

COPY

CAMPBELL AND SHEPHERD LIMITED, TORONTO, CANADA

C150005

- 13 -

Movement between terminal yards and loading & unloading track-4 per trip	8.62%
Normal road movement	10.24%
Movement through intermediate yards	6.60%
Interchange between railroads	11.25%
Road delays	<u>1.02%</u>
	100.00%

From the above it is evident that the trader is responsible for 52.74% of the time element and only 10.24% is consumed in line haul. The necessity for more efficient use of equipment is apparent. It is obvious that the capacity for movement is many times the amount of freight actually carried, or, conversely, that the equipment is greatly in excess of that which might be necessary under certain circumstances.

The obsolescence of the methods of handling freight is largely in the less-than-carload use of the box car and the resulting necessity of handling freight through freight sheds. Without overhead charges on the value of freight shed properties the average cost per ton for this handling to one railway in Ontario in a certain year was approximately 75¢ per shed or \$1.50 per trip, or about 12% of revenue (see report Bureau of Statistics 1930)

Highway transport, not only eliminates many of the costs above, but saves the trader costs which he imposes upon himself, if he uses the railway as a transport medium.

The most serious competitive factor is the privately owned fleet, such as operated by chain stores. The operation of such fleets was never a part of the ordinary business of these firms but was forced upon them by the necessity for convenience. It is not unreasonable to assume that the railways could regain this business through improved service.

While it is true that only about 20% of the total freight carried by railways is subject to competition by road truck, this 20% is that which is most remunerative to the railways and produces nearly 50% of their revenue, including almost the entire less-than-carload tonnage.

Over the period 1921-29 carload tonnage increased as follows:

Quebec 61.7%  
Ontario 53.8%

In the same period less-than-carload tonnage increased 6.7% in Quebec but decreased 32.9% in Ontario. It is a fact that less-than-carload tonnage increased substantially in both provinces but in Ontario, where surfaced highways lend themselves more enticingly to truck operation than those of Quebec, the railways lost not only the increased tonnage but 32.9% of that carried in 1920. It has

W.L.M. King Papers, Memoranda and Notes, 1933-1939  
(M. 26, J 4, volume 220, pages C149883-C150385)

PUBLIC ARCHIVES  
ARCHIVES PUBLIQUES  
CANADA

