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statistics on main and other types of track mileage by province and territory and that operated

by Canadian carriers in the US for the years 1967-71.

Table 15.3 compares freight and passenger equipment in operation in 1970 and 1971 with that in use in 1960. Privately owned cars, which include cars owned by non-rail industrial firms such as oil, chemical and railway car leasing companies that furnish freight cars to, or on behalf of, any railway line, have increased greatly in number. The figures given of rolling-stock in operation do not reflect, however, the offsetting trend toward larger, more efficient cars and locomotives or the steady improvement in speed of movement facilitated by modernized handling and terminal services. Each year, hundreds of units, particularly freight cars, are converted and modified to make them suitable for specific types of traffic or are replaced by special-purpose equipment designed for distinctive hauling jobs. The average capacity of all freight cars was 59.1 tons in 1971 compared with 51.4 tons in 1960. Also, although the number of diesel-electric locomotives in service has remained fairly constant over this period, it should be noted that an extensive program of power upgrading has been followed by the railway companies.

Revenue freight. Total tonnage of freight carried by all common carrier railways (including national loadings and receipts from US connections) in 1970 and 1971 is shown in Table 15.4 under the commodity structure adopted in 1970 based on Statistics Canada's Standard Commodity Classification. Although there is some loss of continuity with previous data, this new commodity breakdown permits improved comparisons with other series on water transport, imports, exports, etc., which are already based on the Standard Commodity Classification.

Capital structure and finance. Tables 15.5-15.8 give information on capital investment in road and equipment, and on operating revenues, expenses and net income of all common carrier railways operating in Canada, except that of the Cartier Railway which is not available. A Uniform Classification of Accounts has been in operation for the Canadian National and the Canadian Pacific Railways since January 1, 1956 and for other common carrier railways since January 1, 1957. In transportation statistics, a distinction is made between expenditures and expenses. In the following data, the term "expenses" is used as defined in the Uniform Classification of Accounts and refers to the expenses of furnishing rail transportation service and of operations incident thereto, including maintenance and depreciation of the plant used in such service.

The capital structure of the Canadian National Railway System is presented in Table 15.6 and financial details of operations in both Canada and the United States in Table 15.7. Revenues and expenses include those of express and commercial communications and highway transport (rail) operations. To conform to the requirements of the Uniform Classification of Accounts adopted January 1, 1956, tax accruals and rents are charged to operating expenses.

Total operating revenues and expenses of common carrier railways operating in Canada (except the Cartier Railway) continued to rise, both reaching peak levels in 1971; increases over 1970 amounted to 7.5% and 7.9%, respectively (as calculated from Table 15.8). As a result,

net operating revenues showed a rise of 11.8% to \$107.5 million.

15.3 Road transport

The federal government establishes motor vehicle safety standards, while registration of motor vehicles and regulation of motor vehicle traffic lie with the legislative jurisdiction of the provincial and territorial governments. An outline of legislation, as well as summaries of motor vehicle and traffic regulations common to all provinces and territories are presented in the following Sections.

15.3.1 Federal safety regulations

The general objective of the Motor Vehicle Safety Act (RSC 1970, c.26, 1st Supp.) is to establish mandatory safety standards for new motor vehicles in order to protect the public from the effects of exhaust emissions and noise. The legislation applies to all new motor vehicles and components manufactured in or imported into Canada, and requires manufacturers to issue notices of safety defects in a prescribed manner. The safety of vehicles in use continues to be a provincial responsibility discharged under existing provincial legislation.