

# RAC QUARTERLY REPORT

Quarter 4 - 2025

March 31, 2026



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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](#); as well as the newly launched [weekly traffic dashboard](#).

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## Executive Summary

In Q4-2025, Canada's rail industry delivered solid performance in a challenging economic and trade environment marked by elevated tariffs, shifting trade flows, and ongoing global supply chain disruptions. Railways demonstrated resilience and adaptability, reinforcing their critical role in supporting Canadian trade and economic activity.

Freight volumes increased modestly year-over-year, with total Class 1 traffic rising (revenue ton-miles +2%, carloads +2%). Growth was driven by strong intermodal demand and robust bulk shipments, particularly grain and fertilizers, supported by a record harvest. These gains offset continued weakness in tariff-impacted sectors such as forest products, metals, and automotive.

Operational performance improved across key metrics. Train speeds increased, dwell times were reduced, and overall productivity rose, supported by network optimization, system integration, and disciplined operating practices. Average terminal dwell fell to 8.0 hours, while longer and heavier trains contributed to greater efficiency and throughput.

Railways continued to invest at a high level, with total capital expenditures reaching nearly \$7 billion in 2025 to enhance capacity, reliability, and safety. Safety performance remained strong, with accident rates continuing their long-term downward trend.

Overall, the Q4-2025 report highlights the rail sector's ability to navigate economic uncertainty and evolving trade dynamics. Through strong operational execution and sustained investment, Canada's railways continued to support the competitiveness of Canadian industries and the broader economy.

## 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.

From September to December 2025, total employment (all industries) increased by 0.6% (136,100 jobs), driven by consecutive increases in October (+73,700 jobs), November (+52,300 jobs) and December (+10,100 jobs). Gains were concentrated in the services sector, accounting for 116,700 jobs in sectors like health care and social assistance (+58,100 jobs) and information, culture and recreation (+29,400 jobs). The goods-producing sector gained 19,500 jobs, with notable growth in the utilities sector (+2.5% or 4,100 jobs).

Although tariffs and trade disruptions remained a significant headwind throughout Q4-2025, official statistics for December show growth and resilience.

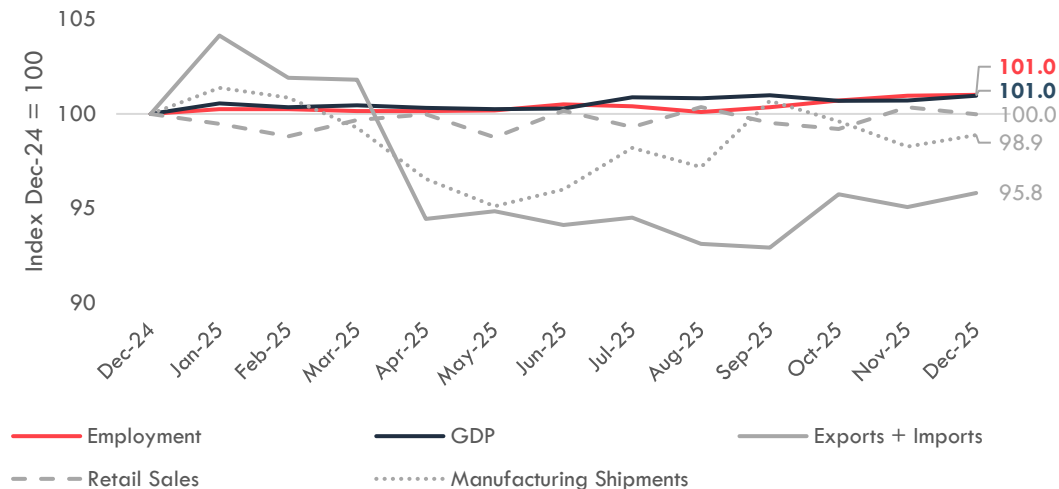
Manufacturing shipments were down 1.8% in December, compared to September. Products subject to U.S. tariffs are continuing to recover from their low points in May and June, despite shipments still being lower than levels from late 2024 and early 2025. For example, shipments of primary metallic products, which include steel and aluminum, were up 1.6% despite being subject to 50% tariffs since June 2025. Nonetheless, tariffs posed significant headwinds to categories such as shipments of transportation equipment (which includes auto products subject to 25% tariffs on non-U.S. content), which fell by 7.1% and accounted for the majority of the decrease in shipments. Combined with wood product manufacturing and chemical manufacturing, these categories accounted for nearly all of the total decrease in manufacturing shipments.

Canada's trade activity is highly concentrated in the exchange of manufactured products with the U.S., which is by far Canada's largest trading partner. Total trade volumes (all commodities, all trading partners) increased by 3.1% (\$3.9B) from September to December, composed of a 3.6% (\$2.2B) increase in imports and a 2.7% (\$1.7B) increase in exports. Although U.S. exports fell during this period by 2.2% (\$1.0B), this was more than offset by increases in exports to countries like the United Kingdom by 99.2% (\$3.1B), China by 15.3% (\$0.4B) and South Korea by 40.1% (\$0.2B).

From September to December 2025, GDP remained relatively flat. Growth in the services sector of 0.3% (\$5.6B) through increases in public administration and health care was offset by decreases in the goods sector of 0.9% (\$5.1B) in industries such as manufacturing, mining, and agriculture.

From September to December, retail sales increased by 0.5%, with increases in 6 of 9 retail categories.

## Key Canadian Economic Indicators



## Growth of Key Canadian Economic Indicators

	Employment (millions)	GDP (\$B, annualized)	Exports + Imports (\$B)	Retail Sales (\$B)	Manufacturing Shipments (\$B)
September 2025	21.01	2,340	125.7	69.7	72.3
December 2025	21.15	2,339	129.6	70.0	71.0
<b>3-month change</b>	<b>0.6%</b>	<b>0.0%</b>	<b>3.1%</b>	<b>0.5%</b>	<b>-1.8%</b>

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

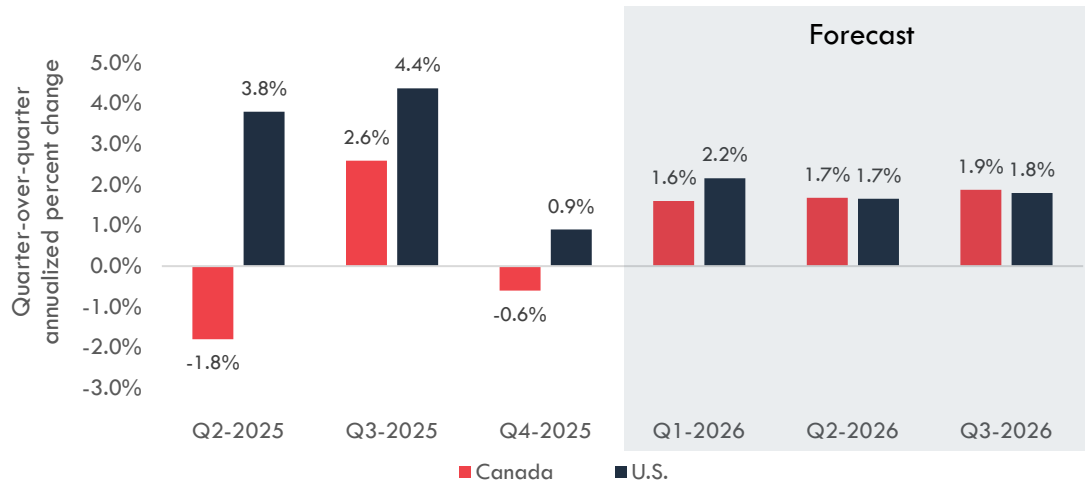
In Q4-2025, Canada's GDP decreased by 0.6% while the U.S.'s GDP increased by 0.9%. Although Canada's GDP declined during this period, this was driven by drawing down inventories, given that increases were seen across household and government consumption expenditures as well as overall investment levels. Business investment levels declined slightly, but several subcategories of business investment such as machinery and equipment showed growth for the first time in several quarters. Although this is far from a full recovery. The federal government's Productivity Super-Deduction, effective November 4, 2025, should have an overall supportive effect on machinery and equipment investment, but it may be too early to attribute Q4-2025 gains to the policy.<sup>1</sup> A coalition of ten industry associations, of which RAC is a party, is calling on the federal government to implement stronger accelerated depreciation policies to unlock much needed private sector investment.<sup>2</sup>

As of their March forecasts, Canada's large banks are anticipating moderate growth through 2026, of 1.6% in Q1-2026. Growth is forecasted to increase 1.7% in Q2 and 1.9% in Q3. U.S. growth is expected to increase to 2.2% in Q1-2026 before slowing to 1.7% in Q2 and 1.8% in Q3.

<sup>1</sup> <https://budget.canada.ca/2025/report-rapport/chap1-en.html#a6>

<sup>2</sup> <https://movingeconomies.ca/>

## 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 enter 2026 with cautious outlooks, expecting flat to mid-single digit RTM growth in 2026, with earnings growth supported by continued cost discipline. Carriers achieved operating ratio improvements in 2025.

In Q4-2025, Canadian exporters faced high U.S. tariffs on steel, aluminum, Canadian auto content, and lumber, among other products; as well as punishing Chinese tariffs on canola.

With high tariffs in place, Canadian railways have been working with their customers to find other opportunities, including intra-Canada moves.

The outlook for bulk commodities remains positive. The Canadian wheat and canola harvests hit record levels in 2025, and grain is expected to be a significant volume tailwind through 2026.<sup>3</sup> With Chinese tariffs on canola being lifted by March 2026, further improvements should be apparent by the next quarter. Soft demand and/or tariffs will likely continue to impact merchandise volumes (including forest products and metals and minerals). Expectations for energy, chemicals and plastics vary by product. While automotive tariffs are in effect and automotive carloads are relatively flat, RTM growth is being driven through extended length of haul. Lastly, expectations for intermodal volumes are neutral to positive – stronger on the *domestic intermodal* business.

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**The economic impacts of the current trade and tariff disruptions highlight the importance of including appropriate context when evaluating the performance of the rail industry and broader supply chains.**

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<sup>3</sup> Statistics Canada, *The Daily, Production of principal field crops, November 2025*, Released 2025-12-04.

## 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

Canada's supply chains have experienced numerous disruptive work stoppages in recent years. 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. RAC and its fellow *Moving Economies* partners are calling on the federal government to modernize Canada's labour laws.<sup>4</sup> To mitigate economic harm and improve supply chain reliability, the government must establish a clear and transparent process to resolve disputes rapidly.

In Q4-2025, RAC appeared before the Standing Senate Committee on Transport and Communications to share the rail industry's perspective on Canada's growing labour challenges and emphasize the need for a more predictable and durable framework to ensure long-term labour stability and eliminate the negative impacts of work stoppages on the Canadian economy.

### Global Maritime Trade

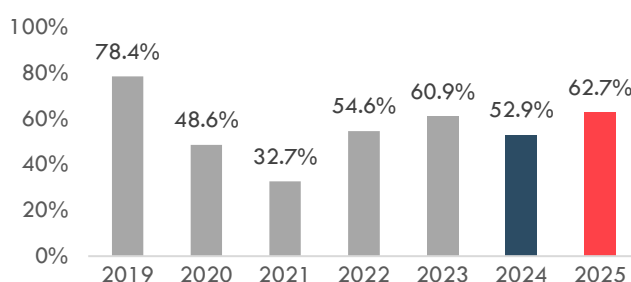
Conflict around the Suez Canal persists and vessels are re-directing around the southern tip of Africa to avoid the conflict. In Q4-2025, tonnage moving through the canal was down by approximately 60% compared to 2020-2023 levels, most notably impacting container ships.<sup>5</sup> More recently, the Strait of Hormuz has been effectively closed<sup>6</sup> following the outbreak of U.S.-Israeli military conflict with Iran in late February 2026, with major shipping firms suspending operations and over 150 tankers anchored outside the strait. The situation remains unresolved as of the time of writing.

The Panama Canal, which had drought-related restrictions in place from June 2023 to September 2024, is not expected to have any restrictions in place for the remainder of 2025 and early 2026.<sup>7</sup>

### Global Marine Vessels

In Q4-2025, global marine vessel on-time performance<sup>8</sup> was at 62.7%. This is a notable improvement from 52.9% in Q4-2024 but remained highly unfavourable compared to Q4-2019 (pre-COVID-19 pandemic), when schedule reliability was at 78.4%.

#### Global Schedule Reliability, Q4



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

<sup>4</sup> <https://movingeconomies.ca/>

<sup>5</sup> [SCA - Navigation Statistics](#)

<sup>6</sup> Only a few select vessels are passing through the Strait, as of March 23, 2026.

<sup>7</sup> <https://mykn.kuehne-nagel.com/news/article/panama-canal-has-plenty-of-water-10-jul-2025>

<sup>8</sup> Measured using Sea-Intelligence's [Global Liner Performance report](#), Global Schedule Reliability

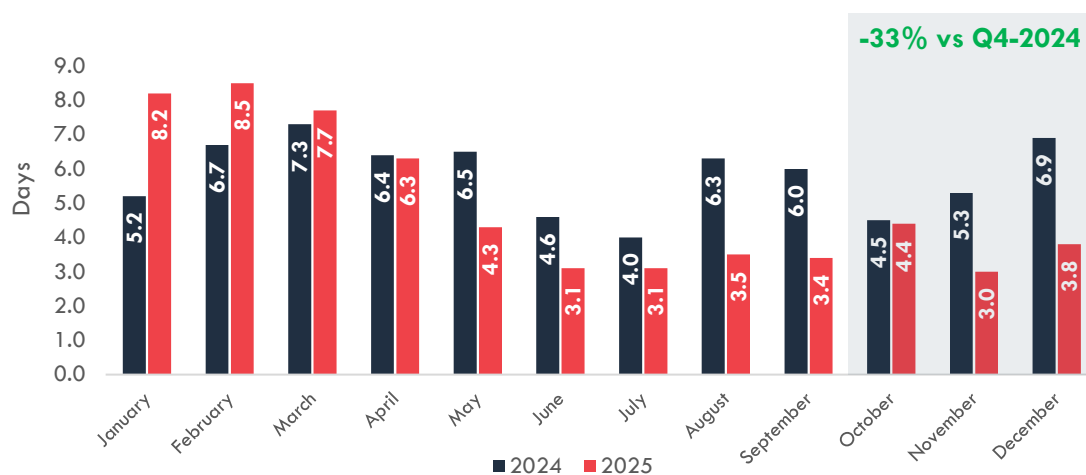


## Canadian Ports

Dwell times at the Port of Vancouver in Q4-2025 were an average of 3.8 days, represents a 33% improvement compared to Q4-2024.

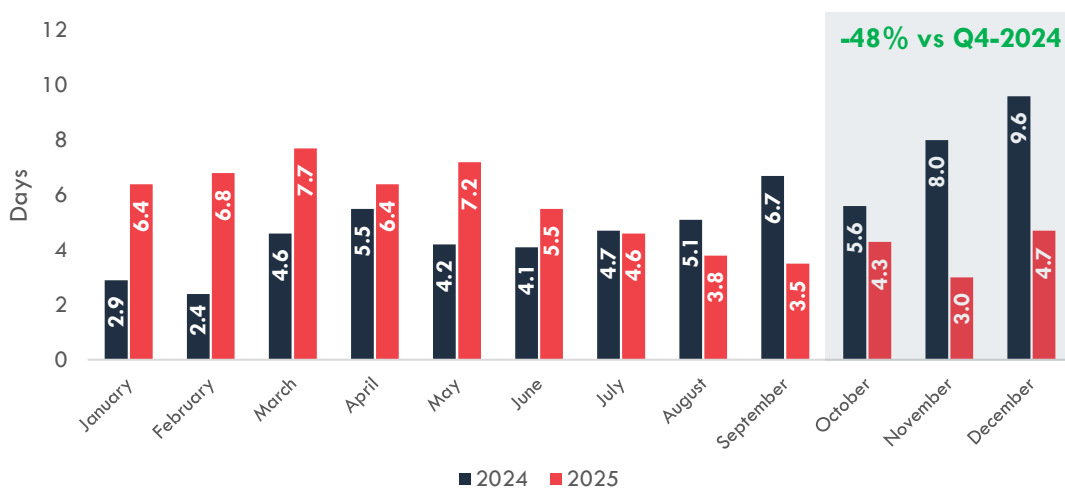
Dwell times at the Port of Montreal were an average of 4.7 days, representing a 48% decrease compared to Q4-2024.

### Vancouver - Gateway terminal rail dwell performance by month



Source: Port of Vancouver, [Supply chain performance, Container terminal rail performance](#)

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



Source: Port of Montreal, [Performance Reports, Monthly Intermodal Scorecard](#)

## Canadian Railways

In Q4-2025, Canadian Class 1 railways' dwell times averaged 8.00 hours – a 7.5% decrease compared to Q4-2024. These improvements were driven by factors such as disciplined terminal and yard management and efficiency gains from the integration of CPKC operating systems in the U.S. and Canada in Q2-2025.<sup>9</sup> In addition, dwell times compared favourably against a challenging Q4-2024, during which labour disruptions at several Canadian ports had elevated dwell times across the network. For further details on railway terminal dwell performance, see [Select Key Financial, Operating, and Safety Metrics](#).

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**Despite ongoing disruption in the Suez Canal, a critical trade corridor, marine vessel on-time performance and dwell times at Canada's busiest ports are improving. Strength and stability in Canadian supply chains will be essential to navigate the challenges brought on by tariffs and disruptions in the Strait of Hormuz.**

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<sup>9</sup> [CPKC Q4 2025 Earnings Call Transcript](#); [CPKC Weekly Key Metrics](#).



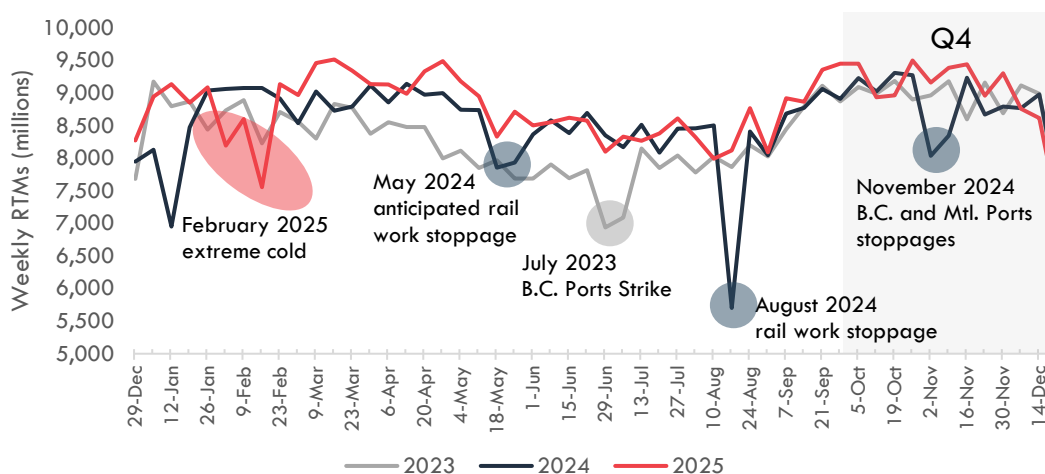
## Network-wide Canadian Class 1 Freight Data

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. The weekly indicators can also be viewed on [RAC's traffic dashboard](#), updated every Tuesday.

### Weekly Trend

In Q4-2025, Canadian Class 1 rail traffic, measured in revenue ton-miles (RTMs) – exceeded 2024 levels in 8 of 13 weeks. Class 1s finished the quarter with RTMs up 2% over Q4-2024.

### Canadian Class 1 Revenue Ton-miles



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 Q4-2024, both RTMs and carloads were up 2%.

Grain & fertilizers were a major contributor to growth, with RTMs up 5% (+1,984 million RTMs) and carloads up 2% compared to Q4-2024. Both Class 1s posted gains for Canadian grain and U.S. grain. Intermodal also led growth, with RTMs up 7% (+1,486 million RTMs) and carloads up 8%.

Automotive carloads decreased by 5% but RTMs were up 1% from longer average hauls. 25% U.S. tariffs on the non-U.S. content in autos came into effect on April 3<sup>rd</sup>, at the beginning of Q2. In Q4-2025, Canada-U.S. auto trade (finished vehicles and parts), using all modes of transportation, was down 13% compared to Q4-2024.<sup>10</sup>

Coal RTMs were down 2% while carloads were up 7%.

<sup>10</sup> RAC analysis based on data from Trade Data Online.



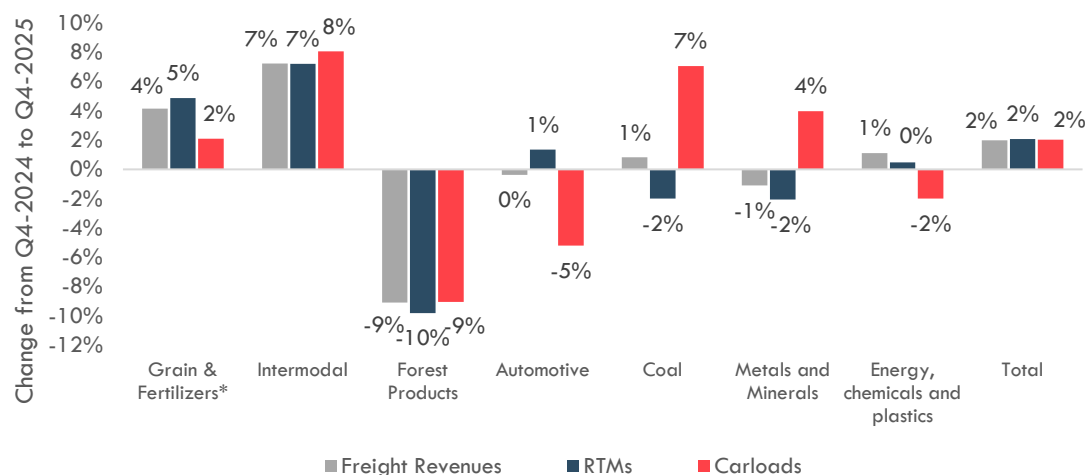
The market for forest products remains soft. The increase in tariffs in July, to upwards of 50%, continues to present headwinds for the commodity. RTMs were down 10% (-748 million RTMs) and carloads were down 9% in Q4-2025.

Metals and minerals, which includes steel, aluminum, and their feedstocks such as iron ore, saw decreases in RTMs by -2% while carloads increased by 4% compared to Q4-2024 levels. Canadian exporters continue to face U.S. steel and aluminum tariffs, which increased from 25% to 50% in June 2025. Following this escalation, steel and aluminum exports to non-U.S. markets nearly doubled and are now up 182% year-over-year in Q4-2025. Canadian exports of steel and aluminum to the U.S. in Q4-2025 increased by 6% compared to Q3-2025 but were still down 35% year-over-year, with total steel and aluminum exports down 21% year-over-year.

Energy, chemicals and plastics RTMs were flat while carloads were down 2%. Despite recovering in Q3-2025 from their temporary decline in Q2, RTMs are now 1% lower on an annual basis compared to 2024.

For other categories on an annual basis, RTMs trended in the same direction, with gains in grain & fertilizers, intermodal, and automotive, and reductions in forest products, metals and minerals, and energy, chemicals and plastics. The exception is coal, which is still up on an annual basis despite seeing a decrease in RTMs in Q4.

### Class 1 Freight Revenues, RTMs, and Carloads by Commodity, Q4



### Q4: Canadian Class 1 RTMs (millions), by Commodity

	Q4-2025	Q4-2024	Change (%)	Change (#)
Grain & Fertilizers*	42,738	40,754	5%	1,984
Intermodal	22,122	20,636	7%	1,486
Forest Products	6,883	7,631	-10%	-748
Automotive	2,090	2,062	1%	28
Coal	10,993	11,216	-2%	-223
Metals and Minerals	11,050	11,283	-2%	-233
Energy, chemicals and plastics	21,798	21,693	0%	105
<b>Total</b>	<b>117,674</b>	<b>115,275</b>	<b>2%</b>	<b>2,399</b>

## Year (Q1-Q4): Canadian Class 1 RTMs (millions), by Commodity

	2025	2024	Change (%)	Change (#)
Grain & Fertilizers*	153,726	145,844	5%	7,882
Intermodal	90,722	85,408	6%	5,314
Forest Products	29,315	31,186	-6%	-1,871
Automotive	8,682	8,133	7%	549
Coal	44,565	43,052	4%	1,513
Metals and Minerals	46,284	48,006	-4%	-1,722
Energy, chemicals and plastics	84,285	85,367	-1%	-1,082
<b>Total</b>	<b>457,579</b>	<b>446,996</b>	<b>2%</b>	<b>10,583</b>

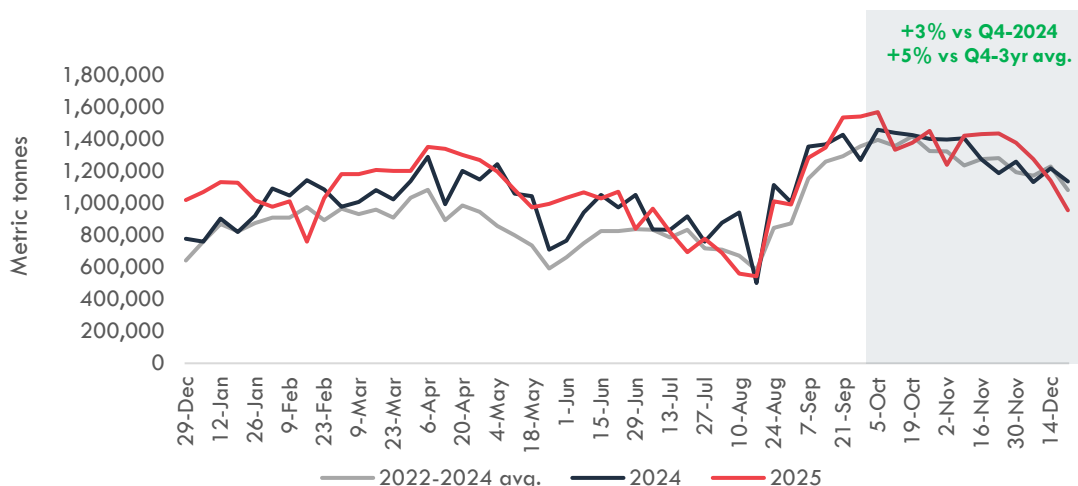
Source: [CN Quarterly Review](#); [CPKC Earnings Release](#).

\*Includes potash.

Railway grain volumes fluctuate year-to-year. Volumes are strongly linked to the size of the grain crop and when producers and grain companies decide to ship their product. This choice is influenced by changes in market prices for grain. Investments in on-farm storage enable producers to 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 Q4-2025. For the quarter, shipments were up 3% year-over-year and up 5% compared to the previous 3-year average. Weekly shipments exceeded the previous 3-year average in 8 of 13 weeks.

### Western Canadian Grain Shipments, calendar year



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

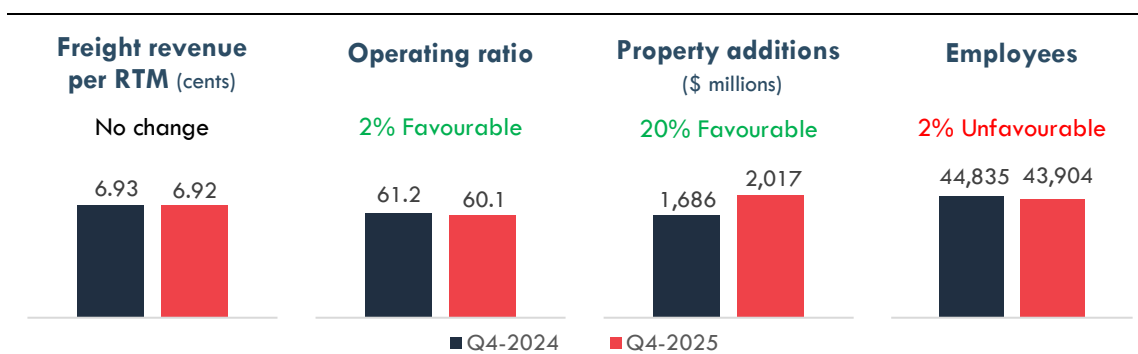
**Following the escalation of tariffs on Canadian exports to the U.S. (and China), Canada's Class 1 railways have been working with their customers to find new opportunities, including intra-Canada moves. While traffic hit by tariffs generally declined, overall freight volumes increased thanks to strength in grain & fertilizers and intermodal.**

## Select Key Financial, Operating, and Safety Metrics

In Q4-2025, performance across key financial, operating, and safety metrics was positive.

From Q4-2024 to Q4-2025, overall freight revenue per RTM remained flat. Small increases in freight revenue per RTM for a few commodities were offset by decreases in others. Contributing factors include the removal of the carbon tax, which resulted in lower fuel surcharges, and labor productivity gains through improved operational efficiency, and cost management on purchased services through insourcing and reduced contractor spending. The operating ratio improved by 2% as operating expense per RTM decreased 2% (driven by an 8% reduction in fuel expenses).

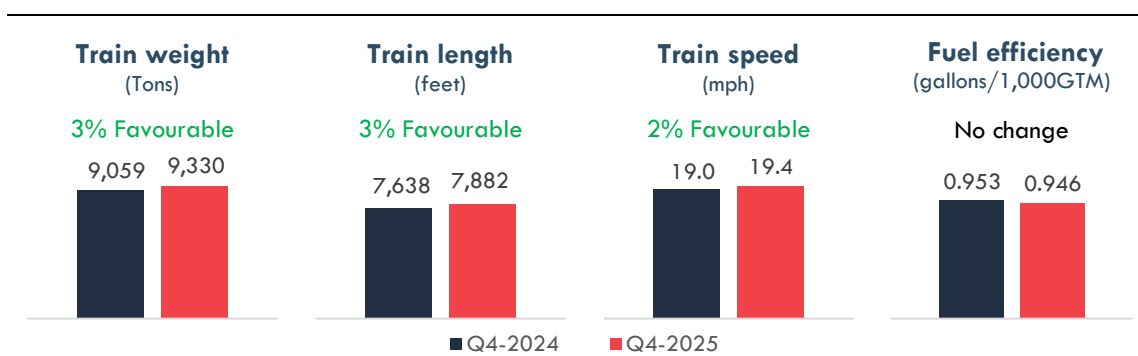
Canada's Class 1 railways continued to make significant investments<sup>11</sup> in their networks, investing more than \$2 billion in Q4-2025, bringing the year-to-date total to \$6.8B, a 6% increase compared to 2024. As per their capital plans, Canada's Class 1 railways plan to invest more than \$5.45B in 2026. With 43,904 employees, headcount was 2% below Q4-2024. The 2% lower headcount combined with the 2% increase in RTMs signals an increase in labour productivity compared to last year.



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

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

In Q4-2025, Class 1 railways' average train weight, train length, and train speeds increased while fuel efficiency remained unchanged. These improvements were supported by more efficient use of assets, disciplined workforce management, and greater network fluidity that have contributed to improved productivity.<sup>12</sup> Higher average train speeds reduce car cycle times and enable the supply chain to move more traffic using the same amount of equipment.



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

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

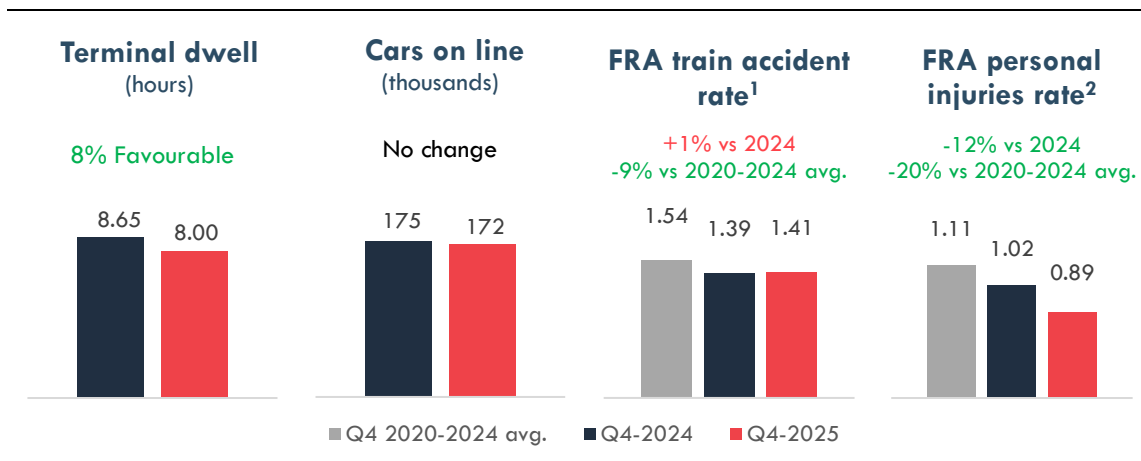
<sup>11</sup> Property additions include capital investments in track and roadway, rolling stock, buildings, information technology and other assets.

<sup>12</sup> CPKC Q4 2025 Earnings Call Transcript; CN Q4 2025 Earnings Call Transcript; [CPKC Weekly Key Metrics](#).

In Q4-2025, railway dwell times averaged 8.00 hours – a 7.5% decrease compared to Q4-2024.

The average number of rail cars on line was relatively flat compared to Q4-2024. In Q4, grain traffic volumes were up, despite there being 3,192 fewer covered hopper cars on line throughout the quarter. There were several hundred more intermodal, gondola, and tank cars on line than in Q4-2024.

In Q4-2025, both the Canadian Class 1 FRA train accident rate and FRA personal injuries rate improved compared to the 2020-2024 average.<sup>13</sup> Over the past several years, Canadian Class 1 railways' safety rates have continued to trend in a positive direction.



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.

<sup>1</sup> Accidents per million train-miles

<sup>2</sup> Injuries per 200,000 employee hours

**In Q4, several performance metrics improved. Canada's Class 1 railways continued to invest at a high level into their networks to serve their customers while building on their impressive safety record.**

**Productivity (RTM per employee) increased thanks to improvements across several key operating metrics. Q4 showed an increase in average train length and weight, as well as higher throughput from increased train speeds and reduced dwell.**

<sup>13</sup> 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 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.

Overall traffic trends by commodity were similar to those observed for the Class 1s network-wide.

Throughout each month of Q4-2025, intermodal traffic was up compared to Q4-2024, largely due to labour disruptions at Canadian ports in Q4-2024 that caused traffic diversions and impacted intermodal volumes.

Non-intermodal carload traffic in Q4-2025 was down 1%, 1%, and 2% in October, November, and December, respectively (1% for the entire quarter).

Overall, growth was led by intermodal (+10%, 54,218 units), agriculture (+5%, 9,148 carloads) and fuels & chemicals (+1%, 2,700 carloads), followed by manufactured & miscellaneous (+9%, 1,672 carloads).

Mineral shipments in Q4-2025 fell by 3%, largely due to a 4.4% reduction in iron ores and concentrates (6,389 carloads), the largest decline across the 60+ commodities in Statistics Canada's data. Lower iron ore shipments were driven by weak fundamentals, the continued effects of mine closure in late Q1-2025, and unplanned outages. Gains in other categories of minerals such as sulphur (+8.5%, 1,047) and cement (+12.9%, 752) were not enough to offset these losses.

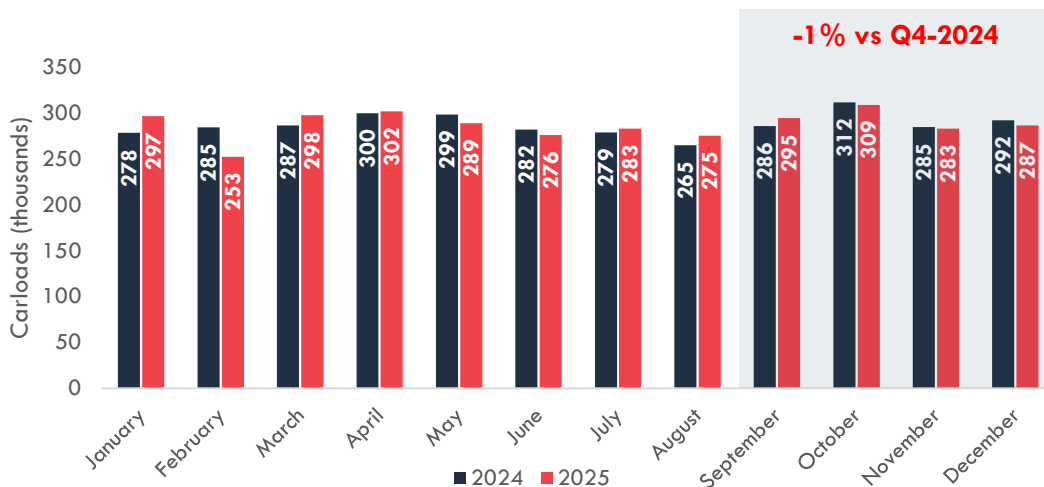
Carloadings of metals, automotive, forest products, and paper products all decreased in Q4-2025, mostly from reasons explained earlier in the report relating to tariffs, as well as soft demand for some merchandise products. Q4-2025 carloadings of steel<sup>14</sup> were down 24.7% as the increased U.S. steel tariffs of 50% continued to hamper the sector.

Certain commodities continued their YTD trend – increases in intermodal, agriculture, and manufactured & miscellaneous, while carloads decreased for forest products, paper products, metals, automotive, food products, and minerals. Carloads in Q4 for certain commodities saw a departure from their YTD trends, such as coal, which declined (by 4%) in Q4 but remains up 4% on a YTD basis. Fuels & chemicals saw an increase in Q4 while remaining flat on a YTD basis.

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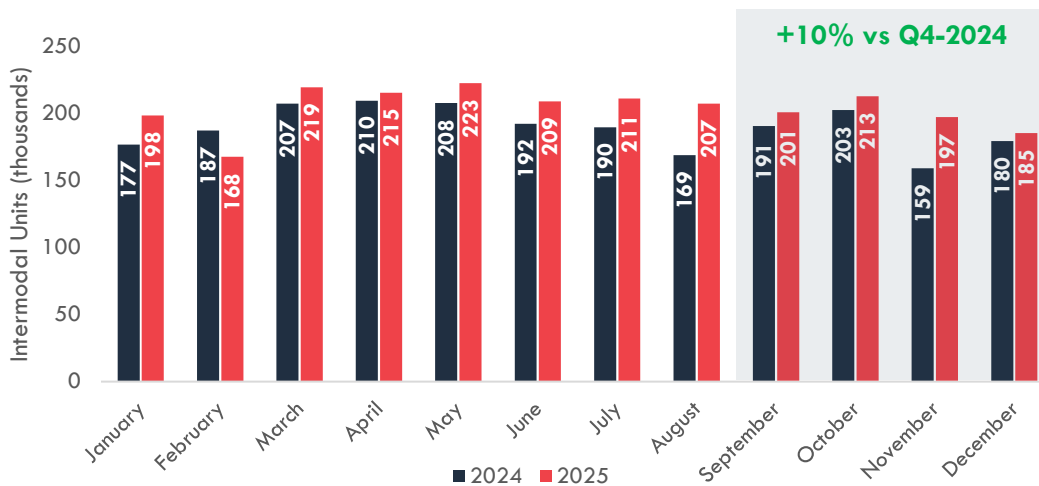
<sup>14</sup> Statistics Canada category "iron and steel, primary or semi-finished".

## Canadian Railways, Carloads



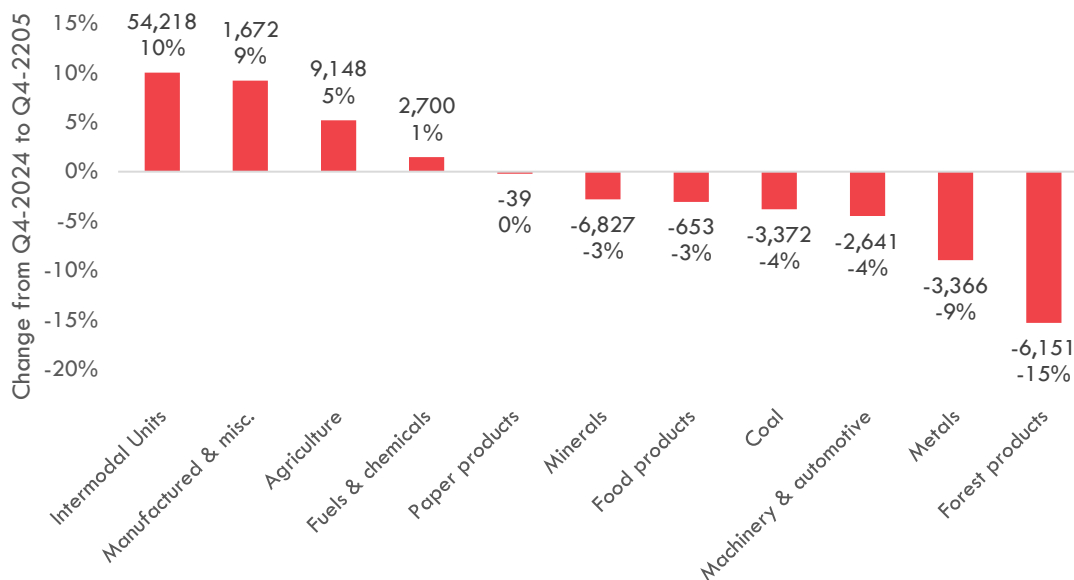
Source: Statistics Canada, [Monthly Railway Carloadings Survey](#)

## Canadian Railways, Intermodal Units



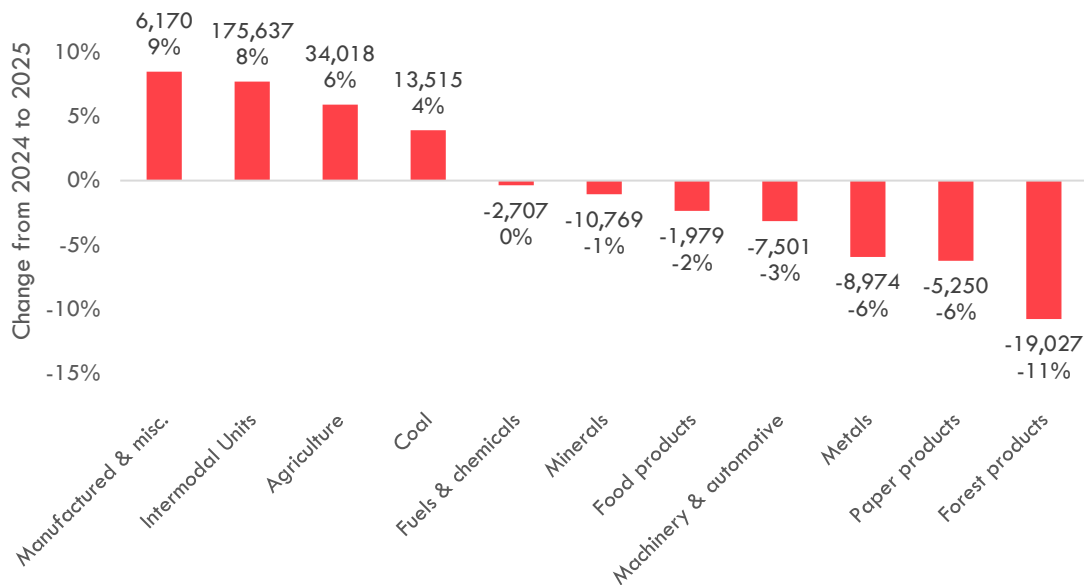
Source: Statistics Canada, [Monthly Railway Carloadings Survey](#)

## Canadian Railways, Carloads by Commodity & Intermodal Units, Q4



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

## Canadian Railways, Carloads by Commodity & Intermodal Units, (Jan-Dec)

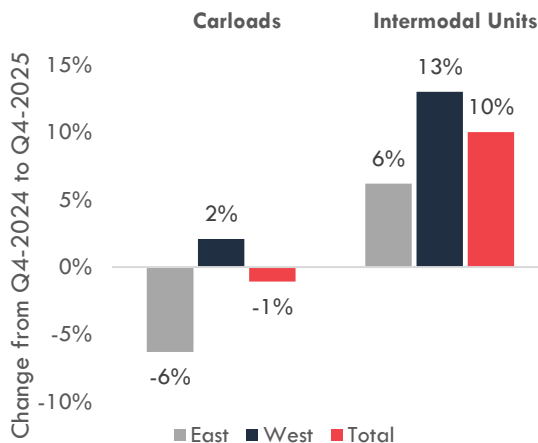


Source: Statistics Canada, [Monthly Railway Carloadings Survey](#)

Intermodal traffic increased in both eastern (+6%) and western (+13%) Canada in Q4-2025.

Non-intermodal carload traffic decreased by 1% (9,529 carloads) in the eastern region, where the freight portfolio is heavily concentrated in products facing steep U.S. tariffs. Minerals account for 50% of the eastern region's non-intermodal carloadings, followed by automotive (11%) and metals (10%).<sup>15</sup> In addition to ongoing tariff challenges, minerals faced headwinds in weaker demand for frac sand and iron ores. Carloads increased by 2% in the western region – gains in agriculture and fuels & chemicals were able to offset the minor reductions in coal, forest products, and food products.

### Canadian Carloads and Intermodal Units by Region, Q4

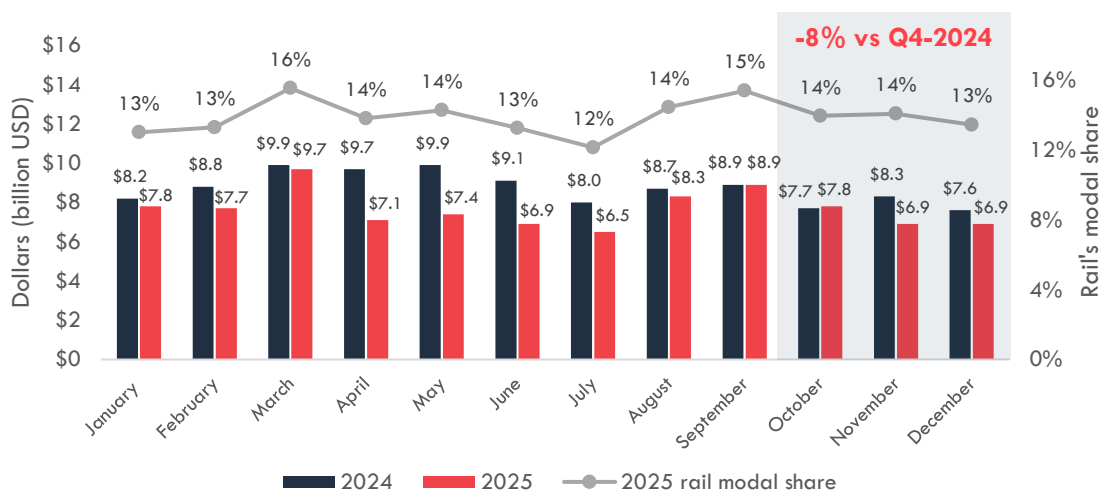


Source: Statistics Canada, [Monthly Railway Carloadings Survey](#)

### Trade

In Q4-2025, trade by rail with the U.S. was valued at more than \$21 billion USD, down 8% from Q4-2024. A high share of trade by rail value is concentrated in highly tariffed items. These include automotive products (42% of total rail trade value), which faced 25% tariffs on non-U.S. content, and metals (10% of total rail trade value), which faced 50% U.S. steel and aluminum tariffs.<sup>16</sup> Trade by rail volumes have continued to recover from a low point in April 2025, when it was down 27% year-over-year. Trade by rail had climbed back to its 2024 level in September and even saw an increase of 1% in October, the first year-over-year increase since May 2024. Subsequent decreases of 17% in November and 9% in December would offset this modest increase.

### Rail Merchandise Trade with the U.S.



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

<sup>15</sup> Shares of total non-intermodal carloadings are based on 2020-2024 data.

<sup>16</sup> Source for automotive and metals' shares of total trade value: RAC calculation based on data from Transport Canada, Transportation Data and Information Hub, 2023 Addendum Tables, [Table RA9](#).

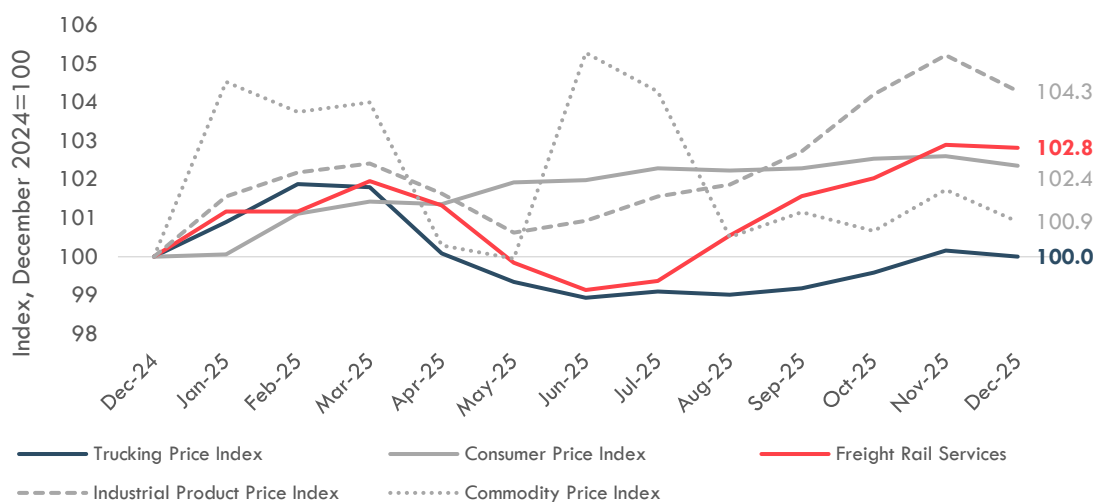


## Freight Rates

In December 2025, rail freight rates were 2.8% higher than they were a year prior. The industrial, consumer, and to a lesser extent, commodity price indices have also risen similarly over the past 12 months. Truck freight rates have remained stable at nearly the exact same level as December 2024.

Since January 2020 (pre-pandemic baseline, not shown), rail freight rates have increased by 24.2%. This is similar to the growth in consumer prices (20.6%) and trucking rates (24.1%), but much lower than the growth in industrial product prices (33.8%) and commodity prices (46.8%). 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.<sup>17</sup>

### 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 a period of tremendous trade disruption, in Q4, Canada's railways facilitated more than \$21B USD in trade with the U.S and transported 3% more traffic (carloads and intermodal units) than in Q4-2024.**

<sup>17</sup> For a study on rail freight rates, see [International Comparison of Railway Freight Rates](#), CPCS, January 2023.



## 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 Q4-2025, following several years of lower-than-normal ridership, government support, at all levels, for passenger rail must remain a top priority.

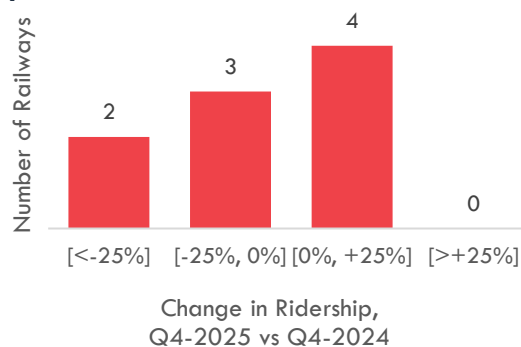
### RAC Member Ridership

This section evaluates the year-over-year trends in passenger rail ridership among RAC members.<sup>18</sup>

In the Q4-2025, four out of nine reporting members indicated a year-over-year increase in ridership (of less than 25%), while five members reported a decrease. Seven of nine members reported ridership levels above Q4-2019 (pre-pandemic) levels (not shown).

For the full year, ridership was above 2024 levels for four reporting members and down for five members.

### RAC Members, Ridership, year-over-year



### Public Transit and Commuter Rail

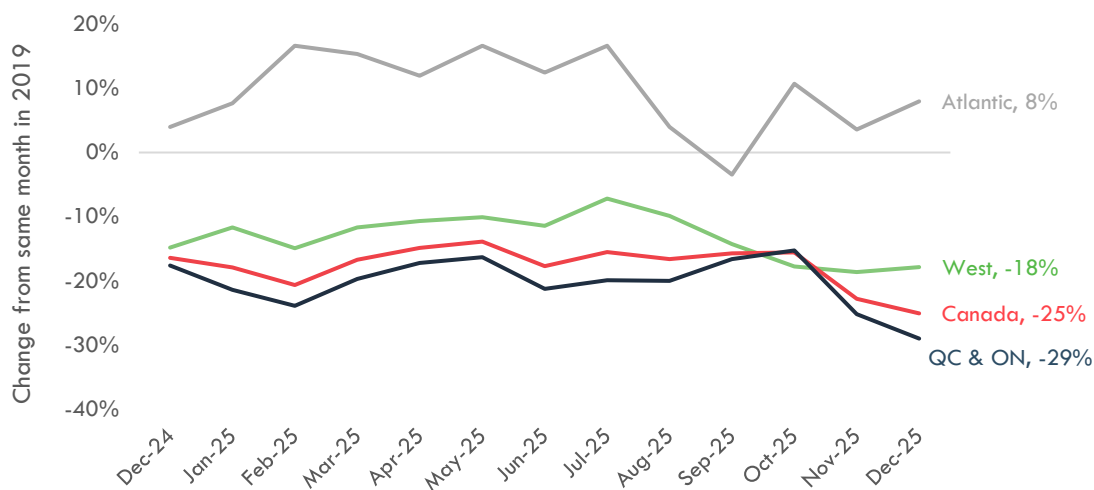
Over the past several years, urban transit ridership, and commuter rail ridership in particular, has adjusted to fundamental structural shifts in commuting patterns and the proliferation of remote and hybrid office work arrangements. However, the tides are shifting back toward office work, at least in Ontario. This should be welcome news for transit agencies that have seen their ridership numbers deeply impacted by a reduction in commuters since the onset of the COVID-19 pandemic in March 2020.

In January 2026, employees in the Ontario government and the City of Ottawa returned to the office full-time. Several major private sector employers are also increasing in-office requirements. These measures are expected to support increases in ridership in the new year.

The urban transit ridership data presented below accounts for seasonality, by comparing ridership in each month to the corresponding month in 2019. In December 2025, national ridership was about 10% lower than it was in December 2024 (down 25% compared to the December 2019 pre-pandemic baseline).

<sup>18</sup> <https://www.railcan.ca/membership/member-railways/>

## Urban Transit Systems Ridership by Region

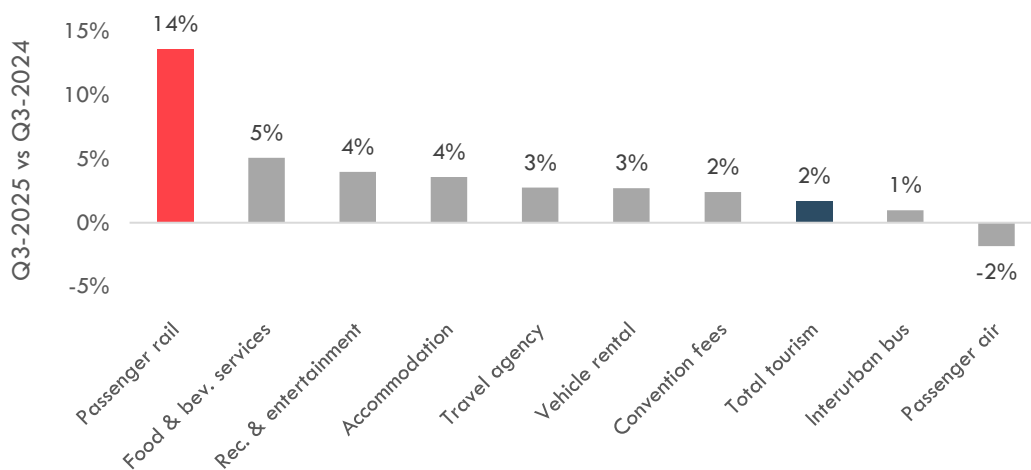


Source: Statistics Canada, [Monthly Passenger Bus and Urban Transit Survey](#)

## Tourism Rail

There is a considerable lag in data on tourism expenditures. The latest available data cover Q3-2025. In Q3-2025, total tourism expenditures increased 2% year-over-year, while passenger rail expenditures increased by 14%, representing the largest increase to the reported tourism indicator categories.

## Tourism Expenditures, Q3



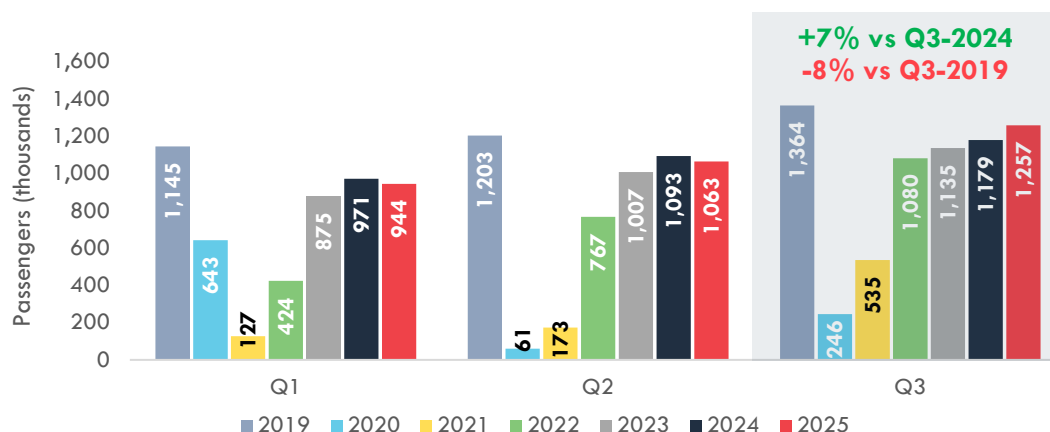
Source: Statistics Canada, [National Tourism Indicators](#)

## Intercity Passenger Rail

As of March 22<sup>nd</sup>, 2026, the latest available data on VIA Rail ridership is for Q3-2024. In Q3-2025, VIA Rail carried 1.257 million passengers, a 7% increase compared to Q3-2024. Travel in the corridor was up 5.6% while non-corridor travel was up 23.3%.

This growth in rail travel was supported by the Canada Strong Pass,<sup>19</sup> which provided free or discounted travel on VIA Rail for children and young adults aged 24 and under.

### VIA Rail Ridership, Quarterly



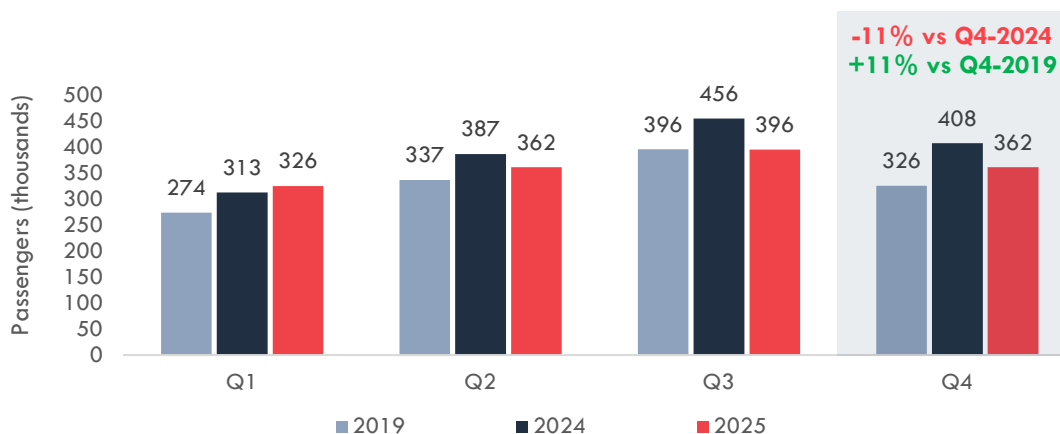
Source: VIA Rail, [Quarterly and Annual Reports](#)

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 within either country.<sup>20</sup>

Amtrak ridership on routes with segments in Canada decreased 11% in Q4-2025 to 362 thousand passengers but remained 11% above pre-pandemic (Q4-2019) levels. Statistics Canada and U.S. Customs and Border Protection data show that the number of individuals crossing the Canada-U.S. land border was much lower than in 2024.<sup>21</sup>

Year-over-year reductions in ridership were seen on all three routes, most notably on the Cascades (British Columbia, Washington, Oregon) and Maple Leaf (Ontario, New York) routes, and to a lesser extent, the Adirondack route (Quebec, New York).

### Amtrak Ridership on Routes with Segments in Canada, Quarterly



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

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

<sup>19</sup> <https://www.viarail.ca/en/offers/canada-strong-pass>

<sup>20</sup> 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.

<sup>21</sup> [Canada Border Services Agency](#); [U.S Bureau of Transportation Statistics](#)

## 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 Q4-2025, the accident rate improved by 6% year-over-year and by 10% compared to the 2020-2024 average. The improvement is attributable to reductions across most categories, despite an increase in train miles. On an annual basis, the accident rate improved by 8% year-over-year and 17% compared to the 2020-2024 average.

Main-track derailments: In Q4-2025, there were 21 main-track derailments, an increase compared to Q4-2024 and the 2020-2024 average. On an annual basis, 2025 was higher than 2024, but on par with the 2020-2024 average.

Dangerous goods: The number of accidents involving dangerous goods in Q4-2025 increased year-over-year and compared to the 2020-2024 average. On an annual basis, the number of accidents involving dangerous goods showed improvement, down 3% compared to 2024 and 8% lower than the 2020-2024 average.

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. 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.<sup>22</sup> This is a positive development that the RAC would like other provinces to consider.

In Q4-2025, crossing accidents increased compared to Q4-2024 and the 2020-2024 average. On an annual basis, crossing accidents decreased by 4% compared to 2024 but remain above the 2020-2024 average. Trespassing accidents decreased compared to Q4-2024 and the 2020-2024 average. On an annual basis, however, there were 92 trespassing accidents, which is a significant increase from the 2020-2024 average of 74. 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.

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**Safety is the Canadian rail industry's number one priority – reinforced by the continuous reduction in the accident rate in Q4-2025 and 2025 overall. 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.**

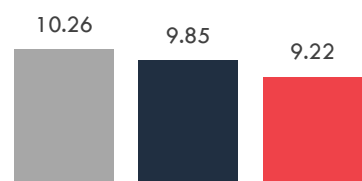
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<sup>22</sup> <https://www.quebec.ca/habitation-territoire/amenagement-developpement-territoires/amenagement-territoire/orientations-gouvernementales>

### Quarterly

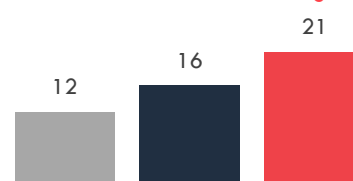
#### Accidents per million train-miles

-6% vs 2024  
-10% vs 2020-2024 avg.



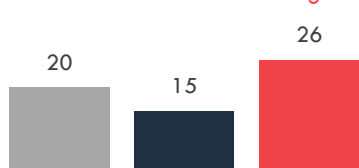
#### Main-track derailments

+31% vs 2024  
+75% vs 2020-2024 avg.



#### Accidents involving dangerous goods

+73% vs 2024  
+30% vs 2020-2024 avg.



#### Crossing and trespassing accidents

+3% vs 2024  
+5% vs 2020-2024 avg.

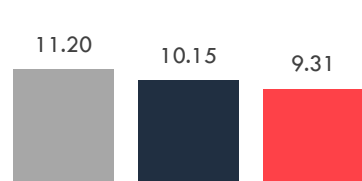


■ Q4 2020-2024 avg. ■ Q4-2024 ■ Q4-2025

### Annual

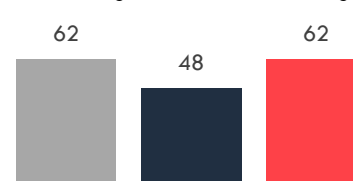
#### Accidents per million train-miles

-8% vs 2024  
-17% vs 2020-2024 avg.



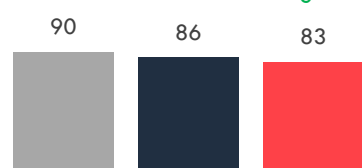
#### Main-track derailments

+29% vs 2024  
No change vs 2020-2024 avg.



#### Accidents involving dangerous goods

-3% vs 2024  
-8% vs 2020-2024 avg.



#### Crossing and trespassing accidents

-4% vs 2024  
+13% vs 2020-2024 avg.



■ 2020-2024 avg. ■ 2024 ■ 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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