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D.B.S. MEMORANDUM

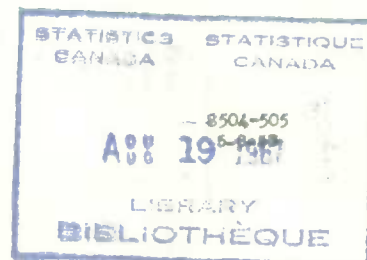
Dominion Bureau of Statistics, Ottawa, Canada



OPERATING REVENUES, EXPENSES & STATISTICS
RAILWAYS IN CANADA
WITH ANNUAL OPERATING REVENUES OF
\$500,000 OR OVER

VOL. 33

MAY, 1953



With operating expenses climbing faster than revenues, Canadian railways reported reduced operating income for May as compared with the same month last year. Revenues advanced 3.4 p.c. or by \$3,379,703 to total \$103,193,726, a new high for the month but expenses of operation rose 7 p.c. or \$6,241,984 to \$95,765,173 with wage rates higher. Consequently railway taxes were pared \$969,845, to \$2,342,973. Hire of equipment was cut from a debit of \$1,219,391 to \$457,036 and joint rents to \$191,831 from \$220,369. The resulting operating income for the month was \$4,436,713, a reduction of \$1,101,453 from May of 1952 and well under the corresponding month of 1951 and 1950, but above May, 1949 and 1948. Operating income for all railways in the first five months of the current year was \$10,160,493 versus \$16,865,142 to the end of May last year and fails to approach the financial betterment registered by the Class 1 Lines in the United States due in part to retroactive wage settlements here.

Freight earnings improved over May of last year by 4.1 p.c. or \$3,331,223 on higher tariffs to total \$84,028,462. Tonnage was off 3.3 p.c. but ton miles rose 2.8 p.c. with heavier loading and longer average haul. Passenger fares dropped 9.3 p.c. to \$6,767,054 as patronage declined 3.9 p.c. and passenger miles by 9.1 p.c. on shorter average journeys of 107 versus 114 miles. Mail and express were better along with water line and miscellaneous revenues.

Operating expenses continued generally greater in all accounts. Maintenance of way and structures took 10.6 p.c. or \$2,258,501 over May of 1952 at \$23,559,915 and equipment rose \$587,256 to \$21,103,651. Transportation expenses advanced 5.8 p.c. or \$2,333,434 to \$42,329,783 and general expenditures were again much heavier up 18.9 p.c. to \$5,440,567. Total payroll for the month was a substantial record of \$57,348,476 to 203,396 employees compared with \$53,149,145 earned by 202,594 in May last year. Payroll thus increased 7.9 p.c. and employment by 0.4 p.c.

CANADIAN NATIONAL RAILWAYS: A minor gain of 368,700 in operating revenues for Canadian lines was smothered in a rise over the previous May of \$2,249,957 or 4.7 p.c. in expenses. Tax accruals were slightly higher at \$779,792 but hire of equipment was sharply reduced to produce a credit of \$349,670. Operating income for May was \$1,647,944 against \$2,965,378 in the same month of 1952 and \$3,005,976 in 1951.

For the first five months a deficit of \$3,713,559 occurred due largely to retroactive wage payments compared with a credit of \$1,765,211 in operating income in the same period last year. U.S. lines of the System have been doing much better this year; their operating income of \$1,063,889 for May produced a five month credit of \$3,293,484 and reduced the System loss to \$420,075 against a credit of \$2,762,945 to the end of May, 1952.

Despite two rate increases this year, freight earnings were some \$70,000 lower than the previous May at \$41,370,000. Tonnage was off 1.7 p.c. but ton miles improved 2.1 p.c. Passenger traffic produced 5.6 p.c. or \$200,100 less this May as numbers carried eased 1.5 p.c. and mileage 6.2 p.c. Express continued 10 p.c. better earning \$3,504,000.

All expense accounts except equipment maintenance were greater. Way and structure required 7.8 p.c. more, traffic 15 p.c. and transportation 5.8 p.c. at \$24,067,392, a rise of \$1,321,490. General expenses jumped \$552,483 to \$2,945,584 on higher pension payments, etc.

Payroll was \$32,488,324 to 116,171 workers against \$30,173,499 to 115,817 in May last year. Average earnings thus increased over 7.3 p.c.

CANADIAN PACIFIC RAILWAY COMPANY: Lighter taxes and hire of equipment charges served to maintain operating income at about the same level as May last year. Revenues rose 5.6 p.c. or \$2,198,265 to \$41,325,320 but operating expenses jumped 10.6 p.c. or \$3,690,196 to \$38,643,155. Taxes were clipped \$1,180,000 to \$855,000 and the debit of \$235,768 on equipment hire became a credit of \$20,814. Operating income was \$1,755,542 versus \$1,758,696 in May, 1952 and \$1,039,641 in 1951.

The cumulative total of operating income for the CPR to the end of May was \$8,231,522 compared with \$8,543,315 last year and \$9,747,189 in 1951.

Freight earnings rose 8.1 p.c. or \$2,602,407 over May, 1952 at \$34,801,722. Tonnage slipped 2.3 p.c. but mileage rose 4.1 p.c. Passenger traffic was down considerably with revenues off 13.7 p.c., patronage 6.5 p.c. and miles 12.7 p.c. Express and other passenger train receipts were also lower but mail, water line and miscellaneous receipts improved. All expense accounts except miscellaneous continued to higher levels. Maintenance of way and structures increased 15.2 p.c. or \$1,448,461, equipment 12.9 p.c. or \$982,558 and transportation by 6.5 p.c. or \$942,091 to \$15,363,400. General expenses rose 15.1 p.c. over the previous May to \$2,154,727.

Payroll was \$21,723,655 for May to 76,739 employees against 76,232 earning \$19,990,663 in May of 1952. Employment advanced 0.7 p.c. and earnings by 8.7 p.c.

Price per year \$1.00

Prepared in the Public Finance and Transportation Division

OPERATING REVENUES, EXPENSES AND STATISTICS OF CANADIAN RAILWAYS

May, 1953

Subject to Revision

| | ALL RAILWAYS | | CANADIAN NATIONAL RAILWAYS | | CANADIAN PACIFIC RAILWAY CO. | |
|---|--------------|---------------|----------------------------|--------------|------------------------------|-------------|
| | 1953 | 1952 | 1953 | 1952 | 1953 | 1952 |
| <u>OPERATING REVENUES</u> | \$ | \$ | \$ | \$ | \$ | \$ |
| Freight | 84,028,462 | 80,697,239 | 41,370,000 | 41,440,000 | 34,801,722 | 32,139,315 |
| Passenger | 6,767,054 | 7,459,457 | 3,346,600 | 3,546,700 | 2,956,419 | 3,424,972 |
| Mail | 1,126,270 | 1,115,576 | 521,900 | 531,200 | 506,093 | 483,943 |
| Express | 4,692,750 | 4,373,374 | X 3,504,000 | X 3,184,700 | 944,679 | 970,611 |
| Other passenger train | 1,032,456 | 1,119,234 | 454,593 | 432,179 | 559,382 | 666,666 |
| Water line | 526,654 | 512,347 | - | - | 191,787 | 165,902 |
| All other | 5,020,080 | 4,536,796 | 3,258,307 | 2,951,921 | 1,365,238 | 1,215,646 |
| Total Railway Operating Revenues | 103,193,726 | 99,814,023 | X 52,455,400 | X 52,086,700 | 41,325,320 | 39,127,055 |
| <u>OPERATING EXPENSES</u> | | | | | | |
| Maintenance of way and structures | 23,559,915 | 21,301,414 | 10,744,846 | 9,971,569 | 10,990,912 | 9,542,451 |
| Maintenance of equipment | 21,103,651 | 20,516,395 | 11,118,174 | 11,662,677 | 8,600,374 | 7,617,816 |
| Traffic | 2,028,948 | 1,829,533 | 1,005,354 | 874,258 | 885,442 | 828,218 |
| Transportation | 42,329,783 | 39,996,349 | 24,067,392 | 22,745,902 | 15,363,400 | 14,421,309 |
| Miscellaneous operations | 1,302,309 | 1,303,023 | 492,452 | 476,338 | 648,300 | 670,734 |
| General | 5,440,567 | 4,576,475 | 2,945,584 | 2,393,101 | 2,154,727 | 1,872,431 |
| Total Railway Operating Expenses | 95,765,173 | 89,523,189 | 50,373,802 | 48,123,845 | 38,643,155 | 34,952,959 |
| <u>OPERATING INCOME</u> | | | | | | |
| Net operating revenue | 7,428,553 | 10,290,834 | 2,081,598 | 3,962,855 | 2,682,155 | 4,174,096 |
| Railway tax accruals | 2,342,915 | 3,312,818 | 779,792 | 761,158 | 855,000 | 2,035,000 |
| Hire of equipment | Dr. 457,036 | Dr. 1,219,391 | Cr. 349,670 | Dr. 246,736 | Cr. 20,814 | Dr. 233,768 |
| Joint facilities rents | Dr. 191,831 | Dr. 220,369 | Dr. 3,532 | Cr. 10,417 | Dr. 112,437 | Dr. 146,632 |
| Operating income | 4,436,713 | 5,538,256 | 1,647,944 | 2,965,378 | 1,735,542 | 1,756,696 |
| <u>OPERATING STATISTICS</u> | | | | | | |
| Average miles of road operated | 43,300.64 | 43,357.44 | 22,500.12 | 22,553.92 | 17,019.2 | 17,019.0 |
| ✓ No. of tons carried (Rev.Fr.) | 14,456,905 | 14,957,654 | 6,318,748 | 6,428,316 | 5,115,178 | 5,236,123 |
| No. of tons carried one mile " " Thous. | 5,996,139 | 5,831,714 | 2,980,470 | 2,919,667 | 2,624,932 | 2,521,387 |
| No. of tons carried one mile (All Fr.) " | 6,456,767 | 6,316,344 | 3,215,868 | 3,180,628 | 2,838,078 | 2,730,798 |
| Gross ton miles, excl. of locomotive & tender " | 13,085,296 | 13,295,057 | 6,226,538 | 6,744,746 | 5,894,376 | 5,581,597 |
| No. of revenue passengers carried | 2,194,895 | 2,283,305 | 1,275,081 | 1,294,113 | 720,504 | 770,230 |
| No. of revenue passengers carried one mile " | 235,656 | 259,387 | 110,663 | 117,953 | 106,962 | 122,457 |

| | | | | | | |
|---|-----------------|--------------|-----------------|--------------|--------------|--------------|
| Freight train miles | 7,140,666 | ✓ 7,382,727 | 3,428,815 | 3,782,343 | 3,226,299 | 3,110,893 |
| Passenger train miles | 3,877,926 | 4,116,357 | 1,861,048 | 2,019,300 | 1,761,868 | 1,819,569 |
| Total train miles (rev. and non rev.) | 11,246,896 | 11,866,442 | 5,402,848 | 6,042,796 | 5,076,419 | 5,022,862 |
| Freight car miles - loaded | 194,902,516 | 200,942,908 | 95,806,122 | 104,348,600 | 84,148,226 | 82,336,043 |
| Freight car miles - empty | 97,710,748 | 91,336,240 | 46,315,523 | 46,064,294 | 44,247,850 | 37,945,037 |
| Passenger train car miles | 35,139,042 | 36,211,835 | 17,259,857 | 18,044,156 | 15,311,663 | 15,662,643 |
| Total amount of pay-roll | 1/ \$57,348,476 | \$53,149,145 | 1/ \$32,488,324 | \$30,173,499 | \$21,723,655 | \$19,990,663 |
| Number of employees | 203,396 | 202,594 | 116,171 | 115,817 | 76,739 | 76,232 |
| Pay-roll chargeable to Railway Operating Expenses | \$52,961,812 | \$48,921,354 | \$29,655,178 | \$27,562,178 | \$20,294,604 | \$18,506,043 |
| <u>DAILY AVERAGES PER MILE OF ROAD OPERATED</u> | | | | | | |
| Operating revenue | \$76.88 | \$74.26 | \$75.20 | \$74.50 | \$78.33 | \$74.16 |
| Operating expenses | \$71.34 | \$66.61 | \$72.22 | \$68.83 | \$73.24 | \$66.25 |
| No. of tons moved one mile (Rev.Fr.) | 4,467 | 4,339 | 4,273 | 4,176 | 4,975 | 4,779 |
| No. of tons moved one mile (All Fr.) | 4,810 | 4,699 | 4,611 | 4,549 | 5,379 | 5,176 |
| No. of revenue passengers carried one mile | 176 | 193 | 159 | 169 | 203 | 232 |
| <u>AVERAGES PER FREIGHT TRAIN MILE</u> | | | | | | |
| Freight revenue | \$11.77 | \$10.93 | \$12.07 | \$10.96 | \$10.79 | \$10.35 |
| No. of tons of freight (Rev.Fr.) | 840 | 790 | 869 | 772 | 814 | 811 |
| No. of tons of freight (All Fr.) | 904 | 856 | 938 | 841 | 880 | 878 |
| Gross ton miles | 1,833 | 1,801 | 1,816 | 1,783 | 1,827 | 1,794 |
| Loaded freight cars | 27.3 | 27.2 | 27.9 | 27.6 | 26.1 | 26.5 |
| Empty freight cars | 13.7 | 12.4 | 13.5 | 12.2 | 13.7 | 12.2 |
| <u>AVERAGES PER PASSENGER TRAIN MILE</u> | | | | | | |
| Passenger train revenues | \$3.51 | \$3.42 | X \$4.21 | X \$3.81 | \$2.82 | \$3.05 |
| Passengers carried | 61 | 63 | 59 | 58 | 61 | 67 |
| Passenger cars | 9.1 | 8.8 | 9.3 | 8.9 | 8.7 | 8.6 |
| Average operating expenses per train mile | \$8.51 | \$7.54 | \$9.32 | \$7.96 | \$7.61 | \$6.96 |
| Average length of haul (Rev.Fr.) Miles | 415 | 390 | 472 | 454 | 513 | 482 |
| Average passenger journey Miles | 107 | 114 | 87 | 91 | 148 | 159 |
| Average tons per loaded freight car mile | 33.1 | 31.4 | 33.6 | 30.5 | 33.7 | 33.2 |
| Average freight receipt per revenue ton mile | 1.401¢ | 1.384¢ | 1.388¢ | 1.419¢ | 1.326¢ | 1.277¢ |
| Average passenger receipt per passenger per mile | 2.872¢ | 2.876¢ | 3.024¢ | 3.007¢ | 2.764¢ | 2.797¢ |
| Ratio of operating pay roll to operating revenues | 51.3% | 49.0% | 56.5% | 52.9% | 49.1% | 47.3% |
| Ratio of operating expenses to revenues | 92.80% | 89.69% | 96.03% | 92.39% | 93.51% | 89.33% |

X Includes gross express revenue.

1/ Includes backtime of \$14,000 in 1953.

✓ Revised.

6 Includes duplications.



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CANADIAN NATIONAL RAILWAYS

(Steam Lines in Canada and United States)

For the month of May, 1953

| | 1953 | 1952 |
|--|------------------|---------------|
| <u>OPERATING REVENUES</u> | | |
| Canadian Lines | \$52,455,400 | \$52,086,700 |
| United States Lines | 7,763,600 | 6,271,300 |
| Total | \$60,219,000 | \$58,358,000 |
| <u>OPERATING EXPENSES</u> | | |
| Canadian Lines | \$50,373,802 | \$48,123,845 |
| United States Lines | 5,640,198 | 5,571,155 |
| Total | \$56,014,000 | \$53,695,000 |
| <u>NET OPERATING REVENUE</u> | | |
| Canadian Lines | \$ 2,081,598 | \$ 3,962,855 |
| United States Lines | 2,123,402 | 700,145 |
| Total | \$ 4,205,000 | \$ 4,663,000 |
| <u>OPERATING INCOME</u> | | |
| Canadian Lines | \$ 1,647,944 | \$ 2,965,378 |
| United States Lines | 1,063,889 | Dr. 59,327 |
| Total | \$ 2,711,833 | \$ 2,906,051 |
| <u>S U M M A R Y</u> | | |
| Five months ended May 1953 and 1952 | | |
| <u>ALL RAILWAYS</u> | | |
| Operating Revenues | \$485,831,720 | \$468,951,145 |
| Operating Expenses | 456,275,586 | 430,911,053 |
| Net Operating Revenue | 29,556,134 | 38,040,092 |
| Operating Income | 10,160,493 | 16,865,142 |
| <u>CANADIAN NATIONAL RAILWAYS</u> | | |
| Operating Revenues - Canadian Lines | \$249,848,900 | \$241,187,800 |
| United States Lines | 35,368,100 | 32,636,200 |
| Total | \$285,217,000 | \$273,824,000 |
| Operating Expenses - Canadian Lines | \$251,001,402 | \$234,420,552 |
| United States Lines | 27,476,598 | 27,513,448 |
| Total | \$278,478,000 | \$261,934,000 |
| Net Operating Revenue - Canadian Lines | Dr. \$ 1,152,502 | \$ 6,767,248 |
| United States Lines | 7,891,502 | 5,122,752 |
| Total | \$ 6,739,000 | \$ 11,890,000 |
| Operating Income - Canadian Lines | Dr. \$ 3,713,559 | \$ 1,765,211 |
| United States Lines | 3,293,484 | 997,734 |
| Total | Dr. \$ 420,075 | \$ 2,762,945 |
| <u>CANADIAN PACIFIC RAILWAY CO.</u> | | |
| Operating Revenues | \$190,755,636 | \$182,906,477 |
| Operating Expenses | 173,722,975 | 165,868,081 |
| Net Operating Revenue | 17,032,661 | 17,038,396 |
| Operating Income | 8,231,522 | 8,543,315 |