

TRANSPORT ACTION ATLANTIC

Winter 2015

# Discontinuance approved for Cape Breton rail line

...but is it really the end?



PHOTO BY TIM HAYMAN

Amid fall foliage near Shunacadie NS on 5 November 2014, a 16-car CB&CNS train rolls toward Sydney with two units resplendent in Genesee and Wyoming's colourful orange livery on the point. Pretty as this picture may be, the reality for this endangered line is grim indeed. Yet there may be a glimmer of hope on the horizon.

Our coverage begins on page 3.



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#### www.atlantic.transport-action.ca

## ANNUAL GENERAL MEETING

Please mark your calendar now, and plan to attend our AGM, to be held in Moncton on Saturday, 25 April, at 1400. The CN Pensioners Association has offered the use of their facilities at 1 Curry Street. Our featured guest speaker will be Susan Williams, recently appointed general manager of eastern services with VIA Rail Canada. The agenda includes annual reports and financial statements, appointment of an auditor, election of a board of directors, and any other business that may arise.

Current members of Transport Action Atlantic may nominate (with their consent) any other member in good standing for a position on the board. It is the board's responsibility to choose the executive officers. Nominations should be made in advance of the meeting, and may be submitted by mail to the TAA Nominating Committee, P.O.Box 268, Dartmouth NS B2Y 3Y3, or by e-mail to donlinmacleod@ns.sympatico.ca.

The central location is a reasonable day trip from most communities in the Maritimes, and we are hoping for an excellent turnout. It represents an excellent opportunity to engage in discussion of passenger rail with a senior VIA official.

## Cape Breton rail line ceases operation – but it's not over yet

A ruling has been issued by Nova Scotia's Utilities and Review Board (UARB) on the application by the Cape Breton and Central Nova Scotia Railway (CBCNS) to discontinue service between St. Peter's Junction near Point Tupper and Sydney. But there's a great deal of uncertainty as to what it means. Meanwhile, a group of users, several business organizations, the provincial government, and the Cape Breton Regional Municipality are not prepared to pronounce the rail line dead at this point.

The railway's owners – US-based Genesee and Wyoming Inc. – have made it clear that they are finished. Company representatives bluntly told the UARB hearing on December 8 and 9 that no trains would operate after December 31, 1014, under any circumstances, and the line has now effectively been shut down. But the board's ruling on January 15 set a different date for the end of service – October 1, 2015. Until then, the UARB says, "CBCNS must deliver goods by rail if that service is required by a shipper and the shipper is prepared to pay a reasonable rate for that service..."

Under the legislation governing provincial shortlines, the UARB cannot order a company to continue an uneconomic operation, but does have the authority to set the timeframe for discontinuance of service. Furthermore, under amendments to the *Railways Act* that received speedy passage with all-party support in the Legislative Assembly last fall, the actual physical abandonment of a line now falls under the jurisdiction of the transportation minister – not the UARB. In order to remove the tracks, CBCNS will have to negotiate with the Honourable Geoff MacLellan – a Cape Bretoner who is on record as supporting the retention of rail service. And, the minister would appear to have a lot of public support on the island.

The board also ordered CBCNS to file an amended discontinuance plan by January 29. In so doing the company moderated its tone very slightly, but much hangs on the interpretation of the term "reasonable rate", and it remains to be seen whether delivering goods by rail really means the actual operation of trains. But at least three of the railway's industrial customers say they are not prepared to accept their raw materials by alternative means, and others who have recently switched under duress to highway delivery are not satisfied.



The consist of this CBCNS freight approaching the Grand Narrows bridge on 5 November 2014 is indicative of the industrial nature of the railway's customer base – and those customers are not satisfied with the alternatives being offered. PHOTO BY TIM HAYMAN

One customer reports that the per carload rate quoted by CBCNS in January had increased almost threefold – a move clearly calculated to drive away traffic from the railway. Genesee and Wyoming attributes the massive hike to the end of the provincial government subsidy that had been in effect for a decade. However, the company had declined to renew the arrangement, and makes no secret of the fact that they have chosen to realize the scrap value of the line rather than continue with a break-even or low-profit subsidized operation.

While the company appears determined to play hardball with the board, the ruling suggests that a remedy might be sought through the Supreme Court of Nova Scotia. In response to a written question from several MLAs regarding interpretation of "reasonable rates", the board would only say that "reasonableness is a concept well known to the courts." The complete ruling, including a summary of evidence presented, may be obtained online at the UARB website: http://nsuarb.novascotia.ca/sites/default/files/decisions/decision\_cbcns\_rail.pdf

Meanwhile, an advisory task force appointed by Minister MacLellan is probing all aspects of the issue, including as assessment of shipping by rail versus truck, examination of pending economic opportunities in Cape Breton that might have implications for rail, and an evaluation of the level of investment that might be required to upgrade the rail infrastructure. Membership of this group, known as the Minister's Rail Advisory Committee (MRAC), represents customers, business and economic interests, and municipal governments. The MRAC's interim report can be found online at:

http://www.novascotia.ca/tran/rail/MRAC%20Interim%20Report%20FINAL%20 January%2014%202015.pdf

Minister MacLellan has made it clear that the Province of Nova Scotia has no intention of getting into the business of running a railway. His position has consistently been that rail operations are a job for the private sector. What hasn't been ruled out is provincial ownership of the line, with operations contracted out to a suitable partner more committed than Genesee and Wyoming. That's an option strongly supported by Transport Action Atlantic.

TAA has been active on the Cape Breton file, and appeared as an intervenor at the UARB hearing in December. Our position on the issue is summarized on a following page. We have also maintained ongoing communication with the provincial transportation department, rail customers, and other interested parties.

Earlier, a TAA delegation participated in a rally held at a Sydney shopping mall in support of continued rail service (see page 27).

#### The UARB hearing – an eyewitness account

#### - by Tim Hayman

(Editor's Note: Don MacLeod, Ashley Morton and Tim Hayman represented TAA at the Sydney UARB hearing in December. Ashley Morton delivered the opening statement, but was unable to be present for closing arguments due to other commitments.)

The hearing got off to an interesting start, with the legal counsel for the CBNS (Michel Huart) raising concerns about potential bias on the part of the Chairman of the Board (Peter Gurnham), as Mr. Gurnham had been legal counsel for NSPI during the previous abandonment hearing in 2002. After a short period of deliberation, the board decided that there is no bias issue, as Mr. Gurnham had taken an appropriate period of abstention (three years) following his original appointment to the board.

CBRM was first to present, and made their case that the hearing should be adjourned until CN is at the table. They argued that the proposed discontinuance plan is not adequate if CN is not involved, due to "the letter" (I'll just call it that, as we all know what that means). The Chair questioned whether CN's obligation would only kick in if the CBNS discontinuance actually goes through, rather than at an earlier stage. CBNS responded simply: "we're not CN, and we're not the province". The board determines that the meeting will continue, as the Chair notes that UARB has no jurisdiction over either the province or CN, but suggests that it will be acceptable for participants to refer to that issue throughout their arguments.

CBNS began the formal process, by calling two witnesses for examination by Mr. Huart - these are Josée Danis, AVP of Corporate and Industrial Development for Genesee and Wyoming Canada, and Gareth Martin, in charge of sales and marketing for the CBNS. It is noted that Ms. Danis was assigned specifically to oversee the discontinuance and abandonment of the Sydney Sub. She has past experience (10 years) at CN, and seems very well versed in this kind of setting.

CBNS presented a variety of evidence in the form of graphics and tables (which had not been adequately prepared ahead of time - copies had to be made for each document, and this dragged out the proceedings). The first demonstrates the decline in traffic on the line; Ashley noted that the graph has the years 2001-2008 heavily condensed, which gives the impression of a more rapid decline.

Among other things exposed in the CBNS testimony is the fact that thanks to the massive rate increase effective January  $1^{st}$  (+\$5500, for total of \$7175/carload), all but three customers have dropped CBNS altogether for other alternatives. CBNS did not shy away from admitting that the rate increase was "likely" the cause of these customers leaving.

The other huge revelation was that CBNS will be discontinuing all rail service as of Dec. 31<sup>st</sup>, and replacing it with truck (using CN's CargoFlo facility in Moncton....interestingly bypassing the CBNS entirely). This service will still be provided by CBNS, with them assuming all potential costs, though it will still cost the same inflated rate. Given that the rate increase was supposedly to offset the lack of subsidy to operate the line, I find this a bit confusing. One other interesting tidbit: in a "hypothetical" example of a force majeure type incident, Ms. Danis brings up the Grand Narrows bridge. We suspect CBNS has their eyes on that as a possible issue down the line.

We then moved on to the cross-examination by intervenors and the board, as well as opening statements. (TAA's appears in full beginning on page 9.) Most intervenors were present, but NSPI was a notable absentee. I did not take detailed notes on each group's arguments, but I did make some observations:

-Copol mentioned that their supplier has already raised concerns about not being able to have cars unloaded and returned because of the Dec. 31 deadline, and as such they are having issues getting new cars. The shipper also has concerns about transloading in Moncton, so Copol is currently concerned about getting product.

-There was a lot of concern raised about how the company can stop running trains during a period of discontinuance, particularly before the board has ruled. CBNS referred to this as a "reduction in service".

-CBNS dumped responsibility for deferred maintenance problems on RailAmerica. They estimate future upgrade costs at \$30 million (though timeframe is not clarified, as far as I can recall). They estimate the salvage value of the line at \$15-25M.

-CBNS did in fact make mention of the CN/NS letter, and in fact point out that it was brought up at the meeting this summer with Minister Raitt and CN. They say it was dismissed quickly as "just some old letter" (exact quote).

-CBNS did note difficulty in competing with CN's CargoFlo Moncton facility. They also suggest that they could not make any arrangement with Marine Atlantic, because Marine Atlantic is not a "shipper".

-CBNS continues to emphasize the strange business with the subsidy: they turned it down, because if they didn't they couldn't apply for discontinuance. Now that they have turned it down, they have to increase rates. But after Dec. 31<sup>st</sup>, they won't be running trains anyway...They also make it clear that they will have to raise the rates further if they are forced to run trains after the 31<sup>st</sup>, and indicate that it would also affect customers over the rest of the line to Truro.

-CBNS was notably hostile in their cross-examination of the various customers who presented their arguments. It seemed like their focus was on trying to discredit them by calling into question their statements that they were not given adequate notice in the discontinuance process.

The second day got underway at 9am, and was to consist of Mayor Clarke's presentation, the railway's final arguments, and then final statements from interested interveners.

Mayor Clarke's presentation was excellent. In addition to repeating the comments he made the night before, he pointed out that in like fashion to GWI representing their shareholders, the local governments must respect their shareholders - the people of Cape Breton. He notes that three different political parties have been able to agree on the importance of this line. He also reiterated the common thread that the railway is showing disrespect for the UARB process by deliberately and systematically discontinuing service before the board has even made a decision. Don and I were very impressed by his presentation.

CBNS then made their final submission, wherein they emphasized that service on the Sydney Sub <u>will</u> end, unlike past attempts. They argued that the Railway Act required transition, not elimination of damages to customers, and made it clear that they believe they have made suitable attempts to "facilitate the transition" (i.e. hiking the rates). They also suggested that they had made more than enough attempts to find business, but that there simply isn't anything out there (one of their evidence documents laid out the proposed sources of new business, and explained why each one wasn't an option). Intermodal traffic, in their opinion, is still on the roads because shippers have made that choice. The Chair specifically noted that "we're quite troubled by that", when there was reference to the notion that stopping rail service by January 1st constituted "adequate" continued service. When they pushed back, he went on to say: "Do you really think that the drafters of this legislaton [Bill 65] thought that you could end all rail service before the ruling of the board?" Before the discontinuance process even begins, they have effectively discontinued service.

The Chair very specifically asked if the CBNS would provide rail service after January 1<sup>st</sup> if one of their customers made it clear that they needed it. The answer from CBNS: emphatically, "NO". Ms. Danis suggested on Day 1 that they would pursue legal advice if any attempt was made to force them to run trains after that date. They suggest it is not "reasonable" to move just a few railcars, especially since their costs will be higher in the winter months. They cite a previous supreme court decision on this issue with CP many years ago as precedent.

(A side note - CBNS had made a very particular designation on Day 1 between end users and shippers, particularly when cross-examining their customers. When pressed on the issue by the board, Mr. Huart acknowledged that the terms could really be used fairly interchangeably, and the definition weren't clear)

We then moved on to final arguments. Some interveners made them, but not all. The Chair had stressed that final arguments should only be new comments, and not re-iteration of opening statements. Sean Burke (East Coast Rope) and the reps from Copol, Hilly Acres and TransAtlantic Preforms made excellent closing statements, which were very much in line with our positions.

We agreed that I should make a brief final statement to make our support for their positions clear, in which I re-iterated our position (as Ashley had laid out in the opening statement), and also voiced our support for the positions and arguments made by the previous groups. I also went on to make one further comment, specifically that we were particularly concerned about the shift of all traffic to trucks by January 1<sup>st</sup>; I pointed out that this put more trucks on the roads at an earlier date, thereby raising the concerns we mentioned right from the beginning. As well, since CBNS is still charging their customers the increased rate to move their freight (supposedly again to offset costs of running the line without the subsidy), it seems inconsistent to do so when the traffic is now on the roads and the infrastructure costs are being carried by the public.

CBRM re-iterated their point about the CN letter - but the board again suggested that it will have to be the Province who takes that one on. I think we've all come to the point of thinking that if anything is going to happen on that front (which it should), it will have to be through legal means.

The PC Caucus had an amusing moment where Alfie McLeod got up to admit he had been wrong the day before - there were not 300 jobs at stake, but rather 500! (Ms. Danis had raised skepticism around the 300 number on day 1).

Finally, Canwel (one of the customers who already left) stressed that their transition was <u>not</u> as smooth as CBNS had implied. It was in fact costly and difficult, and is currently only temporary. They only did it because they couldn't afford the \$5500 increase. They also suggested the idea of the Province giving the subsidy direct to customers.

And with that, the hearing wrapped up around 11am.





### Here is the full text of TAA's opening statement, as presented at the UARB hearing in Sydney on December 8, 2014, by Ashley Morton.

Transport Action Atlantic is a non-profit, charitable organization that works to promote and support all forms of public transport and sustainable transportation throughout Atlantic Canada. We are particularly partial to the rail mode as environmentally responsible, socially beneficial, safe, and efficient. And our membership believes that there must be rail to Sydney.

We understand that the only topic formally before the Board today is simply the question of notice period. However, it is the position of Transport Action Atlantic that it is precisely because this service is so important that the notice period must be as long as possible. A longer notice period allows greater opportunity for another solution to be found, and offers a greater likelihood that that solution, when implemented, will be fully-thought-out and ready to be successful, rather than something "patched together" under the urgency of an impending deadline. Therefore, we must discuss why this rail line must be maintained and enhanced – not discontinued and then abandoned.

First, we point to the letter the Cape Breton Regional Municipality has raised, regarding the commitment made by CN in 1993 to ensure continuing service on this railway, in the event that Cape Breton & Central Nova Scotia ever commenced abandonment proceedings. This commitment was referenced by the National Rail Transportation Board in their ruling allowing the transfer.

CN, as a Crown corporation at the time, clearly spoke with the weight of the federal government behind them. Of course CN is no longer a Crown corporation. But if the privatized CN has not inherited the requirements of that commitment, it clearly must be the federal government that now bears that obligation. However, it is illogical and silly to think that the commitment simply vanished into thin air when the Government of Canada chose to privatize CN. Someone is obliged to fulfill it.

Second, there are currently users of the highway network serving Cape Breton, particularly residents of the island, who find the major highways undersized, under-maintained, and unsafe. Taking heavy cargo traffic from the roads to move it by rail helps address these problems. Simply removing traffic, particularly vehicles that often move slower than normal flow, speeds up everyone's journey. Heavy cargo is also the cause of some of the greatest maintenance needs, increasing wear on highways very quickly. However, most importantly, the more heavy trucks there are on a highway, the higher that road's rate of accident deaths.

This is not to fault trucks or their drivers. In fact, in many of these cases, it is the other drivers who are at fault. However, stopping distance, lack of manoeuvrability, and blind spots make accidents unavoidable, and the weight of trucks make them far deadlier. We will be directly saving lives by maintaining and increasing cargo traffic on rails, not to mention increasing road capacity and decreasing maintenance budgets.

Finally, we wish to call the Board's attention to the fact that Genesee & Wyoming appear to have subverted the authority of the Board by, in fact, discontinuing the service already. Of course, they have not formally stopped offering the service, but they have increased prices so much that there is now an artificial lack of demand. They have done this by declining a provincial subsidy. We would ask the Board to consider a means of dealing with this, so that the artificially disappearing demand does not become a justification for further lack of service.

This requires that, first, the Board disregard all traffic statistics since the dramatic increase in pricing. Carload traffic will obviously be in rapid decline, but this has nothing to do with the suitability of the service for its customers, and rather originates in the service provider's desire to generate artificially-low numbers to justify a discontinuation. Secondly, we request that the Board consider strategies that may be within their jurisdiction for lowering the prices for shippers back to previous rates, so as not to render the Board's decision moot.

One strategy that Transport Action Atlantic would support is that the subsidy be remitted directly to shippers, rendering their effective cost of transport equivalent to its previous price.

Thank you again, and we look forward to hearing the contributions of others present today.

## The right move

#### Commentary by Donald R. MacLeod

The owners of the Truro to Sydney rail line (Genesee and Wyoming) have been given permission by the Nova Scotia UARB to discontinue service on that section of the line between Point Tupper and Sydney later this year. The owners claim that there is not sufficient traffic volume over that subdivision to justify continued train operations, even with a Nova Scotia government subsidy to make it at least break even. The line between Point Tupper, with its heavy industry, and Truro operates in the black, and overall the whole between Truro and Sydney is profitable. Why would the owners want to abandon this section with prospects of potential future traffic good, infrastructure funds available for upgrades, and the Province's offer to continue the subsidy?

The answer could be that by closing the line and liquidating the assets including the rails, other infrastructure and long stretches of property fronting on the Bras d'Or lake would bring immediate and handsome return for Genesee and Wyoming – much more than continuing operating the trains at break-even.

The Nova Scotia *Railways Act* was passed back in the 1990's when several secondary lines in the Province were sold by the major railroads to short line operators, bringing them under provincial jurisdiction. Back in the 1990's there was little thought given that when railroads close, rails removed, the buildings torn down and the yards vacated there is left what could be described as an environmental quagmire. The only sections in the act that dealt with abandonment of a rail line was that the Province would have the right of first refusal to the assets – which when looking back appears to have been an oversight.

The Province recently had to remove several bridges on an abandoned rail line in the Annapolis Valley at very high cost, and now potentially faces the same situation in Cape Breton where the environmental clean-up could reach many million of dollars. The Province is now in the process of amending the act and regulations so that the owner will be responsible to leave the property in a fit condition as part of the abandonment process. This is a good move for two reasons.

First: faced with the high clean-up costs on leaving, the railroad owners should be more financially accommodating in arranging a takeover by the province or another potential operator. As one person said to me recently, it is possible that the price could be as low as a token dollar as the owners abandon Cape Breton.

Second: If the Province takes over the line across Cape Breton as salvage, at least the proceeds of the salvage (rails, property) would offset the clean up cost which could balance out at a small gain or loss. If the line cannot be saved, the government would have control of end land use for purposes of hiking trails, commercial use or recreational parks, and it would be cleaned up properly.

All considered, the legislative action is the right move for the Province to take at this time, and I believe the amendments to the *Railways Act* will ultimately save the line across Cape Breton Island. The Orangedale whistle may indeed once again be heard.

## Large pro-rail crowd attends Sydney community meeting



(Editor's note: Between the two days of UARB hearings, a community meeting to discuss the future of rail service was held on Monday evening, December 8, at the Civic Centre in Sydney, chaired by Mayor Cecil Clarke of the Cape Breton Regional Municipality. TAA's Don MacLeod and Tim Hayman were there. Here is Tim's first-person report.)

We arrived shortly before 6pm, and the room was already packed. The numbers kept growing up to the start, and it was standing room only (and not much of that!). The crowd seemed to be fairly diverse as well. A sign-up sheet was at the door and attendees were encouraged to sign their names and contact information.

Keith McDonald gave a summary of the UARB hearing so far, and passed it over to Ian McNeil, who made some further comments about the hearing.

Dr. David Rae (Dean of Business at Cape Breton University) then took the floor and gave an engaging and interesting presentation on their plans, emphasizing the need for community support. He wants to arrange the transfer of the entire line, but the issue then is how to gain ownership and get funding for infrastructure. There is a lot of desire to get G&W out of the picture, and bring in a new operator. He suggests some sort of model that would encourage business investment, perhaps similar to the Business Cape Breton model.

There is no illusion that it's going to be a difficult, but there is no other choice.

The stage was then passed over to Charlie Palmer, who even at 90+ years of age was able to give an engaging and inspiring speech, emphasizing how effective transportation is the key to success. He did occasionally slip into referring to CBNS as CN (no doubt from the many long years of fighting with CN on the same issues!), but he was overall quite coherent and made his point well. He was very well received by the crowd as well.

The floor was then opened to questions from the crowd, some of which were interesting, and some of which were a little off the wall - one citizen seemed to be terrified that if another world war breaks out, we'll need rail access to the port of Sydney for the war effort (I can't say I think that's our best line of attack!). One thing was clear: of the people who spoke, many are passionate about the issue, and a lot of people are very angry with the prospect of losing the line. This seems to be building on many many years of similar losses of service.

There was actually quite a lot of focus on passenger rail, interestingly enough. Some folks wanted a return of the railliners, and several brought up possibility of a tourist train along the Bras d'Or lakes. Dr. Rae mentioned this as well, specifically comparing it to success stories in the UK. This may not be the place to start, but it's no doubt another option to make the line viable and well used.

One of the exciting things about the meeting was the attendance of NS Transportation Minister Geoff MacLellan, who expressed his firm support for these initiatives. He was very vague in what exactly the Province might do, but he did state clearly that the Province is going to do whatever they can. Bill 65 (the amended Railway Act) is leading to new regulations that should be ready by June, and will ensure that G&W is not able to walk away and leave the cleanup bill to the Province, assuming we get that far along in the process. Minister MacLellan also expressed optimism that there are other possible operators in Canada, the US or elsewhere, who may be able to assume the operation. But the core message was clear: we need to build a business case to keep the rail line there.

CBRM Mayor Clarke then gave a condensed version of his prepared remarks for the UARB hearing. He stressed that while G&W is losing money now, the number of businesses that lose out without the rail line vastly outweigh that. He proposes that a rail operation set up more like the NSPI (regulated utility) model could be successful. He also stresses that G&W has not honoured the UARB process (by effective early discontinuance). His final point is to note that the CN/NS Letter was a deliberate part of the legal process at the time, and that it wasn't just "some letter"; the core purpose was to ensure the shortline operator would not face undue competition from CN's intermodal business, by imposing a financial consequence on CN if the shortline failed.

The mayor also mentioned that there are very real major developments in the works, but that they are protected by non-disclosure agreements at this time, which is why G&W has not been able to get details (which they referred to in the hearing as simply "not hearing back" from CBRM).

#### MARK YOUR CALENDAR! ANNUAL GENERAL MEETING Saturday, April 25, 2015

#### VIA cautiously optimistic over holiday results



An all-Budd stainless steel extra holiday *Ocean* rolls east across the Tantramar Marsh near Sackville NB on December 30. PHOTO: Tim Hayman

The new management team at VIA Rail is evaluating the results of initiatives taken for the 2014-2015 Christmas and New Year season. In November the company announced three additional departures in each direction over the three-week peak travel period, to augment the usual tri-weekly schedule that has been in place since October 2012. And, for the first time in many years, VIA launched a newspaper and radio advertising campaign to promote the additional service.

The extra trains operated eastbound on December 18<sup>th</sup>, 22<sup>nd</sup>, and 29<sup>th</sup>, and westbound on December 20<sup>th</sup> and 27<sup>th</sup>, as well as January 3<sup>rd</sup>. The additional consists were all Budd stainless steel cars, which offered the lowest cost per passenger mile and flexibility to add extra coaches or sleepers if needed.

Martin Landry, VIA's chief commercial officer, was cautiously optimistic about the outcome, acknowledging that the decision to add the extra holiday trains wasn't made until November, and – despite the advertising campaign – really came too late for maximum impact. Nevertheless, total traffic over the holiday period was up 6 percent from the previous year.

"We knew we were late to the game, but we wanted to do it anyway," he said, viewing the experience as a learning opportunity in finding solutions to dealing with what he calls the "super peaks" in traffic. "I'm not going to commit to anything right now, but I don't think this is a one-off. It wasn't a home run, but I'm not disappointed by the outcome...not as strong as I might have liked, but there were lessons learned." Points to consider in retrospect include timing as well as the type of accommodation offered, given that the demand for economy seats was stronger than for sleeper space – which could be explained in part by the fact that only "sleeper-plus" class was offered on the extra trains. He also acknowledges that the student market segment is very important to VIA.



Susan Williams is VIA's new GM for eastern Canada. She will be the featured guest speaker at TAA's annual general meeting in Moncton on April 25.

Mr. Landry is also very enthusiastic about the recent decision to appoint a senior executive with responsibility for Atlantic Canada. Susan Williams, originally from Nova Scotia, will be based in Halifax and will be paying very close attention to the market in this region. Her mandate, he says, is "don't assume anything," and includes examining all possible options, such as how best to provide inter-city service within the Maritimes, and through service to Toronto.

In a February 3 news release, VIA said "Ms. Williams will be working to bring VIA Rail's service offering in line with this part of the country's needs and demands. This is one of the first steps of a larger strategy to better serve Eastern Canada."

## VIA tightens Ocean schedule

There has been a slight improvement in the *Ocean* schedule, with the issue of a new timetable shortening the overall time between Montreal and Halifax by one hour. Effective February 18, train 15 departs from Halifax at noon instead of 1100, and arrival of #14 will be an hour earlier at 1735. Arrival and departure times at Montreal remain unchanged.

The schedule tightening is partially due to track improvements completed in 2014, but the dwell time built into the schedule to accommodate switching at Matapédia for the now-dormant Gaspé service has also been eliminated. One permanent slow order that hasn't changed is on the Bathurst to Miramichi segment, which still requires an hour and 41 minutes. Sixty years ago the steam-powered *Ocean Limited* covered the 44 miles in well under an hour.

Last fall, Steve Del Bosco, chief advisor to VIA's CEO, told Transport Action Atlantic that discussions were ongoing with CN regarding track speed. (Mr. Del Bosco retired at the end of January after 36 years of service, having been with the company since its earliest days.) Unconfirmed reports suggest that the new timetable is but an interim step, and that further improvements may be pending.

Fifty years ago the *Ocean* ran between Moncton and Campbellton in four hours flat, a time that changed little over the next four decades. But the effects of deferred maintenance eventually came into play, as more and more slow orders

were imposed, adding over two hours to the scheduled time by 2014. The new schedule, while an improvement, still requires more than 5½ hours for the Moncton-Campbellton run.

The schedule change also restores some lost bus connections at Moncton and Truro for passengers to and from PEI, Cape Breton and the Newfoundland ferry. While all are now theoretically possible assuming on-time arrivals, the situation at Truro is complicated by the unfortunate fact that Maritime Bus no longer calls at the VIA station there.

## Maritime Bus introduces new routes

For the first time ever, there's now daytime bus service along the Trans-Canada Highway in New Brunswick – from Moncton to Fredericton, up the St. John River valley to Edmundston, and onward into Quebec. Maritime Bus introduced the new run on January 18, and has high hopes for success.

Wenda Pitre, director of business services with the Coach Atlantic Group, says the most enthusiastic response so far has come from the Edmundston area, where passengers going to Montreal or Quebec City can make an afternoon transfer to Orléans Express at Rivière-du-Loup and arrive at their destination in the early evening. Previously thay had to make the connection in the middle of the night.

The additional run also means that there are now three daily frequencies between Moncton and Fredericton, with a convenient same-day return now possible. There have also been improvements made in the schedule between Moncton and Halifax. All three daily runs call at Halifax airport en route

Ms. Pitre says the Maritime Bus website is being upgraded, and in response to many requests from customers will include complete schedules that can be readily downloaded and printed.



Coach Atlantic owner Mike Cassidy, meanwhile, is highly optimistic that Maritime Bus will continue to grow its traffic base in 2015. In a yearend interview with the Moncton *Times & Transcript* he reported that ridership rose by approximately eight percent last year over 2013, and he fully expects the trend to continue. He's confident that his company will succeed where the previous operator did not – but to do so the business model must be "lean and mean", with constant revenue management and cost controls. And while ridership of the New Brunswick North Shore route isn't yet where he'd like it to be, he's committed to maintaining the operation between Campbellton and Moncton for 2015. Revenue from the parcels business has helped the bottom line significantly, Mr. Cassidy indicated, and has encouraged him to continue service on the route.

#### *Road Worriers* Study reveals high cost of car ownership

Can we afford to subsidize public and active transportation? Can we afford not to? Our car dependent culture is costing us more than we think, argues a recent report by the University of New Brunswick's Urban and Communities Studies Institute.

"The problem is our decision makers do not cost all forms of transportation, even though they are all subsidized," says Y ves Bourgeois, a co-author of the report. They cite a 2008 Transport Canada report that calculated private vehicle drivers only pay for 75% of inter-city car travel costs, whereas rail and bus users pay 96% and 95%, respectively. Once you factor in congestion, policing, accident-related healthcare costs, GHG emissions, etc, cars are costlier to governments than they appear.

"If we could shave just 5% off what New Brunswick spends on accident-related healthcare costs, that's an additional \$20 million governments could spend on more sustainable transportation," says Bourgeois. This boosts the case for public transit, as well as investing in community-based shared transportation networks across many of our region's more rural towns and villages.



Dr. Yves Bourgeois presented the UNB report's findings at TAA's fall board meeting.

Arguments that improve environmental and economic sustainability may appear no-brainers, but Bourgeois raises three important governance challenges. First, even if sustainable transportation could save provincial governments tens if not hundreds of millions of dollars, public transit is left to municipal governments who underinvest because they only reap part of the benefits. The costs and benefits accrue to the same taxpayer, but provincial-municipal governments do not always disentangle responsibilities well.

The second governance challenge owes to regional-level planning. PEI and NB "lead" the country with the highest percentages of workers residing in one community and working in another. That puts stress not only on the road system,

but also on things like parking and policing, paid for by one municipality's taxpayers but shared by others.

The third challenge highlights the intricate link between transportation and the built environment, and suggests departments within the same government may not work well together. A provincial education or health department may decide to site a new school or hospital in a suburb to save on land acquisition costs. They may not have factored in increased busing costs, and they are even less likely to have factored in the costs of roads and increased traffic to that area, water and sewer line costs to the municipality, etc. How we design property developments can also make a big difference in the viability of transportation alternatives, but this implies coordination between a town's planning, administrative and elected bodies.

By not addressing these governance challenges today, we reinforce our dependence on private vehicles and the underestimated costs they bring to households, governments and society. The report also shows the extent of our car dependence and discusses the impact this has on our ability to tackle other social priorities like poverty reduction, economic development and immigration retention.

- 90% of NBers commute by car compared to the national average of 79%. Only 55% of recent immigrants rely on cars, which can make retention difficult where transportation alternatives are rare;
- NBers have the 3<sup>rd</sup> highest car ownership rate in Canada (1.55 per household); they drive an average 800km a year more and produce 9.4% more CO2 from car use;
- 12.7% of Canadians use mass transit, but only 2.2% in New Brunswick: 4.9% in Saint John, 3.4% in Moncton and 2.7% in Fredericton;
- NBers walk (5.7% vs 6.2%) and bike (0.5% vs 1.4%) to work less;
- Canadians estimate at \$4500 the annual cost of operating a private vehicle, but the CAA calculates at \$10,500 the real costs for a compact car. It takes approximately \$6/hour off someone's take-home pay to keep a car on the road. The cost of working may be too high for low-income earners if alternatives to cars are unavailable;
- NBers spend 19% of their budget on transportation compared to 15% for Canadians. Lower-income NBers spend 17% vs. 12% for low-income Canadians.

The report can be accessed free of charge from www.unb.ca/urban.

#### Transit Topics



The newly-rebranded **Halifax Transit** has two major projects in the works. It is in the process of completely redesigning its network of routes and schedules. This has been underway for several months, and a first full draft will begin public consultations on February 19th. The intention was to provide a network built around frequent routes that might require more transfers, rather than once-an-hour or rush-hour-only routes that wound through neighbourhoods. It remains to be seen what the transit agency will actually propose.

Secondly, Halifax Transit will be receiving its new, fourth, harbour ferry this summer. It will be very similar in design to the current fleet, but will be intended to double frequency to/from the Woodside ferry terminal. The ferry will be named for a figure from Halifax's history, with voting on the name conducted up until the end of January (results not yet available at press time).

At **Transit Cape Breton**, the implementation of service reductions announced earlier as a cost-cutting measure will be delayed. It will probably now be May before the new schedules take effect, to allow more time for the complicated process of developing a schedule reduced by 200 hours per week without causing too many problems for riders.

The agency also expects to take delivery of a new 30-foot Vicinity bus in May. The \$290,000 vehicle is being built by Grande West Transportation Group of Vancouver. The manufacturer's website claims this model sells for half the price of a typical 40-foot transit bus, while offering greater fuel economy, reduced emissions, and lower maintenance costs. Transit Cape Breton is hoping to purchase one new vehicle each year to update its aging existing fleet. Most current buses have logged more than a million miles, and are increasingly prone to breakdowns. There are also two new handi-trans buses on order, which are expected to be in service sometime this spring. Fares on **Fredericton Transit** buses increased to \$2.75 cash fare, \$80.00 adult monthly pass, and \$55.00 for student passes, effective January 2 – the second hike in less than six months. The annual pass for persons over 65 remains at \$50.00, unchanged from the previous year. Students of St Thomas University have a bus pass included as part of their student union membership. UNB students have yet to agree to a similar arrangement, despite the willingness of Fredericton Transit to do so.

Meanwhile, bus service to Silverwood and Lincoln Heights received a partial reprieve. The routes were originally under threat of complete curtailment. The service reduction to two runs in each in the morning and afternoon peaks Monday through Friday was a compromise reached through the efforts of Councillor Scott McConaghy. There is no Saturday service on those routes. The changes were made too late for the publication of the fall transit schedule which did not show either route. This was corrected in the January 2015 printed schedule.

On other routes, the Carlisle service is half hourly through most of the day during the week, except Saturday when it reverts to hourly. Other routes are half hourly at the morning and evening peaks on weekdays and hourly for the rest of the day. Saturday service is hourly. None of Fredericton Transit's routes run on Sundays and public holidays.

Saint John Transit services are presently under review. The utility far exceeded the annual budget limits set by the Saint John Common Council, and it will probably be forced to reduce routes and frequencies quite drastically. Low ridership, as a result of previous service reductions and reduced gas prices appears to have created a revenue problem. The COMEX rush hour-only express services to the eastern suburbs, which started with great fanfare a few years ago, have recently suffered a fall in passenger loadings, and this, together with the reluctance of the suburban municipalities to increase their share of funding, will probably result in reductions to the COMEX service frequencies.

**Codiac Transpo** continues to show slow but steady increases in ridership, but the City of Moncton has decided to engage an advertising agency to develop a marketing strategy and increase public awareness of the service. Codiac – owned by Moncton – also provides service under contract to Dieppe and Riverview. Routes serving Dieppe were beefed up about a year ago, and Riverview is now looking at a redesign of their service, but the Town Council will ultimately have to decide how much service they are prepared to pay for. At least one councillor isn't convinced the existing arrangement is giving the Town the best bang for its buck. Cecile Cassista suggests it might be worthwhile for Riverview to explore the possibility of operating its own service, using smaller vehicles to interline with Codiac Transpo.

New Brunswick's new provincial government has agreed to the request of **Charlotte County** representatives for a meeting regarding proposals for the provision of a public transit service between the county and Saint John. No date

has yet been set, but the committee plans to propose a pilot project partly based on the cost savings that the Health and Social Services departments would achieve if their subsidized clients used the bus rather than taxis when travelling to treatment centres and hospitals.

With files from Michael Perry, Ashley Morton and Ted Bartlett

### New ferry arrives for Fundy service



The shape of things to come on the Saint John-Digby route PHOTO: Bay Ferries

A new and faster ship will enter service on the Saint John-Digby run later this year. Purchased by Transport Canada for \$45 million, the former Greek Islands ferry sailed into the Bay of Fundy in early December, and after test docking at the terminals proceeded to Halifax for a refit. Temporarily named *Canada 2014*, the 15-year-old vessel is expected to replace the aging *Princess of Acadia* before summer. A rechristening ceremony is planned to apply a new name, to be selected by the federal government from among online submissions from the general public.

Don Cormier, vice-president of operations with Bay Ferries Limited, says the work required before the ship enters service includes ensuring that all Canadian standards and regulations are met, overhauling the main engines to operate on cleaner-burning marine diesel fuel, and upgrading onboard amenities. The actual specifications were still being developed by the federal public works department in January, and Mr. Cormier expects the refit will require at least 10 weeks to complete. However, the ship should be ready to enter service by late spring.

Scheduling options are currently being examined, in consultation with commercial customers. Some concern had been expressed that the new vessel can only carry about 15 tractor-trailer units – significantly fewer than the 45-year-old *Princess*. But Mr. Cormier points out that the replacement ship is much faster, with a maximum service speed of up to 24 knots. This would permit two round trips within a 12 to fourteen-hour operating day, if demand requires it – especially at times of peak commercial volume.

Another advantage, according to Danny Bartlett, vice-president responsible for finance and marketing, is that automobiles and trucks will travel on separate decks – which should improve the overall customer experience. The new ferry, he says, will also have a separate lounge for commercial drivers, a business centre with wifi, and onboard entertainment during certain seasons of the year. There's also a sheltered open air deck, where food and beverage service and live music could be offered on summer crossings.

With four engines, the new ship also promises greater reliability. Typically only two engines would be online at any one time, allowing routine mechanical maintenance and repair to be performed while in service.

#### *Nova Star* **Rough seas behind – challenges ahead**

- by Donald R MacLeod

Returning in 2014 after a four-year absence, the seas have been rough and the challenges great for the ferry service between Yarmouth and Maine. Traffic volumes were lower than anticipated, costs higher than expected, and the owners were unable to arrange an off-season charter for the vessel. As a result, the first season's operation consumed the entire provincial subsidy that was supposed to last for seven years. The government decided to contribute more funding to the cause – a portion of which was not immediately disclosed, ultimately landing Rural Development Minister Michel Samson in political hot water. The grand total has now surpassed 28 million dollars. Unlike other ferry services in this region the Yarmouth-Maine run is completely supported by the government of Nova Scotia, with only minor federal assistance and none from the state of Maine.

The *Nova Star* will be back this year for a second season – one that many see as being crucial to the long-term future. The challenge in 2015 will be to increase traffic, reduce costs, and lessen the Province's subsidy to what taxpayers would consider an acceptable level.

On the positive side, this year's schedule is already known, so reservations can be made well in advance, as opposed to 2014 when bookings could be made and confirmed only days before the first sailings. This is important, as many travellers and tourists – especially the tour bus market – plan many months in advance. Fuel costs, a major expense last year, should be lower, reducing operating expenses marginally. Cheaper gas prices and the lower Canadian dollar should encourage more American tourists to come to Nova Scotia, which could be a source of additional traffic for the *Nova Star*. However there is a downside here, as fares are in US dollars which may result in fewer Canadian customers. As well, provisions and fuel are purchased at the US port.

The ferry also faces a major challenge competing with the highway on cost, convenience, and the time to get there. Driving time from Halifax, for example, to

the Boston area is only about twelve hours. Highway competition makes it difficult for the ferry to establish a solid base of truck traffic -a mainstay for other ferry services, especially in the shoulder season.

It is difficult to measure the contribution the ferry made to tourism or provincial revenue last year. Certainly it made a substantial difference in the Yarmouth area and all of southwestern Nova Scotia, and that is no doubt why the Province chose to continue its funding. But the government will face some tough and potentially unpopular decisions if 2015 does not bring a substantially improved financial picture.

*Chronicle-Herald* columnist Rachel Brighton put it this way in her column on January 24: "If our dollar stays low and Nova Star cruises can't entice enough American passengers aboard with their greater spending power, then it will be time to call it a day. If that should happen it will also be time for Yarmouth's business community and political leaders to find an alternative economic stimulus."

In a late breaking development, the Province announced on February 3 it is prepared to offer an additional \$13 million in support for the 2015 season, but indicated it may issue a new tender call for subsequent years.

#### New North Sydney terminal opening soon



An architect's rendering of the new North Sydney ferry terminal building

Marine Atlantic customers will soon be enjoying a new, larger and more convenient ferry terminal building in North Sydney. Construction is nearing completion on the \$20-million state-of-the-art structure, which will replace a smaller 30-year-old facility that had become inadequate to meet modern operational requirements.

Marine Atlantic CEO Paul Griffin says the new building will move the ferry service firmly into the 21<sup>st</sup> Century, adding that it is really configured around customer needs, while meeting all current security requirements as well. Mr. Griffin escorted a group of dignitaries, including Transport Minister Lisa Raitt, on a tour of the facility in late December.



Marine Atlantic CEO Paul Griffin (r.) escorted Transport Minister Lisa Raitt on a tour of the new facilities. CBRM Mayor Cecil Clarke is on the left.

It's expected to be ready for occupancy in late spring, according to Marine Atlantic spokesman Darrell Mercer. He expects passengers will be pleased to have ready access to the amenities of downtown North Sydney while waiting to board. They will simply have to step out the main entrance to avail of a variety of dining options and other attractions and services just a short walk away. He said the company has been working closely with the business community as the project unfolded, and suggested there would be mutual benefits for the town, the company, and the travelling public.

The building will offer improved access for walk-on passengers and those connecting with Maritime Bus, and the new location offers much more public parking than was available previously. The design incorporates all the latest advances in services for passengers with special needs, as well as cutting-edge environmental technology. It will also have a dedicated lounge for commercial drivers.

#### Marine Atlantic reduces fuel surcharge - for now

It will cost slightly less to travel to and from Newfoundland by Marine Atlantic this summer – the result of the unexpected drop in the price of oil. The company announced on January 14 that it would pass the savings on to its customers by reducing its fuel surcharge by six percent– effective immediately. However, the reduction will be somewhat offset by a 2.6% increase in base vehicle and passenger rates as of April 1, reflecting the Crown corporation's increased costs of doing business. Schedules up to March 3, 2015, were also announced, and bookings are now being accepted online and by telephone.

The fuel story is somewhat of a good news-bad news scenario. While the company and its customers are benefitting in the short term from the current lower prices, new environmental regulations will require a transition from cheaper blended fuel to 100% cleaner-burning marine diesel over the next three years. This is anticipated to result in higher fuel surcharges over time.

Don Barnes, vice-president of customer experience, says Marine Atlantic's 2015-16 schedules recognize the popularity of the late evening departures from both North Sydney and Port aux Basques, as well as the overnight schedule on the seasonal Argentia run. The 2345 departures are scheduled every night of the year, with late morning departures also offered throughout the peak and shoulder seasons. Mr. Barnes notes that should the need arise at other times the second departure can be added on short notice to ensure traffic demands are met.

The Argentia service has continued to grow in popularity each year since the triweekly overnight schedule was introduced in 2011, and the charter of MV Atlantic Vision has now been extended until November 2017. Mr. Barnes said the 2014 season saw an average increase of 5.5% in ridership on each crossing. The Port aux Basques run, meanwhile, experienced a slight decline. He was optimistic about prospects for 2015, noting that the lower gasoline prices combined with the devalued Canadian dollar will make driving vacations in Canada a more attractive proposition this year. This should auger well for "rubber tire" traffic to Newfoundland.

## WestJet spreads its wings – Encore



WestJet Encore's new Bombardier Q400 aircraft will soon become a familiar sight across Atlantic Canada.

Canada's second largest airline is expanding its presence in the Atlantic region significantly in 2015. WestJet's short-haul subsidiary – branded Encore – will make its first down east appearance in Fredericton in mid-April, and the new Bombardier Q400 turboprop aircraft will begin serving Halifax, St. John's, Moncton, Gander, Deer Lake and Sydney later this spring and summer. In fact, by July 15 the number of daily WestJet departures from Halifax Stanfield International Airport will have increased from 12 to 19 – a jump of more than 50 percent.

The corporate name might be a little off the mark in the contemporary context, because their routes are certainly no longer concentrated in western Canada, and neither is the fleet comprised exclusively of those familiar Boeing 737 jets. Robert Palmer, the airline's public relations manager, acknowledges that one of the secrets to WestJet's early success was the economics of operating a single aircraft type.

"The problem was, however, that with the bigger jets you eventually run out of places to fly," he said. Hence the decision to introduce the smaller and more nimble 78-seat Q400, which has opened up a lot of new markets that were considered too small to be economically served by the 737. One of the airline's

key objectives for this year was to extend their Encore service from coast to coast, and the new regional routes in Atlantic Canada are fulfilling that plan.

In addition to the twice-daily service between Fredericton and Toronto starting April 15, there will be once-a-day year-round flights to and from Halifax serving Sydney, Deer Lake, and Gander. (Gander will also be getting daily seasonal 737 service to and from Toronto, starting on May 3.) Existing jet service out of Halifax to Toronto, St. John's and Ottawa will be augmented by Encore flights, and there will also be a new daily return flight between Moncton and Ottawa using the Q400 aircraft. Most of the new Encore services will launch on July 15.

Atlantic Canadians should be able to enjoy lower fares as well as increased service as a result of these WestJet initiatives. Mr. Palmer says past experience indicates a typical reduction of about 30 percent in the cost of flying when a new competitor enters a market previously served by only one carrier. Furthermore, he says, WestJet guests will find the Q400 to be an exceptionally quiet and comfortable aircraft.

Meanwhile, building on the success of last year's initial foray into trans-Atlantic service, WestJet will inaugurate its new seasonal daily flights between Halifax and Glasgow on May 29. The 737-700 aircraft assigned to this route has 136 seats. The St. John's-Dublin flight – which Mr. Palmer describes as the most successful new service in the airline's history – will be back this year with a longer six-month operating season beginning on May 1. Overall load factor last season on that route was better than 90 percent, an achievement the airline spokesman described as "quite extraordinary."

#### Coming soon to a screen near you! New TAA website in the works

Transport Action Atlantic will soon have a new look and a vastly improved online presence. A motion was approved at the fall board meeting to engage a consultant to develop and design a totally new website – one that will reflect a stronger and more comprehensive message, while at the same time enabling upto-date material to be presented frequently on an ongoing basis with relative ease. Your board believes that this project will contribute to our organization's credibility and toward the accomplishment of our goals, while at the same time creating an inviting image that will encourage growth in our membership.

Work is already underway on designing the site. The changes will include a new URL – and by summer 2015 you should find us at <u>www.TransportActionAtlantic.ca</u>.

Meanwhile, your association has also taken its first steps into the world of Twitter, which we hope will eventually attract a devoted following among people supportive of convenient, affordable public transportation. Our Twitter "handle" is @TrsprtActionAtl.

## **Advocacy in Action**

The Cape Breton rail issue has occupied much of TAA's attention in recent months. Several volunteers have devoted many long hours to the cause, participating in community events and appearing at a public hearing in Sydney.



Ashley Morton appeared on behalf of TAA at the December 8 UARB hearing.



President emeritus John Pearce was one of the speakers at a pro-rail rally held at Sydney's Mayflower Mall in September 2014. He was accompanied by directors Don MacLeod and Allan MacDonald.

Above you see some of the higher-profile activity. But much more has been going on behind the scenes.

Although the passenger rail outlook has greatly improved in recent months, we have been relentless in our efforts to maintain the momentum. We believe that TAA has earned a measure of respect and credibility with the new management team at VIA Rail, and have had some very productive discussions with senior officers at the Crown corporation. Our upcoming AGM will give members an excellent opportunity to meet VIA's new general manager for the region.

We've also been involved with the statutory review of the *Canada Transportation Act* that's currently underway. Iain Dunlop and Michael Perry joined your president participating in a working session in Fredericton at the invitation of New Brunswick Transportation Minister Roger Melanson. Our input hopefully will form part of a joint submission from the four Atlantic transportation ministers. A key TAA recommendation was that the act should seek to maximize use of rail infrastructure to benefit all Canadians – in the safest possible manner. Meanwhile, TAA director Clark Morris took the initiative to submit a personal brief to the review panel. Information on the review process is available online at: http://www.tc.gc.ca/eng/ctareview2014/discussion-paper.html.

Communication has been ongoing with elected representatives on the federal, provincial and municipal levels, as we seek to strengthen our voice on the myriad transportation issues confronting our region. But the need to grow our membership base has never been more important. More volunteers are urgently needed to fuel our efforts at reaching out to the general public.

- Ted Bartlett

#### <u>Meet a Member</u>



Howard Easton (right) introduced former Amtrak CEO and current TAA board member David Gunn, guest speaker at the Moncton Rotary Club in June 2014.

Howard Easton was born into a railroad family in Montreal, and joined Canadian National as a trainee economist after graduation from Sir George Williams University. His 38-year career with CN brought many challenging assignments across Canada, and a wealth of valuable experience which he now is pleased to share with Transport Action Atlantic.

Howard first came to the Maritimes in 1957 as transport economist for the Atlantic Region, based in Moncton. Moving on to Winnipeg, he served as general superintendent express for the Prairie Region, and as grain industry coordinator during a period of intense traffic congestion. This led to an assignment in Ottawa where he was seconded for three years as transportation advisor to the minister responsible for the Canadian Wheat Board.

On returning to CN, Howard joined a team of officers responding to commissions of inquiry into the grain industry, dealing with such sensitive issues as prairie branch lines and the controversial Crows Nest freight rate structure. He appeared at a number of public hearings presenting briefs outlining the company's position.

His next assignment was as director of passenger operations in a group responsible for negotiating an operating agreement with VIA Rail Canada, newly created to take over all intercity passenger services then being provided by CN and CP. He was subsequently appointed general manager passenger, overseeing the eventual transfer of operating staff to VIA.

In 1986 Howard relocated to St. John's, as president and general manager of TerraTransport. This responsibility included Newfoundland's narrow gauge railway, Roadcruiser bus service, and a trucking operation distributing intermodal containers. Railway operations ceased in 1988 under a federal/provincial agreement, and after overseeing the winding down process he relocated to Moncton in 1989 as assistant vice-president for CN's Atlantic Region.

Howard and his wife Barbara remained in Moncton after his retirement in 1992, but enjoy spending their summers at the family cottage in Quebec. He's been a committed volunteer in the community, serving on a number of boards including 13 years with the Friends of The Moncton Hospital Foundation. He's also an active member of the Moncton Rotary Club, the Probus Club of Greater Moncton – and, of course, Transport Action Atlantic. Howard's sound advice on the VIA and Cape Breton files has been especially valuable to the organization.