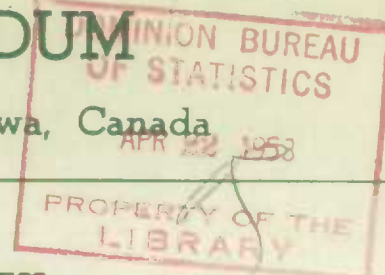


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## D.B.S. MEMORANDUM

Dominion Bureau of Statistics, Ottawa, Canada



## OPERATING REVENUES, EXPENSES &amp; STATISTICS

VOL. 32

## RAILWAYS IN CANADA

8504-833

13-4-53

## WITH ANNUAL OPERATING REVENUES OF

## \$500,000 OR OVER

For the Twelve Months ended December 31, 1952

The year 1952 produced new records in both operating revenues and expenses of the railway industry in Canada with each total exceeding the billion dollar mark. Heavier volumes of freight and passenger traffic coupled with increased rates for nearly all railway services brought a gain of 7.7 p.c. or \$82,746,067 in operating receipts which moved up from \$1,078,916,911 to \$1,161,662,978.

Operating expenses spurred on by advances in wages and costs of materials rose \$79,804,961 or 8.2 p.c. from \$969,513,701 in 1951 to \$1,049,318,662 in the year under review. Railway tax accruals were \$2,691,772 heavier in 1952 at \$37,050,280 while hire of equipment rose \$1,415,458 over 1951 to total \$12,916,042. Joint facilities rentals eased \$41,390 to \$2,021,204. The resulting operating income for 1952 was \$60,356,790 compared with \$61,481,524 in the preceding year and \$81,497,048 in 1950. Ten years earlier in 1942 the railways income was \$130,734,897 for performing considerable less work and it is apparent that financially they are not sharing as might be expected in the great expansion of the nation's productivity and wealth. At the same time their tax burden rose from \$33,187,550 in the war year 1942 to \$37,050,279 in a year of uneasy peace and the proportion of net operating revenues going to taxes advanced from 19 p.c. in 1942 to 33 p.c. in 1952.

Gains were posted over 1951 in all revenue accounts. Freight earnings improved 7.6 p.c. or nearly \$65,588,000 to \$933,463,000 - a new record with revenue tonnage at 177,498,888 tons for a minor advance of 775,368 tons while ton miles rose 6.4 p.c. to some 68,189,000,000 as average haul increased by 21 miles to 38.4 miles. Passenger fares produced \$90,402,555, up 2.3 p.c. or \$2,009,925. The number of passengers improved 3.1 p.c. or 895,159 to 29,895,047 and passenger miles were 1.9 p.c. better with slightly shorter average journey of 105 miles versus 106 in 1951. Mail receipts gained 4 p.c. or \$520,354 to total \$13,421,605 despite the wide increase in airlift of first class mail. Express produced \$49,341,505, up 18 p.c. or \$7,509,224 over 1951. Other passenger train revenues gained 14.2 p.c. while increases of 7.5 p.c. and 9.9 p.c. were recorded in water line and miscellaneous accounts respectively.

Operating expenses were all heavier, reflecting wage boosts for the most part. Maintenance of way and structures rose 6.2 p.c. or \$12,441,149 to \$212,938,690 while equipment required \$19,235,184 or 8.7 p.c. more at \$241,559,510. Traffic expenses were up 6.6 p.c. Transportation charges advanced \$35,930,483 to \$501,075,133, a rise of 7.7 p.c. and general expenses soared 22.8 p.c. or \$10,467,586 to \$56,421,651. Total payroll for the year which does not include all retroactive obligations totalled \$640,176,025 for an increase of 7.2 p.c. or \$42,755,214 over 1951. Employment averaged 202,371 a new high and up 9,931 or 5.2 p.c. Average earnings for 1952 on the major lines were thus \$3,163 against \$3,104 a year earlier and compare with \$1,876 in 1942. Average tons per loaded freight car mile improved from 30.5 to 31.6 tons with a greater volume of primary products handled. Average freight receipt per ton mile consequently showed a minor gain from 1.355 to 1.369 cents - one of the world's lowest rail rates. Passengers paid only 2.876 cents per mile against 2.865 cents a year earlier. Empty freight car mileage rose 106,662,102 against an increase of 58,181,681 in loaded freight car miles. The ratio of loaded to empty mileage was thus 2.07 to 1 versus 2.23 to 1 in 1951.

## CANADIAN NATIONAL RAILWAYS

With increased operating expenses, due mainly to higher wages, discounting revenue gains, Canadian lines reported a financial result which represents but a minor return for service rendered to the ten provinces. Operating revenues totalled a peak \$599,103,665 for 1952 against \$547,435,721 in 1951 up 9.4 p.c. but expenses rose 10.4 p.c. or \$53,472,150 to \$570,094,909 - also the highest on record. Taxes were up \$1,602,924 to \$8,928,452 but hire of equipment and rental charges were more favourable. Operating income which had been \$21,761,601 in 1951 was clipped to \$18,652,765 down nearly \$3,109,000 and compares with \$32,138,904 for 1950 and only \$3,521,047 in 1949.

Freight receipts were 9.1 p.c. above 1951, moving up \$39,057,650 to \$469,856,941. Revenue tonnage gained 2.3 p.c. to 77,164,381 tons and ton miles rose 7.1 p.c. at nearly 34.4 billion. Passenger fares brought 1.6 p.c. or \$701,788 more, totalling \$44,900,983 as petronage advanced 9 p.c. and passenger miles only 1.1 p.c. with shorter average journeys. Mail account rose 10.8 p.c. and express 16.9 p.c. or by \$5,212,430 to \$35,988,841. All expense accounts advanced to higher levels. Maintenance of way and structures required \$9,376,256 more at \$108,604,173 and equipment jumped \$10,077,626 to \$132,067,828. Transportation expenses were 9.6 p.c. or \$24,602,629 heavier to reach a record \$282,024,098, while general expenses soared 37.5 p.c. or \$8,571,278 above 1951 to reach \$31,409,699. Total payroll disbursed during the year 1952 amounted to \$358,052,354 for a gain of \$21,948,436 or 6.5 p.c. above 1951. Retroactive obligations will be charged against 1953, probably exceeding \$4.5 million. Employment on the National lines in Canada averaged 116,705 or 6.2 p.c. above 1951 due to the shorter work week and increased traffic.

U.S. lines of the System produced operating income of \$841,559 for 1952 against \$3,835,848 in 1951. Thus total operating income for all lines of the System was \$19,494,324 down \$6,103,125 from the previous year, and compares with \$40,444,330 in 1950 when much less business was handled. The financial results of the System for 1952 begged a small surplus after all charges but was made possible through a non-recurring credit of \$3.1 million to operating expenses, the assignment of 1952 retroactive wage settlements to 1953 and a reduction of some \$22,652,000 in annual interest obligations to the Government through capital revision which sought to bring fixed interest-bearing debt and equity capital into a ratio more comparable with that of other major railways.

## CANADIAN PACIFIC RAILWAY COMPANY

With good gains reported in the principal revenue accounts and operating expenses held in line, the C.P.R. showed improvement over 1951 with operating income at \$28,930,780 against \$26,812,832 for a rise of \$2,117,948. The 1950 income had been \$38,020,357 while for 1942 \$48,187,699 was earned. Railway operating revenues advanced 6.7 p.c. or \$28,897,330 over 1951 to a record \$457,808,969. Expenses of operation were \$24,201,065 or 6.3 p.c. heavier at \$405,613,570. Tax accruals required \$974,026 more during 1952 for a total of \$20,427,935. Hire of equipment was such more expensive showing a debit of \$1,623,280 compared with \$38,573 a year earlier and rents increased \$19,584 to \$1,213,404. Freight earnings improved 7.2 p.c. to \$376,858,445 with traffic volume up 1.4 p.c. and ton miles 7.9 p.c. Passenger receipts gained 3 p.c. with numbers off 5.7 p.c. but longer average journeys producing a rise of 2.8 p.c. in passenger miles. Mail, express, other passenger train receipts and water line gained 8.7 p.c., 15.9 p.c., 14.3 p.c. and 19.7 p.c. respectively.

All expenditures were higher. Maintenance of way and structures was restrained to a 1.4 p.c. rise, up \$1,175,421 to \$87,213,451 but equipment expenses rose 10.3 p.c. or \$8,846,566 to \$94,608,637. Transportation took \$11,560,747 or 6.7 p.c. more rising to \$184,627,798 with higher wages. General expenses were advanced \$1,843,177 or 9.5 p.c. to \$21,248,089. Total payroll for 1952 (including \$9,236,666 retroactive pay not shown in monthly reports during the year) climbed to \$245,236,933 up 8.2 p.c. or \$18,504,556 over 1951. Employment was 4.1 p.c. better with 75,336 workers shown for 1952 against 72,398 a year earlier. Average freight haul was 471 miles in 1952 versus 442 in 1951 and average load improved from 31.8 to 33.2 tons. However, due to heavier movements of basic commodities under ancient legislated rates, average receipt per revenue ton mile declined from 1.310 to 1.302 cents. Loaded freight car mileage rose 2.9 p.c. but empty mileage jumped 8.6 p.c. and exceeded the former increase in actual mileage by some 11,328,000 miles. Average passenger journey at 140 miles improved 12 miles over 1951.



OPERATING REVENUES, EXPENSES AND STATISTICS OF CANADIAN RAILWAYS

For the Twelve Months ended December 31, 1952

Subject to Revision

	ALL RAILWAYS		CANADIAN NATIONAL RAILWAYS		CANADIAN PACIFIC RAILWAY CO.	
	1952	1951	1952	1951	1952	1951
<b>OPERATING REVENUES</b>						
Freight	\$ 933,462,686	\$ 867,874,824	\$ 469,856,941	\$ 430,799,291	\$ 376,858,445	\$ 351,435,788
Passenger	90,402,555	88,392,630	44,900,983	44,199,195	38,958,376	37,810,166
Mail	13,421,605	12,901,251	6,138,100	5,535,213	6,045,265	5,561,387
Express	49,341,505	41,832,281	X 35,988,841	X 30,776,411	10,805,472	9,325,925
Other passenger train	12,668,287	11,088,386	5,433,166	4,735,867	6,964,981	6,092,405
Water line	4,368,457	4,062,315	-	-	1,792,411	1,497,891
All other	57,997,883	52,765,224	36,785,634	31,389,744	16,384,019	17,188,077
Total Railway Operating Revenues	1,161,662,978	1,078,916,911	X 599,103,665	X 547,435,721	457,808,969	428,911,639
<b>OPERATING EXPENSES</b>						
Maintenance of way and structures	212,938,690	200,497,541	108,604,173	99,227,917	87,213,451	86,038,030
Maintenance of equipment	241,559,519	222,324,335	132,067,828	121,990,202	94,608,637	85,762,071
Traffic	21,215,045	19,902,081	10,023,708	9,304,483	9,714,056	9,124,478
Transportation	501,075,133	465,144,650	282,024,098	257,421,469	184,627,798	173,067,051
Miscellaneous operations	16,108,624	15,691,029	5,965,403	5,840,267	8,201,539	8,015,963
General	56,421,651	45,954,065	31,409,699	22,838,421	21,248,089	19,404,912
Total Railway Operating Expenses	1,049,318,662	969,513,701	570,094,909	516,622,759	405,613,570	381,412,505
<b>OPERATING INCOME</b>						
Net operating revenue	112,344,316	109,403,210	29,008,756	30,812,962	52,195,399	47,499,134
Railway tax accruals	37,050,280	34,358,508	8,928,452	7,325,528	20,427,935	19,453,909
Hire of equipment	Dr. 12,916,042	Dr. 11,500,584	Dr. 1,491,583	Dr. 1,774,969	Dr. 1,623,280	Dr. 38,573
Joint facilities rents	Dr. 2,021,204	Dr. 2,062,594	Cr. 64,044	Cr. 49,136	Dr. 1,213,404	Dr. 1,193,820
Operating income	60,356,790	61,481,524	18,652,765	21,761,601	28,930,780	26,812,832
<b>OPERATING STATISTICS</b>						
Average miles of road operated	43,334.54	43,309.96	22,533.27	22,516.65	17,016.8	17,008.9
No. of tons carried (Rev.Fr.)	177,498,888	176,723,520	77,164,381	75,446,237	61,504,788	60,650,472
No. of tons carried one mile " " Thous.	68,188,940	64,071,050	34,396,504	32,126,240	28,942,979	26,826,756
No. of tons carried one mile (All Fr.) "	73,696,174	69,413,982	37,271,527	34,953,370	31,438,892	29,225,616
Gross ton miles, excl. of locomotive & tender "	156,249,134	148,082,654	79,095,085	74,016,585	65,519,518	61,804,153
No. of revenue passengers carried	29,895,047	28,999,888	17,322,841	15,896,640	9,868,075	10,460,532
No. of revenue passengers carried one mile "	3,143,121	3,085,281	1,517,542	1,501,475	1,377,309	1,339,362

Freight train miles	88,455,142	86,469,386	44,930,323	43,550,495	37,493,210	36,364,285
Passenger train miles	47,492,704	45,750,429	23,690,544	22,573,729	20,610,100	20,059,905
Total train miles (rev. and non rev.)	139,127,944	135,754,179	70,703,048	68,374,638	58,996,501	57,455,013
Freight car miles - loaded	2,332,714,912	2,274,533,231	1,209,382,343	1,164,409,435	946,540,175	919,489,853
Freight car miles - empty	1,125,277,997	1,018,615,895	555,595,637	485,175,381	482,522,873	444,144,154
Passenger train car miles	429,769,444	413,424,107	218,428,108	208,506,246	180,815,955	174,530,717
Total amount of pay-roll	\$ 1/ 640,176,025	\$ 597,420,811	\$ 358,052,354	\$ 336,103,918	1/ \$ 245,236,933	\$ 226,642,377
Number of employees	202,371	192,440	116,705	109,900	75,336	72,398
Pay-roll chargeable to Railway Operating Expenses	\$ 2/ 600,000,644	\$ 556,291,942	\$ 334,919,188	\$ 307,708,651	2/ \$ 229,976,979	\$ 215,291,732
<b>DAILY AVERAGES PER MILE OF ROAD OPERATED</b>						
Operating revenue	\$73.24	\$68.25	\$72.64	\$66.61	\$73.51	\$69.09
Operating expenses	\$66.16	\$61.33	\$69.13	\$62.86	\$65.13	\$61.44
No. of tons moved one mile (Rev.Fr.)	4,299	4,053	4,171	3,909	4,647	4,321
No. of tons moved one mile (All Fr.)	4,647	4,391	4,519	4,253	5,048	4,708
No. of revenue passengers carried one mile	198	195	184	183	221	216
<b>AVERAGES PER FREIGHT TRAIN MILE</b>						
Freight revenue	\$10.55	\$10.04	\$10.46	\$9.89	\$10.05	\$9.66
No. of tons of freight (Rev.Fr.)	771	741	766	738	772	738
No. of tons of freight (All Fr.)	833	803	830	803	839	804
Gross ton miles	1,766	1,713	1,760	1,700	1,748	1,700
Loaded freight cars	26.4	26.3	26.9	26.7	25.2	25.3
Empty freight cars	12.7	11.8	12.4	11.1	12.9	12.2
<b>AVERAGES PER PASSENGER TRAIN MILE</b>						
Passenger train revenues	\$3.49	\$3.37	X \$3.90	X \$3.78	\$3.05	\$2.93
Passengers carried	66	67	64	67	67	67
Passenger cars	9.0	9.0	9.2	9.2	8.8	8.7
Average operating expenses per train mile	\$7.54	\$7.14	\$8.06	\$7.56	\$6.88	\$6.64
Average length of haul (Rev.Fr.) Miles	384	363	446	426	471	442
Average passenger journey Miles	105	106	88	94	140	128
Average tons per loaded freight car mile	31.6	30.5	30.8	30.0	33.2	31.8
Average freight receipt per revenue ton mile	1.369¢	1.355¢	1.366¢	1.341¢	1.302¢	1.310¢
Average passenger receipt per passenger per mile	2.876¢	2.865¢	2.959¢	2.944¢	2.829¢	2.823¢
Ratio of operating pay roll to operating revenues	51.7%	51.6%	55.9%	56.2%	50.2%	50.2%
Ratio of operating expenses to revenues	90.33%	89.86%	95.16%	94.37%	88.60%	88.93%

1/ Includes \$9,236,666 retroactive pay not shown in 1952 monthly reports (\$1,244 of which was earned in 1950 and \$56,781 in 1951)

X Includes gross express revenue.

2/ Includes \$8,936,599 retroactive pay not shown in 1952 monthly reports (\$1,244 of which was earned in 1950 and \$56,781 in 1951)

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CANADIAN NATIONAL SYSTEMS

(Steam Lines in Canada and United States)

For the Twelve Months ended December 31, 1952

	1952	1951
<u>OPERATING REVENUES</u>		
Canadian Lines	\$599,103,665	\$547,435,721
United States Lines	76,115,750	77,398,399
Total	675,219,415	624,834,120
<u>OPERATING EXPENSES</u>		
Canadian Lines	\$570,094,909	\$516,622,759
United States Lines	64,758,006	63,527,462
Total	634,852,915	580,150,221
<u>NET OPERATING REVENUE</u>		
Canadian Lines	\$ 29,008,756	\$ 30,812,962
United States Lines	11,357,744	13,870,937
Total	40,366,500	44,683,899
<u>OPERATING INCOME</u>		
Canadian Lines	\$ 18,652,765	\$ 21,761,601
United States Lines	841,559	3,835,848
Total	19,494,324	25,597,449