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Releases

Rail transportation

2004

In 2004, railway operating revenues increased at their fastest pace in five years as carriers profited from the favourable economic climate, and especially from gains in exports and imports.

In total, freight and passenger carriers recorded operating revenues of nearly \$8.9 billion, up 6.9% from 2003. This was more than five times the rate of growth in revenues the year before.

Freight transportation accounted for the lion's share of total revenues, around 89%. Freight revenues hit nearly \$7.9 billion, a 7.3% gain, which was nearly six times the pace of growth in the previous year.

The rail industry's operating expenses rose 4.3% to almost \$7 billion, primarily the result of higher costs for rail operations.

The market share of the various railways, based on operating revenues, remained practically unchanged from 2003. CN had the largest share, about 48%, followed by CP with nearly 37%. VIA Rail accounted for nearly 5% of revenues, while regional and short-line railways shared the remaining 10%.

A key factor for the railways was the rebound in the economy in 2004. Economic output increased 2.8%, compared with 1.7% the year before, while exports went up 5% despite the rising value of the loonie, and imports surged 6%. During the year, the economy created nearly 285,000 full-time jobs.

Average annual employment with the railways fell 1.6% to 35,694 in 2004, the lowest level in the past 100 years. The decline was due mainly to reorganization and staff reductions for the three mainline companies. Regional and short-haul railways recorded a slight 1.0% gain in their work force. The average annual salary in 2004 was almost \$66,000.

CN accounted for 42% of all employees in the railway transport industry, the largest share. VIA Rail had just under 9%.

Top 10 commodities account for just over half of total freight

On an origin and destination basis, railways carried 269.8 million tonnes of freight in 2004, up 8.0% from the previous year. The 10 main commodities accounted for about 58% of the total. More complete reporting, especially for Western Canada, had some impact on the measured growth of total freight.

Coal was still the main commodity, with railways carrying more than 30.7 million tonnes, up 7.5% from the previous year. High international demand for coal partly explained the gain.

The biggest increase occurred in wheat shipments, which rose 23.4% in 2004 to nearly 19.8 million tonnes. The absence of a major drought in 2004 compared to those suffered in certain regions of the country in 2002 and 2003 has surely influenced this result. Potash shipments rose 12.7% to 16.6 million tonnes, resulting partially from higher demand from Brazil and East Asia. Lumber shipments were up 19.3% to 13.7 million tonnes, a result of continuous demand for lumber.

The only commodity in the top 10 to record a decline in shipments was iron ore and concentrates, which plunged 19.0% to about 15.8 million tonnes.

Traffic in the regions: A snapshot

Railways shipped 26.8 million tonnes in commodities from the Atlantic region to all destinations in 2004, down 12.0% from the previous year. Strikes and work stoppages in the mining sector explain this decline.

Iron ore and concentrates was still the main commodity transported from the Atlantic region to ports in Quebec.

Traffic from Quebec to the United States and Mexico accounted for 45% of all traffic originating from Quebec. Among the three main commodities transported from Quebec to these destinations were lumber (with 1.8 million tonnes) and newsprint (1.5 million tonnes). Lumber shipments were up 7.4%, while newsprint tonnage fell by 5.5%.

The United States and Mexico accounted for 42% of all of Ontario's markets. The main commodity transported from Ontario to these destinations was wood pulp, which rose 11.1% to 1.4 million tonnes.

The main commodity transported from Alberta to British Columbia remained sulphur at 5.3 million tonnes.

On the West Coast, coal accounted for nearly 69% of all commodities with both their origin and destination inside British Columbia. Wood chips and wood pulp were far behind, representing only 10% and 8% of all commodities leaving or entering British Columbia.

Passenger traffic up

More than 4 million passengers travelled by rail in 2004, a 2.3% gain over 2003.

Between 2000 and 2004, the number of passengers fell 2.7%, although passenger revenues were up 7.2% during the same time.

The average journey per ticket fell from 360 km in 2003 to 349 km.

Passenger revenues hit \$265.2 million in 2004, up 3.7% from 2003. VIA Rail accounted for 91% of all revenue from rail passenger transportation. The remainder was shared by CN, CP and the regional and short-haul carriers.

VIA Rail also received 58% of total government payments that went to the rail industry.

Available on CANSIM: tables 404-0004 to 404-0022.

Definitions, data sources and methods: survey numbers, including related surveys, 2734 and 2736.

The publication *Rail in Canada, 2004* (52-216-XIE, \$39) is now available. See *How to order products*.

To obtain data or more information, or to enquire about the concepts, methods or data quality of this release, contact the Dissemination Unit (1-866-500-8400, transportationstatistics@statcan.ca), Transportation Division. ■

Study: The population pattern in Canada's watersheds

1981 to 2001

Fully 70% of Canada's population resides in either very highly urban or highly urban watersheds and over six million individuals occupy just one watershed covering the greater Toronto area, the Golden Horseshoe and the Niagara Peninsula, according to a new study.

In contrast, only 1% of Canada's population live in the most rural watersheds.

The study, which was based on data from the Statistics Canada publication *Human Activity and the Environment*, grouped Canada's watersheds according to the share of residents that were designated "census rural" to profile the rural versus urban population pattern in watersheds across Canada.

Most water bodies within Canada are located in rural areas and the viability of this supply is often viewed as the responsibility of rural citizens. With much of this water consumed by industrial and domestic use within Canada's cities, water supply constitutes an important facet of the interconnectivity of rural and urban areas of Canada.

The study found that one-third of Canada's population live in six very highly urban watersheds. These six watersheds occupy less than 3% of Canada's land area.

Meanwhile, just 6% of the population live in 133 "rural" watersheds covering over half of Canada's land area.

Four out of five rural residents live in a watershed where they are outnumbered by the urban population. An urban-rural dialogue is particularly important for the successful management of the water resources within these watersheds.

The population in very highly urban watersheds increased 45% from 1981 to 2001, representing an increase of over three million individuals. Meanwhile, highly rural watersheds saw an increase of only 4%, representing an increase of a little over 9,000 individuals.

The *Rural and Small Town Canada Analysis Bulletin*, Vol. 6, no. 6, entitled "Canada's watersheds: The demographic basis for an urban-rural dialogue" (21-006-XIE, free) is now available online. From the *Our products and services* page under *Browse our Internet publications*, choose *Free* and then *Agriculture*.

For more information, or to enquire about the concepts, methods or data quality of this release, contact

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Crude oil and natural gas: Supply and disposition

October 2005 (preliminary)

Crude oil and equivalent hydrocarbons production was 2.9% higher in October compared to October 2004, which reflects the first year-over-year percentage increase in production since the beginning of the year. This increase was mostly attributable to higher production of synthetic crude oil and bitumen production in Alberta. Production also improved in October for Newfoundland and Labrador, largely as the result of higher production with the Hibernia oil field, and the return to production of the Terra Nova oil field after a slowdown last month.

Crude oil exports, which accounted for 60.8% of total production, declined 0.4% over the same period last year.

The year-to-date production of crude oil was down 4.5% over the same period last year, while crude oil exports declined 4.6%.

Marketable natural gas production increased 2.7% over October 2004. Offsetting this increase was lower sales, particularly in the commercial (-13.5%) and industrial (-13.8%) sectors. This resulted in a 12.8% drop in domestic sales over the same period last year.

Year-to-date production of marketable natural gas advanced 1.6% compared to the same period of 2004. However, this increase was countered by a year-to-date decrease in domestic sales of 3.2%.

Available on CANSIM: tables 126-0001 and 131-0001.

Definitions, data sources and methods: survey number 2198.

Preliminary data are available on CANSIM at the national level to October 2005 inclusive. At the national and provincial level detailed information is available for crude oil (table 126-0001) up to August 2005 inclusive, and for natural gas (table 131-0001) up to May 2005 inclusive.

For more information, or to enquire about the concepts, methods or data quality of this release, contact the dissemination officer (1-866-873-8789; 613-951-9497; energ@statcan.ca), Manufacturing, Construction and Energy Division. □

Crude oil and natural gas

	October 2004	October 2005	October 2004 to October 2005
	thousands of cubic metres		% change
Crude oil and equivalent hydrocarbons¹			
Production	12 475.4	12 837.9	2.9
Exports	7 831.7	7 802.4	-0.4
Imports ²	4 077.9	4 571.8	12.1
Refinery receipts	8 808.5	8 924.8	1.3
	millions of cubic metres		% change
Natural gas³			
Marketable production	13 765.3	14 134.9	2.7
Exports	8 197.1	8 762.1	6.9
Domestic sales ⁴	5 350.7	4 665.4	-12.8
	January to October 2004	January to October 2005	Jan.-Oct. 2004 to Jan.-Oct.2005
	thousands of cubic metres		% change
Crude oil and equivalent hydrocarbons¹			
Production	124 798.1	119 230.4	-4.5
Exports	78 738.3	75 102.8	-4.6
Imports ²	45 344.7	44 451.0	-2.0
Refinery receipts	92 205.1	88 904.4	-3.6
	millions of cubic metres		% change
Natural gas³			
Marketable production	138 028.9	140 285.1	1.6
Exports	86 096.7	87 896.1	2.1
Canadian domestic sales ⁴	57 489.5	55 633.9	-3.2

1. Disposition may differ from production because of inventory change, industry own-use, etc.

2. Crude oil received by Canadian refineries from foreign countries for processing. Data may differ from International Trade Division (ITD) estimates because of timing differences and the inclusion of crude oil landed in Canada for future re-export in the ITD data.

3. Disposition may differ from production because of inventory change, usage as pipeline fuel, pipeline losses, line-pack fluctuations, etc.

4. Includes direct sales.



New products

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**Rural and Small Town Canada Analysis Bulletin:
"Canada's watersheds: The demographic basis for
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Catalogue number 21-006-XIE
(free).

Rail in Canada, 2004
Catalogue number 52-216-XIE (\$39).

Canadian Foreign Post Indexes, January 2006
Catalogue number 62-013-XIE
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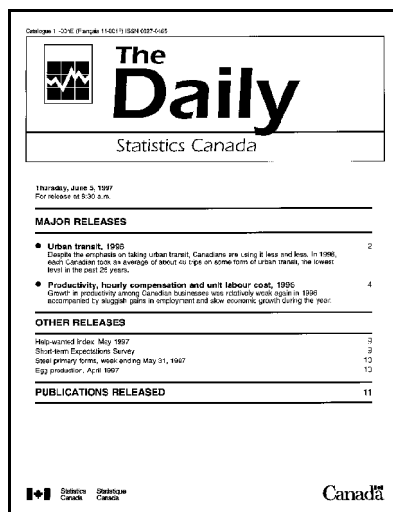
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