

Railways and Communities: Discovering Common Ground

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I appreciate the opportunity to participate in your conference program. The industry I represent is as much a part of this nation's future as it was a part of its past.

Canada's railways carry more than 300 billion revenue tonne kilometres of freight annually, and more than 51 million passengers. We handled 30 per cent more freight traffic last year than we did a decade ago.

We did it while generating 3.5 per cent fewer greenhouse gas emissions than in 1990, so we are on track to being Kyoto compliant, voluntarily. That progress is largely the result of changes we have made in the way we operate, and our use of modern technology.

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Over the past few weeks, I've been speaking to transportation groups and public policy makers about two surface transportation models for the year 2020.

One I call the *Business as Usual* scenario: what the country and communities will look like if Canadian public policy – at federal, provincial and municipal government levels – remains heavily focused on highway solutions.

The other model I call *20/20 Vision*. It represents how the future could look with public policy changes that take advantage of the best features of all surface modes.

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20/20 Vision would involve a system of dedicated corridors of high-speed freight and passenger rail, and intermodal services and transfer facilities using the best features of road and rail.

I think *20/20 Vision* is a win-win scenario for everyone involved. Today's agreement moves municipal governments and Canada's railways forward, together, toward that vision.

Canada's freight and passenger railways, big and small, have contributed to the growth of our major cities, and to the economic success of smaller, just as important, communities from the Atlantic to the Pacific.

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With the growth of North-South continental trade, border gateway communities, such as Windsor, Sarnia and Fort Erie, Sault Ste. Marie, Fort Frances, Emerson and Northgate, have taken on increasing importance in our North American service network.

With increasing road congestion and pollution, people are looking for new solutions to a more liveable society, for the future! That's the foundation of our common interest.

But, wherever industry and community meet, there is potential for conflict. Today's announcement of a framework for developing a common approach to preventing, and resolving, proximity issues between municipal governments and RAC members, is a giant step forward.

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How do we move forward? One step at a time.

First, it will be important that RAC and FCM communicate the initiative and its process to their respective members and stakeholders. Announcement of the agreement, as well as on-going communications, will be key to bringing all parties to a common understanding.

If a dispute or issue can be resolved in the early stages, without unnecessary escalation beyond the local level, communities and the railways will both benefit.

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We need to jointly develop guidelines for use when dealing with issues relating to railway proximity: noise, vibration, emissions, safety, land use and development design.

Our success will depend on understanding each other's organizations. Not the ones we knew when we were growing up, but today's organizations. And what they will become in the future.

For example, that there have been 40 new short line railways created in Canada over the past five years.

If you think of the modern continental railway network as a tree, then the short lines are the branches and roots of that tree. The high volume, long-haul Class 1 railways are the trunks of the tree, and the short lines' business partners.

Today, short line railways in Canada operate one-third of the national rail network, and originate 30 per cent of the nation's rail freight traffic, from your communities. That's double what it was five years ago.

They do an outstanding job at helping reduce road congestion, and the impact of heavy commercial vehicle traffic on your roads.

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For example:

Last February, the Southern Ontario Railway and Canadian National announced a new train service to haul hundreds of thousands of tons of steel products annually from Stelco's works in Nanticoke, Ontario, to Hamilton.

This enables the two Stelco plants to integrate their production and improve their productivity. The distance is only about 40 miles.

Under a *Business as Usual* scenario, trucks would have handled transportation of this distance, at great stress to the highway system.

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Using rail removes thousands of truckloads of steel annually from Highway 6. It improves road safety, reduces traffic congestion and environmental damage, and saves governments, and taxpayers, significant maintenance costs on road repairs and upgrading.

Another, similar initiative in Quebec resulted in the removal of hundreds of log trucks from Quebec roads, and millions saved in road repairs.

Annual rail passenger traffic is 51 million, including commuter, inter-city travellers and tourists.

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GO Transit, the fifth busiest commuter rail service in North America, carries the equivalent of 18 lanes of roadway. Just imagine the parking lots it would take to replace that urban transportation system.

Railways are not immune to the challenges of co-existence. Much of the conflict between rail and the communities we live and work in involves noise, traffic disruption, emissions or safety issues that are associated with any heavy industry.

Railway operations, by necessity, are around-the-clock. We move goods according to customer demand in order to meet their schedules or their commitments to customers in North America and around the world.

Our customers are often industries that reside in your communities. They tell us when to move product in and out of their facilities. Our service commitment very much determines their success in the marketplace, and their employees' jobs.

We have had some success at resolving proximity concerns and conflicts. Operation Lifesaver and, more recently, Direction 2006, have helped reduce crossing and trespassing deaths and injuries by more than 60 per cent over the past 20 years.

TransCAER, in cooperation with municipal emergency responders, has helped make rail the safest form of surface transportation in Canada.

But efforts in other areas have been ad hoc at best, and inconsistent at worst. It is important to both organizations that a workable process be established.

Canada is a trading nation. Our country's economic and population growth means that railways and their customers have to become more productive, and more competitive in world markets.

We all have to work smarter, and do more of what we do every day, reducing duplication, and streamlining processes.

All of this activity and growth, of course, is visible and audible to you and the other residents of your communities.

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The transportation industry, as a whole, provides an essential service to Canadians everywhere and keeps our economy alive.

Our need to operate around the clock presents problems for many of the communities that grew up around our facilities and beside our track.

Despite dramatic urban growth, higher vehicle registrations, more train traffic, rail is the safest form of surface transportation.

We see today's announcement as another step forward, together, with the communities where we, and our customers, live and work.

The new RAC and FCM dispute-resolution model we are announcing today will help avoid conflict between neighbours in the first place.

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When disputes arise, it will facilitate local resolution.

It will bring front-line employees of railways and municipal governments together to discuss new projects, emerging issues and ongoing concerns.

The video you are about to see will help explain our joint initiative. There will be ample opportunity for questions later in the program. Roll tape....