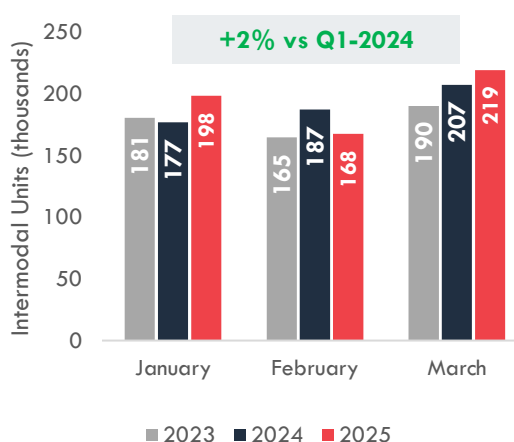
Trends by commodity were similar to those observed for the Class 1s network-wide. In Canada, growth was led by agriculture (+9%, 12,145 carloads), coal (+8%, 6,373 carloads), and intermodal (+2%, 13,865 units). Wheat (+11.5%, 7,489 carload increase) and canola (+34.9%, 6,869 carload increase) were the primary drivers of the increase in agriculture carloads.

Carloadings of metals, minerals, forest products, and paper products (commodities that were contending with trade and tariff uncertainty) all decreased in Q1-2025. Carloadings of machinery and automotive decreased by 7%, whereas Class 1 network-wide automotive carloads increased by 3%. The "pull forward" of vehicle demand ahead of U.S. auto tariffs may have had a greater impact on U.S. automotive volumes.

Canadian Railways, Carloads

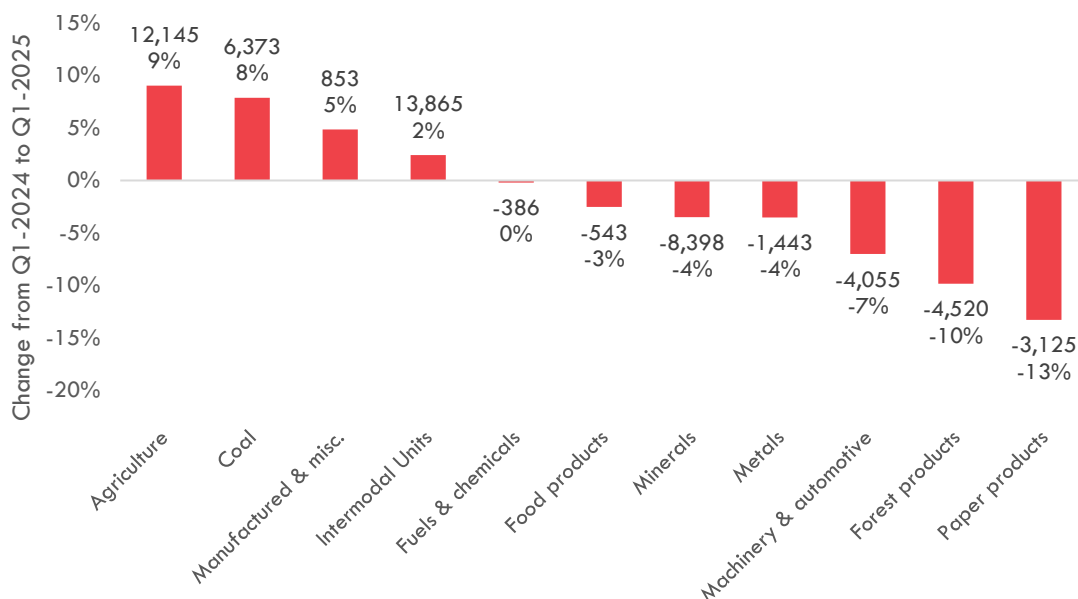


Canadian Railways, Intermodal Units



Source: Statistics Canada, [Monthly Railway Carloadings Survey](#)

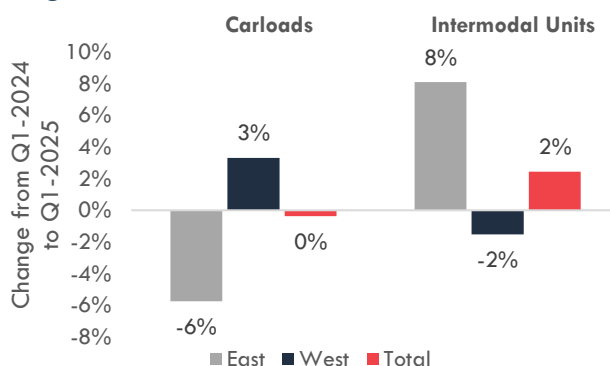
Canadian Railways, Carloads by Commodity & Intermodal Units, Q1



Source: Statistics Canada, [Monthly Railway Carloadings Survey](#)

In Q1-2025, non-intermodal carload traffic decreased in the East and increased in the West. The eastern region's freight portfolio is heavily concentrated in metals and minerals. Minerals alone accounted for 50% of the eastern region's non-intermodal carloads in 2024. In Q1-2025, half of the total decrease in non-intermodal carloads was the result of significant reductions in iron ore – a feedstock to produce steel. In the West, non-intermodal carload increases were driven by solid gains in agriculture and coal.

Canadian Carloads and Intermodal Units by Region, Q1

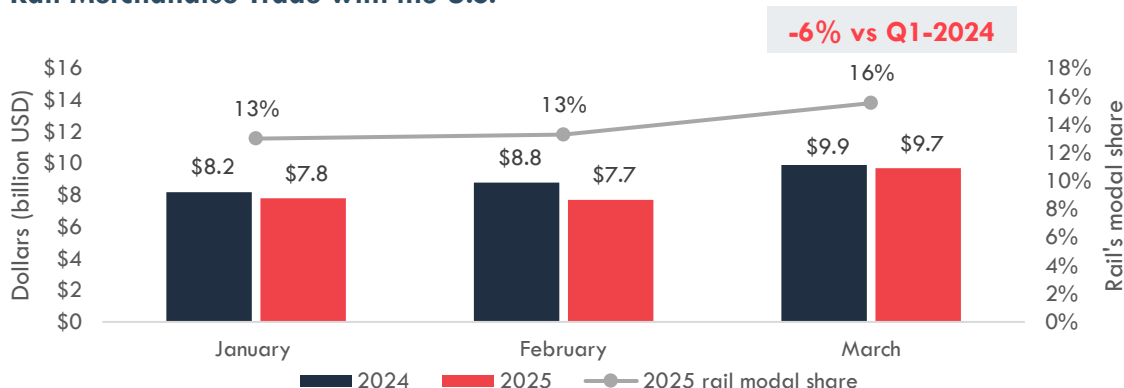


Source: Statistics Canada, [Monthly Railway Carloadings Survey](#)

Trade

In Q1-2025, trade by rail with the U.S. was valued at over \$25 billion USD. In March, rail's modal share of trade with the U.S. (measured by dollar value, not tonnage) was 16%, second only to trucking, and ahead of all other modes including marine vessels, pipelines, and air.

Rail Merchandise Trade with the U.S.



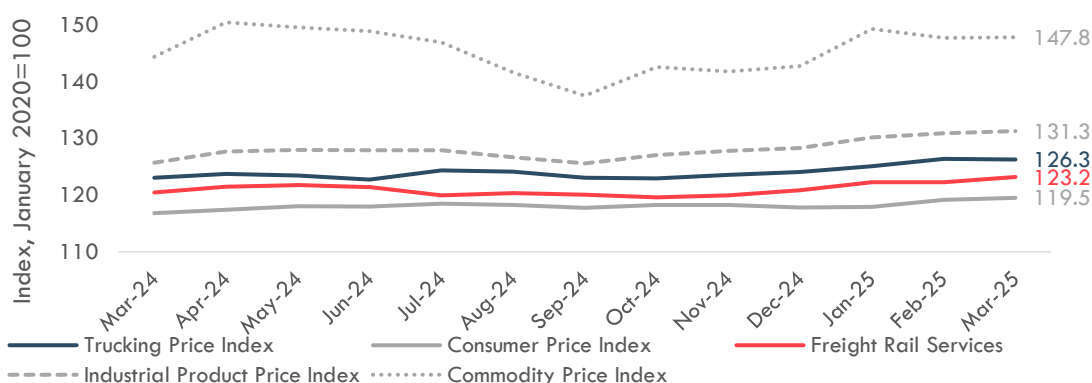
Source: U.S. Bureau of Transportation Statistics, [News and Statistical Releases: North American Transborder Freight Data](#).

Freight Rates

Over the past twelve months (from March 2024 to March 2025), all five price indices that are tracked have increased by between 2% and 4%. Rail freight rates, the Consumer Price Index, and commodity prices all increased by 2%, trucking freight rates increased by 3%, and industrial product prices increased by 4%.

Since January 2020 (pre-pandemic baseline), the growth of industrial product prices (31.3%) and commodity prices (47.8%) have outpaced rail freight rates. As a result, Canadian producers today are paying less for rail freight services in relation to the prices of their products. The maintenance of globally competitive rail freight rates is supporting the growth and competitiveness of several Canadian industries.

Price Index of Rail Services vs Other Price Indices



Source: Statistics Canada, [Freight Rail Services Price Index](#), [Industrial Product Price Index](#), [For-hire Motor Carrier Freight Services Price Index](#), and [Consumer Price Index](#). Bank of Canada, [Commodity Price Index](#)

Through the maintenance of globally competitive freight rates, Canadian railways continued to support the growth and competitiveness of Canadian industries. Working through extreme cold in Q1-2025, Canadian railways moved more intermodal, wheat, canola, and coal than a year prior, and facilitated more than \$25B USD in trade with the U.S.

Canadian Passenger Rail Industry Data

Canada's passenger railways provide an accessible, safe, and environmentally responsible travel option for commuters, intercity travellers, and tourists alike. An increase in passenger rail ridership, as an alternative to personal vehicle travel, reduces congestion on our highways and in our cities, as well as overall emissions and the public costs to maintain road infrastructure.

Despite some positive passenger rail statistics in Q1-2025, following several years of lower-than-normal ridership and that hybrid work arrangements are here to stay, government support, at all levels, for passenger rail must remain a top priority.

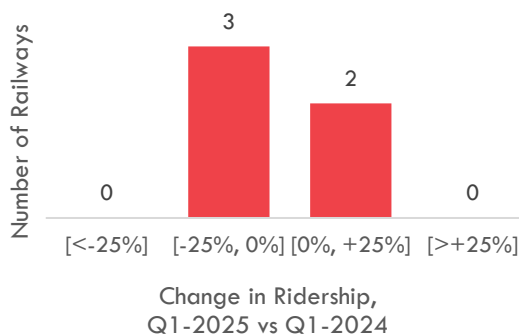
RAC Member Ridership

This section evaluates the year-over-year trends in passenger rail ridership among RAC members.¹⁰

In the first quarter of 2025, three out of five reporting members¹¹ indicated a year-over-year increase in ridership, while two members reported a decrease.

Over the next several quarters, the RAC will monitor the impact of weakness in the economy (see [Economic Outlook](#)) on passenger ridership levels.

RAC Members, Ridership, year-over-year



Public Transit and Commuter Rail

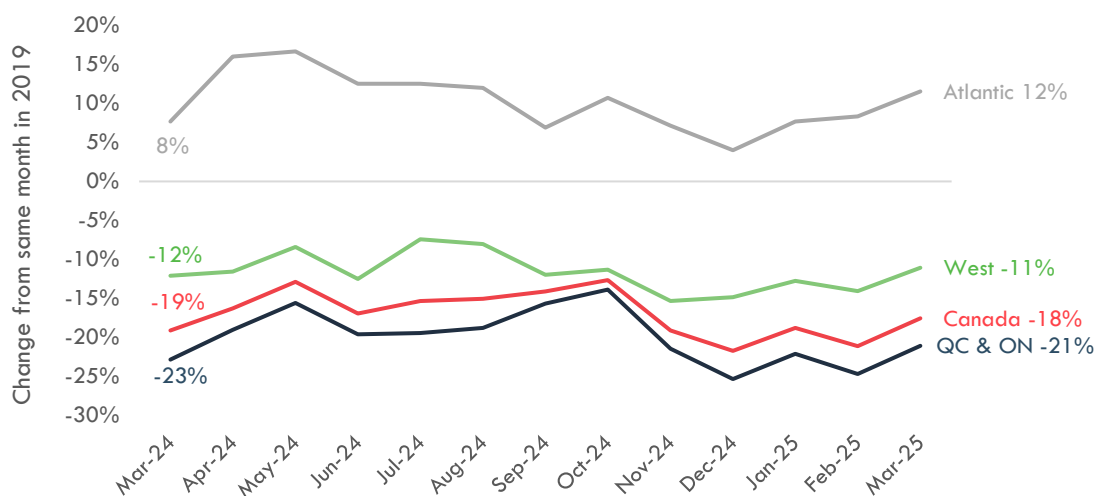
Over the past several years, urban transit ridership, and commuter rail ridership in particular, has adjusted to fundamental structural shifts in commuting patterns and the proliferation of remote and hybrid office work arrangements. Statistics Canada's nation-wide commuting data (shown in RAC's [2024-Q4 Quarterly Report](#)) found that following the COVID-19 pandemic, passenger rail and active transportation had not recovered from a 2016 Census baseline.

The urban transit ridership data presented below accounts for seasonality, by comparing ridership in each month to the corresponding month in 2019. In March 2025, following some ups and some downs, ridership was around the same level as March 2024 (down 18% nationally compared to the March 2019 pre-pandemic baseline).

¹⁰ <https://www.railcan.ca/membership/member-railways/>

¹¹ Compared to other quarters, fewer RAC members have ridership to report in Q1, as the season for many tourist/excursion rail services does not start up until Q2.

Urban Transit Systems Ridership by Region

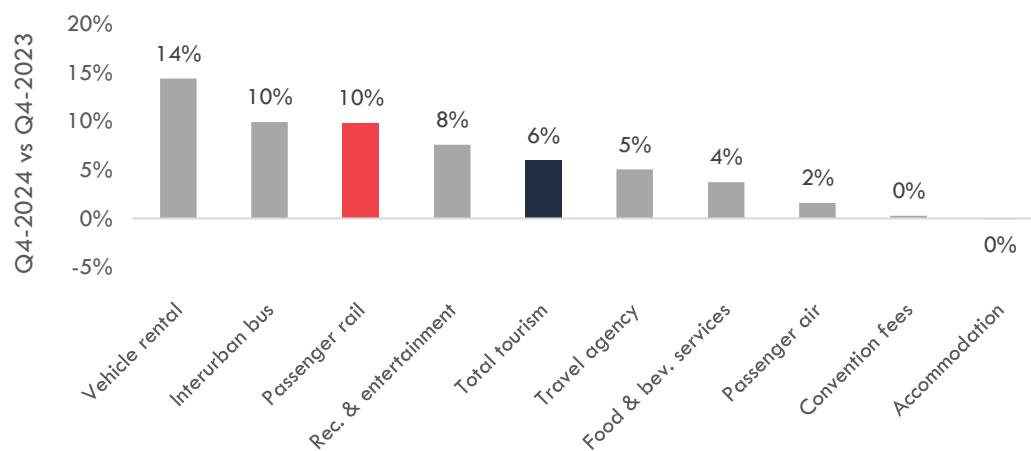


Source: Statistics Canada, [Monthly Passenger Bus and Urban Transit Survey](#)

Tourism Rail

There is a considerable lag in data on tourism expenditures. The latest available data cover Q4-2024. In Q4-2024, total tourism expenditures increased 6% year-over-year. The fastest growing tourism categories were expenditures on vehicle rentals (+14%), interurban bus (+10%) and passenger rail services (+10%).

Tourism Expenditures, year-over-year, Q4



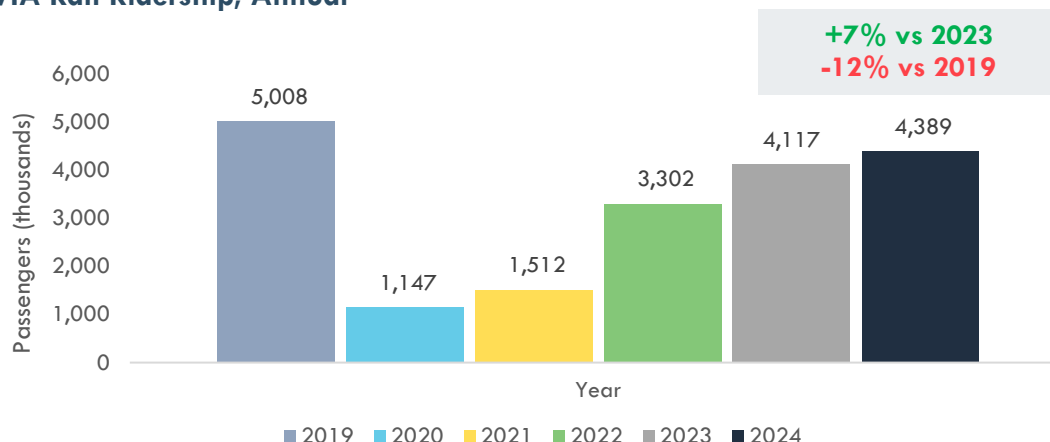
Source: Statistics Canada, [National Tourism Indicators](#)

Intercity Passenger Rail

At the time of publication of RAC's Q4-2024 report, VIA Rail's 2024 ridership figures were not yet available. Therefore, in addition to presenting the results for Q1-2025, the 2024 full-year results for VIA Rail are also included in this report.

In 2024, VIA Rail ridership increased by 7% year-over year, reaching nearly 4.4 million passengers. 2024 ridership was just 12% below the 2019 (pre-pandemic) level of 5.0 million passengers.

VIA Rail Ridership, Annual

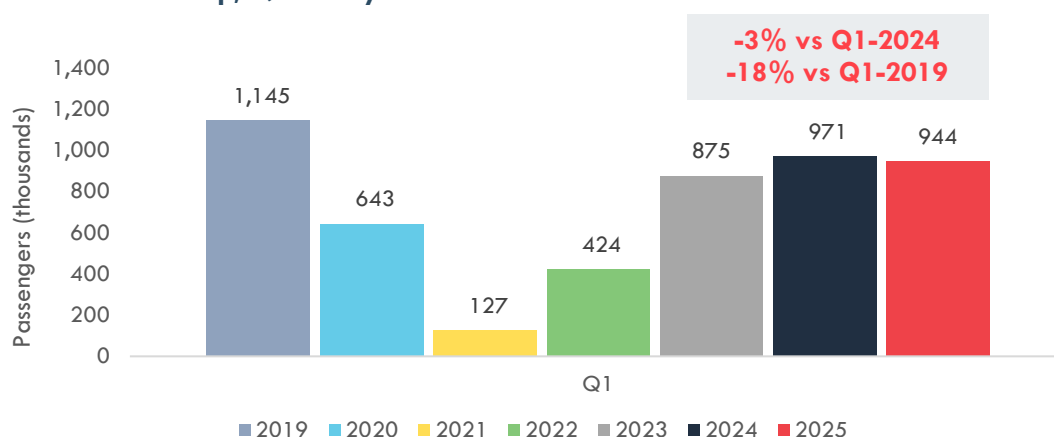


Source: VIA Rail, [Quarterly and Annual Reports](#)

Turning to 2025, VIA Rail carried 944 thousand passengers in Q1 – a 3% reduction compared to Q1-2024.

Starting on June 20, the Canada Strong Pass¹² will provide free or discounted travel on VIA Rail for children and young adults aged 24 and under through September 2, 2025. This program should work to encourage more travellers to choose rail travel this summer, supporting Q3-2025 ridership.

VIA Rail Ridership, Quarterly



Source: VIA Rail, [Quarterly and Annual Reports](#)

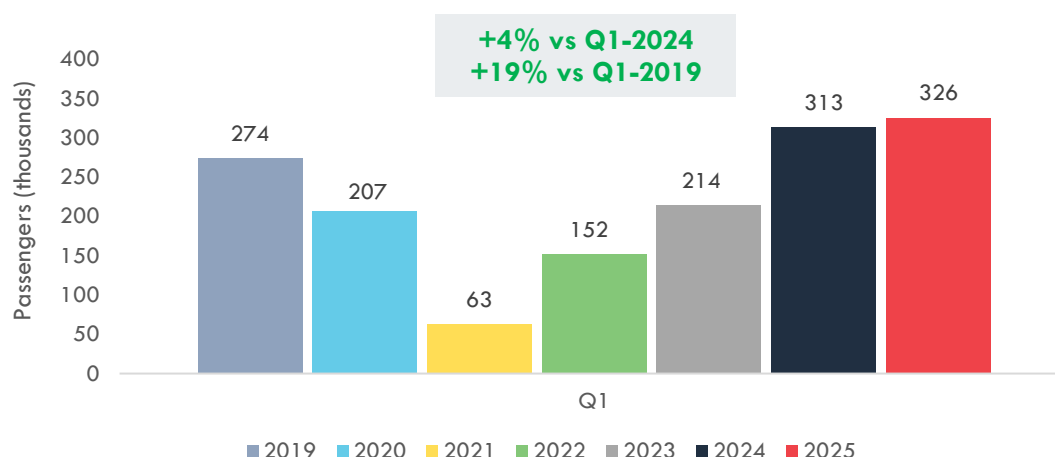
¹² <https://www.viarail.ca/en/offers/canada-strong-pass>

Amtrak has many routes throughout the U.S. and three routes that include a Canadian segment. Ridership on these three routes does not imply that passengers crossed the border, as they may have travelled a particular segment on either side of the border.¹³

Amtrak ridership on routes with segments in Canada continued to climb. In Q1-2025, ridership on these routes increased 4% year-over-year. Among the three routes (Maple Leaf, Cascades, and Adirondack), Cascades gained nearly 24 thousand riders compared to Q1-2024, which more than offset ridership reductions in the other two routes.

Amtrak ridership on routes with segments in Canada exceeded its pre-pandemic (Q1-2019) level by 19%.

Amtrak Ridership on Routes with Segments in Canada, Quarterly



Source: Amtrak, [Monthly Performance Reports](#)

Note: Includes three routes (Maple Leaf; Cascades; Adirondack).

The results for passenger rail ridership are mixed – some operators reported increases while other experience reductions. It appears some of the year-over-year improvements following the COVID-19 pandemic may be slowing. As the economic outlook over the next few quarters looks bleak, support for Canada's passenger rail operators remains important.

¹³ For example, the Maple Leaf route extends from New York City to Toronto; Cascades extends from Eugene Oregon to Vancouver; and Adirondack extends from New York City to Montreal.

Canadian Rail Industry Safety Performance

Safety is the Canadian rail industry's number one priority. Over the past several years, Canada's railways have continued to improve their safety performance, achieving significant reductions in derailments and accidents involving dangerous goods. Here, we highlight the most recent accident statistics from the Transportation Safety Board (TSB). The accident data cover the Canadian operations of federally regulated freight and passenger railways.

This section of the report serves as a useful resource for practitioners and policy makers engaged in transportation safety, while also serving as an educational tool to inform the public.

Accidents per million train-miles: In Q1-2025, the accident rate improved by 15% compared to the 2020-2024 average. While the accident rate improved by just 1% compared to Q1-2024, it must be noted that Q1-2024 itself was an exceptional performance and significant improvement over previous years. The fact that Canada's railways were able to improve upon Q1-2024 performance, while facing a much colder winter, is a testament to the industry's commitment to continuous safety improvement.

Main-track derailments: In Q1-2025, there were 14 main-track derailments, an 18% improvement compared to the 2020-2024 average. Eight of the 14 derailments involved just a single car.

Dangerous goods: The number of accidents involving dangerous goods in Q1-2025 decreased by 17% compared to the 2020-2024 average and 26% compared to Q1-2024.

Crossing and trespassing: Crossing and trespassing remain key issues of concern. Railways expend great effort to inform the public about the dangers of proximity to tracks and moving equipment. Educational programs, spearheaded by Operation Lifesaver, focus on safe behaviours around rail infrastructure. Additionally, communications are ongoing with municipalities about the importance of enforcing proximity guidelines when approving development around railways. In December 2024, the Government of Quebec introduced regulatory setbacks from rail for sensitive use developments, with the objective of enhancing safety and livability.¹⁴ This is a positive development that the RAC would like other provinces to consider.

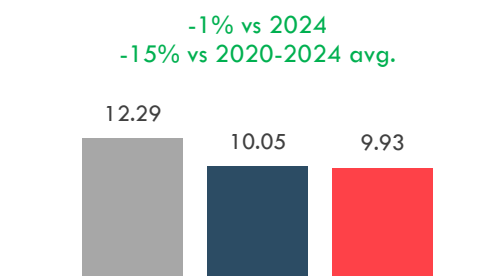
In Q1-2025, the number of crossing and trespassing accidents both edged up compared to Q1-2024 and the 2020-2024 average. An increase in encampments along or near rail lines, engagement in risky (and illegal) behaviours for social posts or leisure, and struggles with mental health are just some of the factors behind the disconcerting rise in trespassing. The issues are multifaceted and will take a concerted effort by industry and community stakeholders to achieve the mission to get to zero.

Safety is the Canadian rail industry's number one priority – reinforced by the notable improvements in the accident rate, main-track derailments, and accidents involving dangerous goods in Q1-2025.

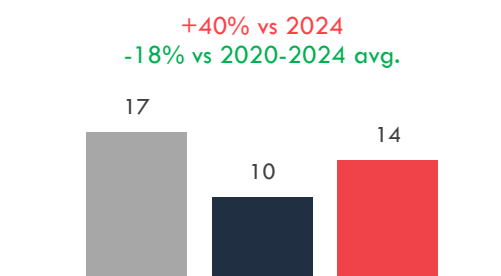
Crossing and trespassing safety – a shared responsibility among railways, municipalities, law enforcement, and others – remain key issues. The Government of Quebec's introduction of regulatory setbacks from rail is a positive development to improve safety that other provinces should consider.

¹⁴ <https://www.quebec.ca/habitation-territoire/amenagement-developpement-territoires/amenagement-territoire/orientations-gouvernementales>

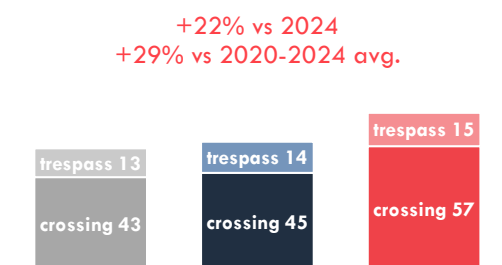
Accidents per million train-miles



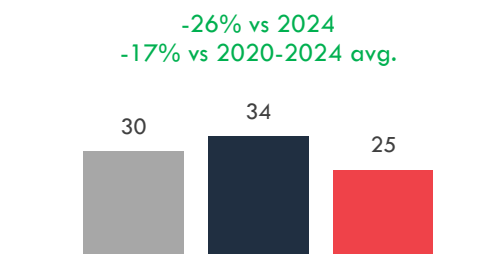
Main-track derailments



Crossing and trespassing accidents



Accidents involving dangerous goods



■ Q1 2020-2024 avg. ■ Q1-2024 ■ Q1-2025

Source: Transportation Safety Board, [Monthly rail transportation occurrence statistics](#)

Note: The TSB data are preliminary and subject to year-end validation and reconciliation.



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