



Ontario Report

Transport Action Ontario

(Formerly Transport 2000 Ontario)

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TRANSPORT ACTION ONTARIO ANNUAL GENERAL MEETING
 (combined with an AGM for Transport Action Canada)
 SATURDAY, APRIL 26, 2014, METRO HALL,
 55 John Street (at King), Toronto

- > Transport Action AGMs 10 am-noon, Rm 308/9.
- > Lunch break noon to 1:30 pm.

Afternoon public forum:
 > 1:30-3:00 pm; Metro Hall, Rm 308/9

*Union Station revitalization:
 its progress to date*

- > Speaker: Michael Wolczyk, V-P Capital Infrastructure (Acting), GO Transit (Metrolinx)
- > Tour of Union Station following presentation
....More details on Page 8

New Brunswick cuts deal with CN that will kill VIA's *Ocean*

NB municipalities and Transport Action Atlantic release study of regional rail revitalization

They couldn't be more different, the two reports on what to do regarding the rail situation on New Brunswick's north shore. It came to a head when CN announced it wanted to abandon 224 km of track between Moncton and Campbellton, a key link in the regional freight rail system and the route of VIA's Montreal-Halifax *Ocean*.

On January 21, Transport Action Atlantic's report "Revitalizing New Brunswick's Rail Sector" was publicly
...continued on PAGE 2

Feds axe Algoma Central's Sault-Hearst train

Is this a step to abandon yet more track in Northern Ontario?

On January 24, the public learned that CN will end its three-days a week passenger train between Sault Ste. Marie and Hearst, a 330 km journey (206 miles). This is the third train in Ontario's northland to be cancelled in the past year-and-a-half!

It turns out that the sitting MP for the riding of the Sault, Bryan Hayes (Conservative), and CN, have been sitting on this information since November 18 when Transport Canada decided to cut its \$2.2 million annual subsidy as of March 15, 2014. Interestingly, on November 19, CN then announced that its Agawa
...continued on PAGE 4

FROM THE PRESIDENT - PETER MIASEK

Passenger rail in Ontario - Let a thousand voices speak!



VIA Rail Canada's passenger service cuts in June caught most Canadians by surprise. In Southern Ontario, service cuts occurred to many

mid-sized communities, including Sarnia, London, Stratford, Kitchener, Niagara Falls, Port Hope/Cobourg, Belleville and Cornwall. The VIA cuts were followed in September by the cancellation of most of Ontario Northland Railway's passenger rail service.

Transport Action responded quickly. Between September 2012 and April 2013, we held 15 town hall public meetings in

Ontario and the Maritimes to raise public, political and media awareness about the benefits of rail and the challenges and solutions. However, the town hall program came to a temporary halt in April, 2013, due to lack of continued funding. (The program revived in February, 2014 with three events in Northern Ontario to support advocacy for restoration of passenger service on the Algoma Central Railway.)

Despite this setback in 2013, activity on passenger rail continued throughout
...continued on PAGE 2

VIA Rail's 2013-2017 Corporate Plan

Transport Action's National Dream Renewed campaign put forward proposals that would expand the role of passenger rail across Canada to insure sustainable intercity mobility into the future. We have warned that VIA is on a path of contraction and likely extinction at the hands of the current federal government. Reading VIA's recently released 2013-2017 corporate plan summary doesn't offer hope of changing this
...continued on PAGE 4

In this Issue

- * New Brunswick cuts deal with CN that will kill the *Ocean*....Pages 1, 2 and 3
- * Feds axe Algoma Central's Sault-Hearst train.....Pages 1 and 4
- * VIA Rail's 2013-2017 Corporate Plan.....Pages 1 and 4-6
- * Rail and transit feature in opposition party platforms.....Page 3
- * Danger ahead: working without a (rail) net (by Greg Gormick).....Page 6
- * Welcome to Sochi!.....Pages 7 and 8
- * Recent key Transport Action Ontario documents/membership info.....Page 8

FROM THE PRESIDENT

...continued from PAGE 1

the year. In April, Transport Action Ontario (TAO) presented to the Standing Committee on General Government (Queen's Park) on increasing the provincial role in intercity passenger rail and bus transportation. In June, consultant and ally Greg Gormick completed a report for Bruce Hyer (MP, Thunder Bay), partially funded by TAO, titled "A Wedding Band of Confederation: Restoring Rail Passenger Service to Ontario's North Shore and Across Canada." It again summarized the challenges and solutions for passenger rail in Northern Ontario and Canada.

Most encouraging in 2013, however, was the formation during the summer and fall of numerous local citizens groups in Ontario, particularly in regions where we had conducted town halls. More about them later.

Some of these groups were influential in supporting Bill Walker (MPP Bruce-Grey-Owen Sound) as he successfully proposed a resolution at Queen's Park in November to form an all-party Rural and Northern Ontario Transportation Committee. The government has yet to act on this, but it is a step forward.

Greg Gormick continued his activities, producing a report in January, 2014, together with Transport Action Atlantic, on "Revitalizing New Brunswick's Rail Sector." It received huge media coverage in the Maritimes. And a more recent Op Ed newspaper article by Greg entitled "Fixing Canada's Ailing Rail System" has been picked up by numerous Canadian newspapers.

There are at least 6 non-government organizations in Ontario, in addition to TAO, advocating for passenger rail. Here is a brief summary of their recent activities:

- Coalition of Algoma Passenger Trains (CAPT): Conducting public meetings and political advocacy to forestall closure of ACR passenger service.
- Getting There (Stratford): Public awareness campaign with film night.
- Northern and Eastern Ontario Rail Network (NEORN): Obtaining municipal resolutions supporting passenger rail. Met with Ontario Ministry of Northern Development/Mines and Ministry of Transportation.
- Rail Action in Lambton (RAIL): This Sarnia-based group met with VIA

and Transport Canada. Promotes public and political awareness. Their request for a VIA schedule change was successful. Proposing two year pilot for enhanced Sarnia-London service.

- Save VIA (St. Mary's): Petition with over 3000 signatories. "Chair In" at St. Mary's VIA station. Extensive political advocacy with MP's and MPP's.

- Southwest Economic Alliance (SWEA): An alliance of municipalities, businesses and civic groups in SW Ontario. Conducted a well-attended Passenger Transportation Summit.

These diverse groups have different strengths – railway expertise, political connections, business contacts, community contacts, media skills, organizing skills. What is exciting is that each is mounting a campaign pointed in the same general direction – restoring and enhancing passenger rail. In aggregate, the reach of these groups is substantial.

TAO is acting as a common bridge between these groups – passing intelligence, new ideas and support between them. So let a thousand voices speak on enhancing intercity passenger rail in Ontario! ■

New Brunswick cuts deal with CN that will kill VIA's Ocean

...continued from PAGE 1

launched. This 177-page study by consultant Greg Gormick grappled with three issues: keeping and developing rail for freight; bringing back the *Ocean* as a daily train serving the large population between Moncton and Quebec's Gaspé; and restoring Moncton's rail equipment remanufacturing industry.

The second report event, on January 24, was the announcement by the Province and CN of a financing deal that would upgrade some of CN's track for freight service, but would sacrifice the 71-km mid-section between Miramichi and Bathurst, effectively killing the *Ocean* and ending a passenger service through this region that harks back to Confederation. New Brunswick Premier David Alward (Conservative) is hailing the deal with CN as saving rail freight for this area and paving the way for future growth in the freight sector. But many others, including this editor, are not convinced and see the deal as a setup for failure.

New Brunswick has offered \$25 million to CN to maintain 129 km of track in two parts, 99 km from Catamount

(Moncton) to Nelson Junction on the south side of Miramichi, and 41 km from Nepisiguit (Bathurst) north to Irvco. CN will match these funds. The agreement is to last 15 years with some return of funds to the province if business is brisk. But it appears CN can still proceed to abandonment if business is not sufficient. Details of the financial arrangements between CN and the province are confidential.

Back in 2012, the province supposedly formed a Strategic Rail Asset Committee that included CN, VIA and the federal government. It is doubtful that this group ever went forward. The just-announced deal was the result of confidential meetings between the province and CN. So much for public participation.

CN has indicated it would maintain the 71 km gap – the portion to be pulled up under the present agreement – if another \$10 million were paid, really a paltry sum for transport infrastructure. Some see the province's agreement to pull up track -- which could be saved for only \$10 million -- as a strategy to embarrass the federal Conservatives, who are not officially a party to the present deal. The feds would ride in on a white horse pronouncing preservation of the whole of the Newcastle Subdivision rather than dismemberment. It is quite evident this is not going to happen.

Gormick's report is an outcome of grassroots activism. After Transport Action's National Dream Renewed campaign in the Maritimes in late 2012, the public began to ask how the *Ocean* could be brought back as a daily train, and how the track on the North Shore could be kept? Responding to these concerns, the municipalities of Bathurst, Dieppe, Miramichi, Moncton, and Riverview joined forces with Enterprise Greater Moncton and Transport Action Atlantic to undertake a fact-finding study by Gormick, tasking him to look at solutions that are best practices in North America.

In late 2013, this study and some of its advice were getting substantial attention in the media as a result of the release of some advance drafts of parts of the report. A key recommendation of the Gormick study is that the province, with help from the feds, acquire CN's North Shore track to be leased to a short line railway operator. A short line would have the incentive to grow its freight

business by offering quality customer service, and would want to keep the track in a condition that would allow for the further operation of VIA's *Ocean*. Taking this alternative would still have required some government assistance with upgrading the track. This grassroots idea for rail revitalization appears to have made no impact on the province whatsoever.

The paramount goal of killing the *Ocean* was apparent to MP Yvon Godin, representing Acadie-Bathurst (NDP). On Feb. 6, in Parliament, Godin blamed New Brunswick's eight Tory MPs (the province has 10 MPs) of "sitting on their hands" and allowing the North Shore to lose "this service that they rely on." Godin noted that ending the *Ocean* would make travel much more difficult for the 350,000 to 400,000 people that the train serves in Eastern New Brunswick and parts of Quebec. The Tory response was strident. Transport Minister Lisa Raitt responded to Godin, explicitly stating the feds are not willing to pay \$10 million to maintain the Miramichi-Bathurst stretch of track, adding, "It's up for private sector cooperation, it's also there for the province or for the municipalities to purchase the line. If there is passenger and freight service, I'm sure somebody will step up and take advantage of the opportunity." Other New Brunswick Tory MPs have reiterated that the government is willing to consider other options but will not "buy the track." Fundy Royal MP Rob Moore (Conservative) noted the option of running the *Ocean* through Edmunston to Moncton, a route Godin observed that goes through the woods with very little population. This route is CN's busy short-cut freight line to Moncton from Rivière-du-Loup, Quebec.

Transport Action Atlantic Acting-President Ted Bartlett pointed out that VIA has already cut the *Ocean* from six to three days-a-week and that not serving the North Shore and Eastern Quebec will drive down ridership further. "They cut the frequency in half, the schedule was made more inconvenient, there were hundreds of millions of dollars spent on upgrading CN track in Ontario for VIA trains, now they won't invest \$10 million in this region," he said, adding "Now, there's something wrong with that picture."

On March 2, deputy-leader of the Green Party, Thunder Bay-Superior

North MP Bruce Hyer, boarded the *Ocean* in Halifax for a whistle-stop tour of towns and cities affected by the VIA cuts and the coming possible abandonment of passenger train service to the Maritimes, which could come as early as July. In Moncton he was joined by New Brunswick Green Party leader David Coon. Hyer's message is that Canadians should take a stand on keeping its trains. Hyer told the media that the planned 71-km track abandonment can be halted by an investment of \$10 million, the cost of three kilometres of highway. Though the Harper government doesn't care about the rail system being dismantled, he noted that the public sees the value and benefits of rail as the most economic and environmentally sustainable way to move people and freight. "We are the only country in the G20 that doesn't have a national rail strategy," he said.

New Brunswick's deal to lift the rail line between Miramichi and Bathurst has been presented as being efficient and cost effective. Hardly! The absence of on-line customers for 40 miles is given as the reason to pull up this particular track, but long stretches of track between customers is the norm in the rail industry. An efficiency gain in this case is laughable. Railways are efficient when they form a network. With the gap in the network at Miramichi, customers north of Miramichi and into Quebec will have to ship their freight hundreds of kilometres west to Rivière-du-Loup before it can be shipped back east to Moncton for onward destinations in Nova Scotia, New Brunswick and Maine. That will drive customers away, not encourage them to ship by rail.

Furthermore, CN has been notorious for not providing customers with the freight cars they need on a timely basis. This situation will also be made worse by the planned track abandonment. Cutting the track south of Miramichi has stranded at least one customer and the wharves on the north side of the Miramichi River, not very consistent with the Province's claim that their deal is designed to attract freight business long term. Finally, only upgrading track to the south side of Miramichi (Nelson Jct.) threatens the two long railway bridges in the city of Miramichi itself. They could end up being scrapped at some significant profit for CN.

The disingenuous actions planned by the Province to rip up track which will kill the *Ocean* are plain to see. The *Ocean* pays track usage fees for CN's North Shore. No *Ocean*, less revenue for any operator of any remaining North Shore track. What's left is two stub-ended branches with limited revenues. Why would a short line even consider the very limited possibilities of the piece to be abandoned if it is denied the traffic on the on the adjacent pieces? What is the value of the hole in the doughnut? Minister Raitt proclaims that the abandonment process is an opportunity for others to step into the breach. But the planned deal will actually have the opposite result: there are no incentives whatsoever for any short line. Raitt knows that the Province won't step forward on the \$10 million. That leaves the municipalities to come up with the funds to save the rail, the one level of government across Canada with the least ability to take on responsibilities that are truly federal. After the dismemberment, watch the customers fade away. CN will pull the plug on the deal, and industrial and tourist development, along with the basic passenger rail transport for the significant population of the North Shore, will be lost. Yes, there is something really wrong with this picture. ■ - Tony Turriffin (*A copy of the Gormick report is available at: //atlantic.transport-action.ca.*)

Rail and transit feature in opposition party platforms

As the federal election of 2015 approaches, and rail and transit become ever more pressing public concerns, opposition political parties are taking note. Here's what has happened:

At the biennial Liberal convention in Montreal Feb. 20-23, priority resolution #1 addressed the need for a national transportation strategy which includes addressing VIA Rail's declining and erratic funding.

On March 3, NDP MP Olivia Chow introduced Bill C-577, a VIA Rail Act. This private member's bill is comprehensive. It requires the maintenance of VIA's route system prior to the 2012 cuts, it gives VIA trains scheduling and operational preference over freight services, and more.

The Green Party's platform is strong on rail and transit, and more position papers on rail will roll out starting in April. ■

Feds axe Sault-Hearst train

...continued from PAGE 1

Canyon Snow Train would cease running (this train was not covered by the aforementioned federal subsidy).

According to the press, Hayes is not taking responsibility for failing to announce the fed's decision claiming that CN had to decide what to do next, adding that CN makes huge profits and could have maintained the train paying for its losses itself ("CN and Feds knew" at www.sootoday.com, Jan. 28, 2014).

Transport Canada has stated that its remote services subsidy program was reviewed in 2010 and that the ACR was deemed to not qualify because the towns on the rail route have year-around road access. That will be news to folks along the line, especially because this line doesn't primarily serve towns. The *Warawa News* has found much evidence that the train does serve to provide access to remote places, contradicting Transport Canada's assessment.

George Karasek is a trapper in the Oba Lake area. In the *Warawa News* he explains that he runs winter trap lines that can only be accessed by trains as there are no roads available. His investment in three cabins and multiple boats, along with trapping and other equipment, all worth \$20,000 or more, will be stranded and lost as a result discontinuing the ACR train. Many, many more individuals and businesses will also be hurt. In his *Warawa News* article Karasek names some 22 stops north of Hawk Junction where people and businesses will lose access. The cut will affect businesses such as lodges and fish camps, cottagers, snowmobilers, many kinds of tourists, even the mail. Karasek comments that there are no private roads, and that the old logging roads are mainly abandoned and often gated. At a distance is Hwy 17, closed often in winter at least two days in a week. The railway, though, stays running.

Residents are mobilizing to fight this train cut. The Coalition for Algoma Trains (CAPT) has held a series of three town hall meetings, in the Sault (Feb. 19), and in Wawa and Hearst (Feb. 20). Distinguished Canadian artist and environmentalist Robert Bateman is urging keeping the train. A working group of stakeholders led by the city of Sault Ste. Marie has been formed. A summary of actions to save the Sault-Hearst train can be found on the CAPT home page website ([/captrains.ca](http://captrains.ca)).

Editorial comment: MP Bryan Hayes asked the government to delay the train cut for a year so that stakeholders could search out alternative funding, but this request has brought no result. However, CN has now agreed to extend the train's life one more month to April 29.

Why cut the train? It is a cost to the feds. The problem stems from the Conservative's goal of reducing the size of government so that it can reduce corporate taxes. The cut to the Sault-Hearst train complements what the feds have done to VIA Rail. It's also a slap in the face to the province. Under Canada's constitution, railways are a federal jurisdiction. If the feds step away from their obligation, the transport problems still remain, which in effect is a download to the provinces as the next level of government. In northern Ontario, passenger train subsidies are not just for transportation, but also stimulate economic development for people and communities. Unfortunately, for northern Ontario, the provincial Liberal's attitude has not been that different from the federal Conservatives. It was the provincial Liberal government that ended the *Northlander* train service on the grounds of the cost of its subsidy, a train that clearly was well patronized and added substantial value to the region through which it passed in terms of economic activity.

It should also be pointed out that the train cuts at VIA and in Ontario's north have been done with no input whatsoever from the public. They have been stealth actions, presented as done deals, though in the case of the Liberals in Ontario, while its train cut went through, the government has reconsidered the fate of the ONR itself (no resolution of its fate as yet).

But there is now a very much more significant danger with taking away the Sault-Hearst passenger train. It jeopardizes the ACR rail line itself. With no passenger train, revenues will be way down. Look to CN to abandon a large portion of it, if not the whole of the ACR. That would be a major economic blow to the region and put future resource development at risk, not to mention even greater economic hardship for people in the region.

This scenario is not farfetched. The ACR came into CN ownership as a result of buying the Wisconsin Central Ltd. (WC) on October 9, 2001 in order to get ownership of its main freight line between Duluth, MN and Chicago. The WC was created to acquire Soo Line

track in the U.S. in the 1980s, and it acquired in addition the ACR in 1995. The ACR and quite a bit of WC track in Wisconsin are clearly marginal to CN in terms of traffic. Many thousands of kilometres of better performing track than that of the ACR, and even strategically located track (CPR in the Ottawa River Valley, for example) have already been pulled up across the country. While the notion of a National Transit Strategy now gets a serious reception (though we do not have such federal legislation), given the danger of closure of large parts of the ACR, shouldn't the public also expect a National Railway Policy that would protect and grow both freight and passenger rail? Such a policy is needed if Canada is to retain a viable rail system for the future. ■ - Tony Turrittin

VIA 2013-17 Corporate Plan

...continued from PAGE 1

downward trajectory. Here are some sobering highlights from this document.

Of VIA's route-miles, 70% use CN track, 4% CP, 2% on VIA-owned track, and 24% on short lines. The figures for train-miles are: 72% CN, 4% CP, 10% VIA, and 14% short lines, reflecting the higher number of trains on VIA's own track compared to short lines, which generally host remote services.

VIA's plan notes that in recent years CN has experienced growth of freight traffic and the running of longer freights which have eroded the on-time performance of its transcontinental and Corridor trains. It indicates that in the past VIA has bought track to save certain routes and "is faced with the possibility that further acquisitions may be necessary, otherwise, train schedules may need to be modified." No particular problem routes are identified.

The 2012 service cuts that have disrupted the lives of thousands of people - regular and occasional travellers and employees - and substantially reduced VIA as a network have actually saved VIA very little money. "Overall," the plan states, "the train service reductions that VIA implemented in 2012 are expected to generate net savings (cost savings less foregone revenues) of \$10.8 million by FY 2014-2015." We submit that this is peanuts compared to the social and transportation harm the public has sustained.

VIA has discontinued train operations on Vancouver Island due to poor

track conditions. The plan reports VIA is in negotiations with the Island Corridor Foundation, owner of the tracks, regarding "the terms and conditions whereby this service will be reinstated." This is also the case for VIA's train to Quebec's Gaspé region. We believe that these are two cases that show the need for provinces to help support short line infrastructure.

VIA recognizes a tough travel market. After a solid rebound in 2010 from the recession of 2008-2009, the domestic economy softened in late 2011 and has remained lacklustre as consumers are concerned over future income and job prospects. Even in these tough market conditions, though, the plan points out that airlines have offered increasing competition in the Corridor. Air Canada now offers 15 daily return flights between Toronto Island airport and Montreal, and Porter offers 16 flights. Between Pearson and Toronto Island airport, travellers can choose from almost 100 return flights a day between Toronto, Ottawa and Montreal. This competition in the medium-distance market has especially affected its business class revenues, VIA says. Airline seat capacity increases and discount pricing "directly threaten VIA's end-to-end revenues, and these airline tactics will substantially increase the cost of securing and promoting future passenger growth." On a bright note, VIA says, "In its short-haul markets, especially Montreal-Quebec City and Montreal-Ottawa, VIA's financial results have improved compared to 2011." Yet, we would point out, in southwestern Ontario, short-haul markets have been destroyed or abandoned by VIA, such as Toronto-Niagara Falls, Toronto-Kitchener-London, London-Sarnia.

For quite some time, VIA has raised an alarm about its unfunded pension obligations. In this department VIA has been no different than many other public and private pension funds. Pension deficits have been a consequence of the economic collapse of 2008-2009 leading to very low bond interest and low stock dividends not matching required payouts. The good news is that in 2013, bond and share yields have moved higher; across North America pension funds are returning to solvency. VIA's corporate plan acknowledges an easing to its pension funding crisis, though it forecasts it will still need to top up its pension plans for an accumulated \$295 million to 2017.

Under the presidency of Paul Côté, VIA achieved a major capital funding breakthrough with grants provided first by the Liberals and then by the Conservatives. VIA proposed a program of locomotive and LRC coach rebuilding, track upgrades in southwestern Ontario, on CN's Kingston Subdivision (Toronto-Montreal) and Brockville-Ottawa-Coteau (mainly VIA own track), station improvements and replacements, and more. One main aim was to substantially improve revenues in the Quebec-Windsor Corridor by adding frequencies on faster schedules. Between 2007 and 2012, VIA received \$923 million for capital renewal.

VIA's corporate plan for 2013-2017 builds on the original breakthrough grant of 2007-2012. Given what is reported in VIA's new plan, we get the distinct impression that the original program of improvements aimed at transforming VIA into an up-to-date rail system has gone seriously wrong.

VIA's corporate plan reports that, of the 2007-2012 grants of \$923 million, there currently remains \$115.7 million, which will be entirely spent by 2015. VIA forecasts capital expenditures during the plan period of \$443.4 million. VIA is "seeking authority to reprofile [sic]" \$75.9 million to complete projects authorized in 2007-2009 but not yet completed. We take this as an admission that a large portion of VIA's capital grant was diverted away from one set of projects to pay for cost overruns on others.

One particularly unfortunate project is the LRC rebuild. These lightweight aluminum-bodied coaches, designed for speeds up to 125 mph, first went into service starting in 1981. Rebuilding was intended to give these cars, the backbone of VIA's Corridor service, another 15 to 20 years of life. Originally, \$120 million was budgeted for the upgrading to be done by Industrial Rail Services Inc. (IRSI) of Moncton, NB.

VIA's plan explains that IRSI defaulted on fulfilling its contract to rebuild VIA's LRC cars, with the company subsequently going bankrupt. IRSI completed the upgrading of 10 LRCs. Work was completed on another 10 cars by another company using the Moncton shops of IRSI. VIA explains that it has revised the scope of the upgrading, and will tender the upgrading of 26 business-class cars, and the remaining 52 coaches, for a cost of \$106.5 million. Later in the plan, VIA indicates it does not have the capital funds for this rebuilding program. We suspect most of the original \$120

million for the LRC rehab is part of the diverted capital funds mentioned previously.

The story of the LRC rebuild debacle is not a simple matter of IRSI defaulting on its contract with VIA. There was fault on both sides, such as IRSI not having access to information on the actual condition of each LRC car. Readers can read the more complex story by consulting the recently published "Revitalizing New Brunswick's Rail Sector" on the Transport Action Atlantic website.

A key element of VIA modernization in the Corridor is the Kingston Subdivision upgrade. The corporate plan mentions the agreement with CN to add four sections of triple track, a total investment that "will be \$373.1 million" plus \$55 million for station improvements. The triple tracking was to allow many more VIA trains to use CN's line between Toronto and Montreal, yet not conflict with freight movements. VIA has added a few more frequencies Toronto-Ottawa. The plan, though, does not acknowledge that its train speeds have not increased, a result of CN reluctance to see this done, and problems that VIA has with its locomotives. Incredibly, according to the corporate plan, despite what VIA has paid to CN for the Kingston Subdivision upgrade (it is completed), it will only introduce new frequencies in 2016!

Close to the end of the plan, VIA admits it cannot complete the rehab of its LRC fleet without new capital funding estimated as requiring \$80 million. The plan comments, "As a result of the project delays, the benefits expected from deploying the modernized rebuilt cars will be deferred." Thus, we conclude, part of VIA's inability to improve service in the Corridor can be traced to the mismanagement of its fleet renewal. It is likely that cost overruns by CN in upgrading the Kingston Subdivision drained away funds originally designated for the LRC rebuild. This cannot be firmly established from the cost figures that VIA has made public to date.

Oddly enough, the new corporate plan reports VIA is spending \$28 million to upgrade the CN-owned North Main Line between Brampton-Guelph-Kitchener-Stratford-London by installing centralized traffic control. Yet VIA has cut service on this route to two trains a day. No mention is made in the plan of any future increase in service on this route.

VIA's plan recognizes that the short line railways it uses for some of its trains have caused it serious problems. Poor

...continued on PAGE 6

VIA 2013-17 Corporate Plan

...continued from PAGE 5

track and bridge conditions lead to slower speeds for its trains. In two cases, Victoria-Courtenay, and the Gaspé, service has been suspended awaiting upgrading. The plan does not call for help for such railways.

No mention is made in the plan of the critical condition of one of VIA's premier trains, the transcontinental Montreal-Halifax *Ocean*.. For now, all that is required to keep this train running is a \$10 million investment from VIA to pay for maintenance of 44 miles of track between Miramichi and Bathurst. VIA is willing to invest \$28 million for signalling the 90 miles of single track Brampton-London, and its corporate plan reports quite a few examples of other capital fund diversions for small projects, but nothing is set aside for reversing the situation in the Maritimes. This abandonment will result in terminating train service to eastern Quebec and the North Shore of New Brunswick with many smaller cities with an estimated regional population of 350,000 to 400,000.

All in all, VIA's summary corporate plan 2013-2017 makes for dismal reading. It has no vision for VIA as a national sustainable transportation alternative. There are signs of mismanagement of capital funds and of self-inflicted destruction of markets in southwestern Ontario and eastern Canada. Transport Action subscribes to the view that trains are the travel choice Canadians want. Those aspirations are not served by a VIA under the increasing constraints of the current federal government. ■

- Tony Turriffin

Op-Ed Analysis

Danger ahead: working without a (rail) net

by Greg Gormick

Imagine a country with a national plan that links its two senior levels of government and its railways, and identifies its needs for the next 25 years. It would be nice to report that this country is Canada. It isn't. What should be doubly concerning is that, while we don't have such a plan or even a desire on the part of our governments to create one, the process is well under way just south of our border.

In the course of the preparation of a major report on rail investment for Thunder Bay-Superior North MP Bruce Hyer, I've had to go back through the reams of material I've been stashing away over the past few years on railway planning and spending in the U.S. On closer inspection, this data is frightening if you care about Canada's national railway system and the policies – or lack of them – that have led to the current crises in safety and the system's ability to handle vital commodities such as export grain.

While it used to be fashionable to sneer at the failure of the U.S. to maintain a modern rail system, Canadians should sneer no more. America has a national rail plan chugging swiftly down the line to final delivery under the authority of their Federal Railroad Administration. That plan is impressive in breadth and depth.

Not only does the soon-to-arrive U.S. National Rail Plan sketch out Washington's role, it has compelled states desirous of federal funding for rail projects of regional concern to produce their own statewide plans. There are now 49 of these plans in existence or in the works; the only absentee is Hawaii, which has no rail service.

On top of these detailed rail plans, there is another with a bearing on them all. Undertaken in 2007 by the Association of American Railroads, it identifies the capacity and investment needs of the 52,340-mile national core rail freight system through 2037. It quantifies the industry's ability to fund the required \$148 billion capital investment and the private sector's \$39 billion shortfall; Amtrak and commuter agency needs are on top of this.

The implication of that figure is quite clear: Someone is going to have to pick up the tab and it will, no doubt, be the public. That likelihood is excellent given U.S. rail spending habits of late.

Despite what Canadians may think about the land of free enterprise's attention to public needs, many politicians there have recognized that a fully functional rail system is vital to U.S. economic and social prosperity. The proof is the growing number of P3 railway projects to boost the U.S. system's ability to handle the growing freight, intercity passenger and commuter traffic.

Just look at the long list of such projects. On the long-haul scene, there's the Norfolk Southern Heartland and Cres-

cent corridor projects and CSX's National Gateway, all designed to expedite the flow of traffic on main lines from Maine to Mississippi to Missouri. There's the unsnarling of urban rail congestion through schemes such as California's Alameda Corridor and Colton Crossing, Fort Worth's Tower 55 and the massive CREATE project in Chicago.

Then, there's BNSF's targeting of its three key corridors for public and private investment. Canadians should be concerned by two of them. The Mid-Continent Corridor slinks down North America's spine from Winnipeg to the Gulf of Mexico. The Great Northern Corridor sprawls across the continent, often just a few miles south of the border, on its way from Chicago to Portland, Seattle and Vancouver.

Owned by Warren Buffett's Berkshire Hathaway investment group, BNSF has been taken off the high quarterly dividend treadmill by the Oracle of Omaha and instructed to invest properly in its plant for maximum long-term benefit. Buffett views this as good business and calls it part of his "societal contract" for the provision of the infrastructure necessary to make America boom.

Couple that enlightened corporate viewpoint with public bucks for those BNSF corridors and you've got a stealth railway that can lure considerable traffic and revenue off two Canadian railways that aren't investing properly and don't want government funds because they feel it will allow the public to meddle with their businesses. Of the six largest North American railways, CP and CN invest the least annually in capital renewal on a per-mile basis; BNSF's reinvestment is almost twice that of CP.

Finally, add in governments in Ottawa and the provincial capitals with no interest in a national plan or funding rail projects with both public and private benefits. You wind up with a nation that's economically, socially and environmentally heading for the brink of the cliff. Welcome to Canada and its current railway mess.

Those who understand the value of a robust and modern national railway system might, therefore, want to reverse the title of Bobby McFerrin's 1988 hit recording and adopt the motto, "Don't be happy, worry." ■

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World News

Welcome to Sochi!

For most of February, the Black Sea city of Sochi (pop. 340,000) hosted the 2014 winter Olympic and Paralympic Games. Sochi became a fashionable resort community under Stalin and has long been known as Russia's informal "summer capital" because of its popularity with high ranking government officials on holidays. Hosting the winter Olympics was a personal project of Russia's President, Vladimir Putin.

Sochi is an amalgamation of several urban districts stretching at least 20km along the Black Sea. Its international airport is located in the most easterly suburb of Adler next to the Mzymta River. Population along this part of the Black Sea is hemmed in by the Caucasus Mountains rising here to roughly 2500m above seal level. Sochi is at the same latitude as Nice, France, with an average daily temperature in February between 2C and 10C.

The winter games have generated hundreds of infrastructure projects for Sochi including new game facilities, hotels, roads and highways, and more. There are two clusters of Olympic facilities. The Olympic village and indoor event facilities were built east of the airport in Adler, this cluster being known as Olympic Park (coastal cluster). The outdoor event facilities and more hotels were built some 40 km up the Mzymta River valley at Krasnaya Polyana (KP), the mountain cluster. A ski resort known as Alpika-Service was first developed here in the early 1990s. The new mountain cluster has been connected to Olympic Park, Adler airport, and Sochi by a new electrified railway built between Adler and KP along with a new road paralleling the railway.

A light rail metro with three lines was originally planned for Sochi and its Olympic venues. Eventually, it was decided to redevelop existing rail lines with a commuter train style of operation. The Russian Railways took on this project and built the new rail line to KP which has 6 tunnels, numerous bridges, and a top speed of 160 kph. Bombardier was to construct new trains for Sochi, but Siemens eventually got the contract. Some 38 Desiro RUS 5-car trains are now in service. The KP route opened Nov. 1,

2013. On a 10-minute headway, the KP line can move 86,000 riders a day.

Siemens's Desiro RUS is a regional electric train built for Russia's 5ft-gauge track (1520mm), with a floor level at 1.4m (55"), and a car width of 3.48m (11.5ft), seating 443 over five cars. Top speed is 160 kph (100 mph) and these trains are capable of climbing 4% grades. The first of the Siemens trains went into service on Jan. 23, 2014.

As in so many resort communities with a linear urban form, the few road corridors become clogged with cars and trucks in high season. Such was the case in the Sochi area, with people reporting one to three hour drives to get to the ski resorts. Now that trip is 30 minutes or less between Adler and KP. The Sochi region also has an extensive bus transit system as well as the new fast regional rail.

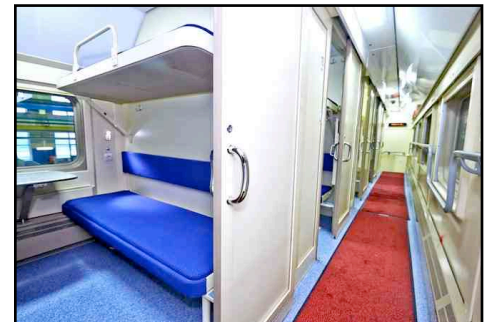
Sochi of course is on the Russian railway system. However, it is expected that most Olympic visitors will fly to Sochi. Russian Railways has instituted a new daily passenger train using double-deck cars between Moscow and Adler, leaving Moscow in the morning and taking 24.5 hours to reach Sochi. Russia is a large country, and this trip is 1,767 km long (1031 miles). This brand new train of 15 cars includes 12 compartment coaches, one diner, one sleeping car, and one crew car, with a total of 798 seats (excluding the crew car). Each compartment car has eight four-person compartments on each floor with the corridor being at the side of the coach. The sleeping car has eight two-person compartments on the top, and six two-person compartments on its lower level, with a lower level disability compartment for two persons (total 30).

The Moscow-Sochi train service of 24 hours illustrates another feature of Russian Railways. It carries an enormous amount of freight. To maximize its capacity to keep freight moving, the railway operates all of its trains at the same speed, about 80 kph (50 mph), avoiding passing issues outside terminal areas. Only recently have high speed passenger trains been introduced Moscow-St.Petersburg, St.Petersburg-Helsinki (Finland), and Moscow-Nizhny Novgorod.

This first Russian double-decker passenger train owes much to U.S. passenger trains development. Currently, Amtrak's bi-level Superliner trains have coaches

seating 62 on an upper level, and 12 on the lower level. Superliner sleepers have 5 bedrooms (2 person) and 10 roomettes (2 person) on the upper level, and on the lower level, one family room (2 adults/2 children), 4 roomettes, and one accessible room (2 person) for a total of 44 passengers. By comparison, this new Russian double-decker train is more spacious. However, it lacks the greater privacy of the Amtrak design. Compartment rooms for four sleep unrelated adults in two bunks on either side of the compartment. The new Russian bi-level has a cross-section of 3.2m (10.5ft) in width, 5.25m (17ft 3in.) in height; Superliner cars are 3.1m (10ft 2in.) in width and 4.85m (15ft. 11in.) in height; GO bi-level commuter cars are 3.0m (9ft 10in.) in

...continued on PAGE 8



Top photo: New Siemens Desiro RUS train for the electrified regional rail network at Sochi. Bottom two photos: new Russian Railways bi-level compartment passenger train for Moscow-Sochi (Adler) service. (www.russiantrains.com/en/page/moscow-sochi-train)

Welcome to Sochi!

...continued from PAGE 7

width and 4.85m (15ft 11in.) in height.

On an historical note, it was in 1956 that the Santa Fe Railway first introduced stainless steel Budd bi-level cars for the all-coach *El Capitan*, that ran daily between Chicago and Los Angeles (2223.7 miles in two-nights and a day).

The Sochi winter Olympics, which were intended to showcase Russian power, were to have cost \$12 billion. Joshua Yaffe of Bloomberg Businessweek (Jan. 2, 2014) estimates that the real cost was \$51 billion, surpassing the \$40 billion that China paid for the 2008 summer Olympics. The cost of the rail-road link Alder to KP alone was \$9.4 billion. Sochi will host 2,500 athletes compared to 11,000 for the summer games, fewer events (86 vs. 300) and even fewer venues (15 vs. 40). The summer Olympics will be held in 2016 in Rio de Janeiro.

Putin's business friends have bagged many contracts for construction in Sochi. When the Olympics are over, Sochi will remain a top ski resort destination. The regional electric rail notwithstanding, the privileged also have a brand new fast highway to reach the slopes at KP in their private cars. Green this is not: its economic viability still rests on international air travel. At least Russia hasn't yet ripped up great parts of its rail network. ■

...continued from Page 1

TAO Annual General Meeting:

Sat., April 26, 2014, Metro Hall, 55 John Street (at King), Toronto, Rm 308/9

> **TAO business meeting** 10:00 am: Reports by President, Treasurer, etc. Election of executive and directors: Nominations are now open; they can be submitted to the Secretary, Bruce Budd, at bfb2020@gmail.com, or by telephone at 416-690-3299.

> **Lunch** noon to 1:30 pm. Restaurants are numerous in the area. Members and guests are welcome to join us at the Aroma Restaurant, 121 King St. West (2nd floor), across from Metro Hall, serving an East Indian cuisine buffet.

> **Afternoon forum:** See front page.

> **Getting to Metro Hall:** St. Andrew station one stop north of Union Station on the University subway line. At St. Andrew stay underground; follow signs to Metro Hall. Or alternatively exit at King St. station (on Yonge subway line); take the King streetcar west to John Street.

Recent Transport Action Ontario Advocacy Documents

TAO's advocacy includes preparing key documents for presentation to committees, agencies, staff and elected officials at all levels of government. Below are some recent key advocacy documents that are available on TAO's website:

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Review of potential future safety zones at Toronto Island Airport with...jets

September 23, 2013

Stay tuned! This document is being revised to add more startling information to make an even stronger case against the proposed airport expansion to accommodate jets.

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Response to: Transport Canada Needs Assessment study - Pickering Lands, 2010

February 2014

The GTAA is again pushing for the construction of Pickering Airport northeast of Toronto. We dispute the need and make seven points - projections of need don't consider the intercity rail option, etc.

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Presentation to Toronto Planning and Growth Management Cttee on Regional Rapid Rail

Feb.26, 2014

TAO's RRR plan highlights the benefits of electrification of GO Transit rail lines and offering all-day two-way service with EMU trains. Benefits for Toronto: 3 new GO stations downtown; potential for TTC subway pressure alleviation, and more.

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Contributions of news and items are welcome. We are looking for correspondents. Submissions, including articles and letters, are subject to acceptance and editing. Statements in this publication are those of the respective authors and are not official policy which is approved by the Board of Transport Action Ontario. Thanks to all who helped out with this issue including volunteers at the National Office in Ottawa. News to March 3, 2014.

Gardiner Expressway and Lake Shore Boulevard East Reconfiguration EA

March 2, 2014

TAO has participated in the stretched out Environmental Assessment about the future of the downtown portion of the Gardiner Expressway. We support the City staff position to remove this elevated portion. The Gardiner affects only 3% of downtown-bound traffic which is manageable. Removal would free up land for other uses. Replacement by road frees up capital funds for other uses such as transit infrastructure.

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Join Transport Action to help us advocate for sustainable transportation. By joining Transport Action Ontario, you also become a member of Transport Action Canada. Members receive *Ontario Report*, as well as our national newsletter *TransportAction*.

To join, send your name, address, telephone number, email address (if any), and membership fee to our box address above. Our annual membership fees are: introductory (1st year only) \$20; regular \$35; senior \$30; student \$25; low income \$20; family \$50; non-profit affiliate \$75; business \$170. Transport Action Canada is a registered charity and donations to it receive a tax-credit receipt. Its website address is //www.transport-action.ca.

Board meetings: first Thursday of the month except in May and July, in downtown Toronto. If you wish to participate, please contact Peter Miasek at 905.477.8636 or by email at peter.miasek@rogers.com to confirm as date, time and location may change.