

Subsidies payable under the Maritime Freight Rates Act were increased by legislation from 20% to 30% for movements from the Maritimes to other Canadian points. Corresponding rate reductions passing on the benefit to shippers were made effective July 1, 1957, so that railway revenues were not directly affected.

In the United States, the Interstate Commerce Commission authorized general increases ranging from 4% to 7% in all territories effective August 26, 1957. International rates between Canada and the United States were increased in the same proportion with the exception of class rates which were raised 14%.

Carload incentive rates, designed to induce shippers to load cars closer to physical capacities, were extended during the year to a broad range of commodities moving between most of the major points in Western Canada.

In October, the Canadian National inaugurated a new "piggyback" service between Montreal and Toronto, in which highway common carrier trailers are carried on railway flatcars. The CNR also continued to operate railway-owned trailers on flatcars.

Passenger

Passenger revenues rose for the third year in succession. While the total number of passengers declined from 16.0 million in 1956 to 13.9 million in 1957, revenues increased 2.1% to \$46.8 million. This was the result of higher passenger fares and an increase in the average journey per passenger from 94 to 108 miles. Revenue per passenger mile rose from 3.05 cents to 3.12 cents.

The number of commuters declined by 11.1% to 5.2 million in 1957. Commuters represented 37.4% of all passengers carried, and contributed 3.0% of passenger revenues.

During 1957, Canadian National carried a total of 95,500 immigrant passengers from eastern Canadian ports. This involved 234 special trains, as well as the operation of a considerable number of extra sections of regular trains.

Revenues from other passenger services, including sleeping, parlor, dining, and buffet car operations, increased by \$663,000 to \$11.2 million.

Increases in passenger fares of 10% for first class and 5% for coach class were authorized and were implemented selectively on Canadian lines effective September 1. Charges for parlor car seats and duplex roomettes were also increased during the year.

As the final instalment of fare increases authorized by the Board of Transport Commissioners in 1955, commuter fares in all commutation areas raised on May 1, 1957, by 25% of the 1950 level of fares.

Continued efforts were made to stimulate rail passenger travel through promotion of the family fare plan, bargain coach excursions, and package tours.

Express

Revenues earned by the Express Department were \$42.2 million, a slight decrease from the peak year of 1956. A lower volume of shipments more than offset higher unit charges.

Communications

Revenues of Canadian National Communications reached a new record of \$20.7 million, an increase of 4.4% over the previous high in 1956. Fewer messages were sent during 1957—12.3 million compared with 12.9 million in 1956—but higher message rates, including the new Canadian message tariff which came into effect on October 16, served to maintain transmission revenues. Non-transmission revenues from private wire services, equipment rentals and radio broadcast and television services showed substantial gains.