



# TEAMSTERS CANADA RAIL CONFERENCE DIVISION 320



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**Subject: Is there Hope for Better Year in 2010?**

Dear Brothers and Sisters,

Canadian railway's think so. Please find appended a bulletin as posted on the TCRC National website.

In Solidarity,

Murray Douglas  
TCRC Div 320  
S&C Officer

## **Canada's railways hope for better results in 2010**

**Source:** Railway Association of Canada

After a bumpy run through 2009 as the global economic slowdown cut into the demand for freight movement, Canada's freight and passenger railways are looking forward, with hope, to better results in 2010.

Cliff Mackay, President and CEO of the Railway Association of Canada said: "From all signs, the decline in freight rail traffic hit bottom during this summer and has begun to rebound. It may take a couple of years for the business to rebuild to the peaks of the mid-2000's."

For VIA Rail and the country's commuter rail operators, 2009 brought needed financial injections from government that will help set them on the right track to meet the expectations of their growing number of customers. Inter-city, commuter and tourist traffic totaled 72.3 million passengers in 2008, and is still growing."

The federal government allocated about \$900 million to VIA Rail Canada alone for rejuvenating locomotives and cars, building new stations and adding tracks at key points in inter-city service across Canada.

It will take VIA a couple of years to complete all its renewal projects. When they're done, the company says it will be in top shape and ready to run more frequent trains in the busy Ontario-Quebec corridor and offer better accommodations on its eastern and western transcontinental services.

The federal and provincial governments announced major financial support for commuter rail projects such as a major renovation of Union Station in downtown Toronto so it can better connect VIA, GO Transit and Toronto Transit Commission passenger services. The station's track network and Union Station in Toronto are being rebuilt to handle additional passengers.

The New Year may finally bring some clarity to the hottest public transportation issue -- the prospects for high speed passenger trains linking Quebec City-Montreal-Ottawa-Toronto and Windsor. A \$3 million technical examination of 20 years worth of high speed studies will report to the federal, Ontario and Quebec governments by the Spring. That should set the stage for some decisions later in the year.

The freight carriers saw their traffic tumble by upwards of 25 per cent during the first half of 2009 as the recession cut into the overseas demand for coal, sulphur and other export commodities as well as the movement of containerized goods in and out of Canada.

Signs of improvement could be seen in the number of locomotives and freight cars brought out of storage toward the end of 2009 to handle an up-tick in business. Strong demand for Canadian grain and specialty crops was one of the bright lights for the carriers during 2009. Promising new business for the railways includes ethanol and wood pellets being used in electricity-generating plants.

One unknown for the rail industry is what commitments Canada will make toward an international agreement on cutting carbon emissions. Many observers think the industry's favorable environmental footprint, such as an agreement with government to cut locomotive emissions and its ability to take people and freight off congested highways, positions it to gain traffic during an economic rebound.

The railways should also get a boost when the federal government's infrastructure expansion and economic stimulus programs hit full steam during 2010. They could bring more business to the railways hauling materials for construction projects across the country.

Canada's 53 railways transport 75 per cent of freight traffic in Canada and 72.3 million passengers, yet generate only three per cent of greenhouse gas emissions. They operate an average of 775 trains a day in Canada, and 100 trains cross the border between Canada and the United States each day.

***[www.teamstersrail.ca](http://www.teamstersrail.ca)***