

Transport 2000 Canada **Western Newsletter**



2000-1
March 2000

**for Manitoba, Saskatchewan,
Alberta and British Columbia**

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This is the email edition of the newsletter. If you want to obtain a hard copy, please advise the editor by email.

Please note the articles on pages 2 and 3 as they relate to transportation and the environment. On pages 6 and 7 there are some passenger rail issues discussed.

We send a hard copy of this newsletter to every federal cabinet member and to members of the House of Commons Transport Committee. We also send copies to the press.

If you have any feedback, please write to the editor by email. Thank you.



By Sitarail through West Africa see pages 4 and 5.



Amtrak's Empire Builder in Shelby ND. Amtrak is planning additional services, VIA can not, see page 7.



Map of Ivory Coast, showing Sitarail route.

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This issue went to press on March 3 and was mailed March 7, 2000

Budget 2000 and the Estimates

While the Government Fiddles, Global Warming Increases.

The total Transport Canada budget was reduced from \$ 889.8 million in 1999/2000 to \$ 878.3 million in 2000/2001. The estimates show no increase for VIA. There is mention in the budget for \$ 52 million capital extra for Transport Canada in 2000/2001, \$ 41 million in 2001/2002 and \$ 46 million in 2002/2003. The word VIA does not appear in the budget documents. In passenger rail services, Algoma gets \$ 2.1 million up from \$ 4666,000. Marine Atlantic will get an extra \$ 8 million.

There was a report in The Globe and Mail that the cabinet was opposed to privatisation of VIA and that VIA should get extra funding, both for operations and capital. Well if it was discussed in cabinet, the question then is, when and if would funding for VIA occur. There are some indications that VIA will as yet get an extra \$ 30 million per year, plus \$ 400 million over x years for new equipment and fix infrastructure it controls. An announcement is expected about March 31. Starting in 2002/2003 there will be \$ 150 million for highways, to be matched by an equal amount from the provinces. It appears that cabinet was not that keen on the highway program, hence a later start. Of course more highways mean more traffic and hence more emissions. The infrastructure program will go from \$ 100 million in 2000/2001 to \$ 400 million by 2002/2003. Public transport will qualify.

Environment Reshuffles Money

Apart from \$ 11 million to clean up the Sydney Tar Pounds, the environment budget for the coming year shuffles money around.. Starting in 2001/2002 there will be \$ 70 million to tackle climate change. There is no initiative like tax deductible transit passes, as recommended by CUTA, Federation of Mayors and Municipalities or the Transportation Table on Passenger Transport.

Emphasis is Tax Reduction

With the emphasis on tax reduction, a more powerful lobby than any environmental group, the government shows that it is incapable of giving leadership in causing mode shift or in improving the environment. The budget can only be described as a setback for the ministers of the Environment and Transport.

There will likely be an election in 2001. The tax reductions that have now been announced will be noticed most in the year 2001. The spending may increase of course with next year's budget, just before an election. However it is clear that the Environment and Transport are not priorities with this government. And that is very unfortunate for Canada.

Leadership?

Cann't we have any leadership, sense of purpose and direction in Canada? Why is not the year 2000 used to determine the real and total costs of transportation, before the country embarks on highway infrastructure **only**.

Looming Fuel Crisis?

Except for Vancouver the price at the pump has increased in Canada by 18% on average between February 12, 1998 and February 11, 2000 (24% by Feb. 18). However by February 18, 2000 Vancouver had caught up with the rest of Canada. The price war was over. In the last year the crude oil prices have doubled from US\$ 15 per barrel to US\$ 30 per barrel. The stated reason for the increase is that OPEC has limited production. OPEC may increase production so that the price of oil is about \$ 25 per barrel, high enough for profits, low enough to prevent drastic economy measures by consumers. A tricky balancing game that can only be played as long as there is oil.

The Ontario Trucking Association (OTA), appeared before the Ontario Gas Prices Task Force at Queen's Park and immediately asked for relief to truckers and other motorists from escalating gasoline and diesel fuel prices. Taxes did not increase, crude oil prices did. What governments and the OTA have to realize is that this is a trend and not a blib.

OPEC still has vast oil supplies, however not that much new oil is being found. The western world has very limited reserves and find very few new fields.

The only vast reserves in Canada are the oil sands. Now it takes one barrel to produce one barrel, in other words emissions are doubled. The tar sands come to the surface near Fort McMurray where the present exploitation is taking place. The layer dips down towards Loydminster, where different extraction methods are used (heavy oil plants). Extraction is only economic when oil prices are high!

So while a crisis is slowly developing, the approach by governments is one of tinkering. Addressing the fundamental costs of trucking and finding solutions does not appear part of the government approach. Yet making each form of transport pay for its use of resources and facilities, is the only way that there will be efficiency in transport. Unfortunately for Canada, there is no leadership either at the federal or provincial level to really address the problem.

Comparison of Fuel Prices Feb.11.1998 and 2000

Retail Prices include all taxes.

City	Regular SS			Auto Diesel			AutoPropane	
	1998	2000	2000	1998	2000	2000	1998	2000
	Feb12	Feb11	Feb25	Feb12	Feb11	Feb.25	Feb12	Feb11
Vancouver	52.3	48.4*	65.1	53.6	58.2	58.2	32.9	38.2
Kelowna	51.9	62.9	65.9	52.9	56.9	57.9	32.9	39.9
Calgary	47.7	57.1	62.9	48.4	55.6	56.7	26.4	37.9
Regina	55.9	64.9	69.8	56.6	62.7	63.4	38.9	46.3
Winnipeg	49.9	60.4	67.5	51.9	56.4	57.4	31.5	39.6
Toronto	53.1	65.3	68.9	50.7	70.9	70.9	27.2	43.3
Ottawa	52.8	62.1	67.5	51.9	72.2	71.9	34.9	43.4
Montreal	57.7	70.3	76.9	58.4	79.9	78.2	42.9	49.1
Halifax	59.7	69.9	71.9	61.4	77.9	78.6	45.9	63.8
St.John's NF	68.9	76.5	76.5	74.1	75.9	76.4	45.9	59.9

* Retail price in Vancouver was low due to a price war initiated by Amoco. Source: Natural Resources Canada and Petroleum Communication Foundation

It is noted that the oil companies manage to keep prices in Ottawa a little less than in Toronto. Why? Another question is will prices at the pump go down if OPEC increases production. Not very fast we expect.

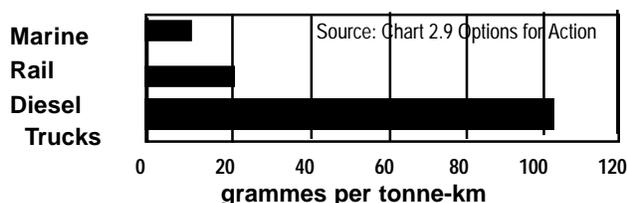
Transportation and Climate Change by J. J. Bakker

On February 9, 2000 I attended the National Consultations Meeting in Calgary on Transportation and Climate change. The report "Options for Actions" is scary when looking at the data. Unfortunately it is timid and seeking the lowest common denominator when comes to action. It totally lacks leadership.

Freight - Trucks pollute the most.

Let us first summarize the data. For freight emissions it shows the following graph regarding emissions. Diesel Trucks are the big polluters.

Green House Gases (GHG) Emissions per Tonne-Kilometre by Mode in 1997.



At the same time the report forecasts that between 1990 and 2020 the tonne-km of each mode will change as follows: (in million tonne.km)

Year	1990	1995	2010	2020	Change 1990-2020
Truck	149,000	180,000	240,000	289,000	+94%
Air	545	585	860	1,111	+104%
Rail	250,100	282,400	342,800	390,000	+56%
Marine	50,000	42,500	42,500	42,500	-16.5%
Total	450,545	505,485	626,160	722,611	+60%

The Kyoto target is a reduction of 6% relative to 1990 by 2010.

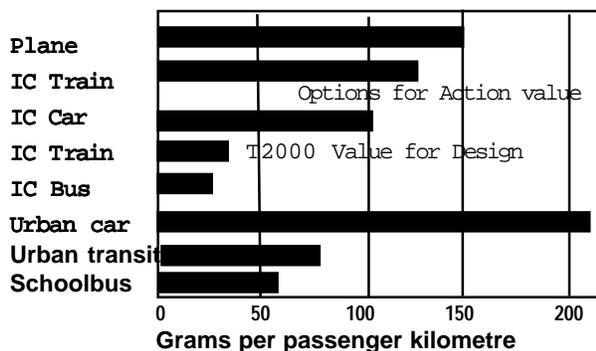
The Recommendations for Freight

The most promising measures were given as **Truck driver training** and a code of practice in marine freight! Promising measures were: Long trucks, Accelerated truck scrappage, Rail freight car capital cost allowance, Rail locomotive capital cost allowance, Truck lubricants, Truck speed control to 90 km/h, Truck load matching.

Passengers - Plane and Urban Car Pollute the most.

We reproduce the graph, but we question the data for the Intercity (IC) train.

GHC Emissions per Passenger-kilometre by Mode



Sources: Chart 2.8 Options for Action and J. Pearce, Transport 2000 Atlantic

Alternative Analysis Intercity Trains

Comparing the data from different sources, it appears that the report uses average VIA data of 40 year old equipment and compares it with improved technology in other modes. VIA runs several long remote services which increase emissions per passenger km, because of low occupancy and wrong equipment. Even Intercity Corridor trains use F40 engines which are 2 stroke diesels and give greater emissions. Assuming that if rail is an alternative, efficient engines should be used. A value of between 30 and 38 should be used.

ENERGY EFFICIENCY For Various Modes of Inter-City Travel (assuming car=100 grams/pass.km)

Source	Bus	Rail (day)	Rail (system)	Air
United States				
J.Vranich, Supertrains, June '93	25	29	63	124
Amtrak Brochure, 1991	26	24	30	141
United Transportation Union, 1975	36		38	227
Canada				
Locomotive Engineer data, Halifax		22	47	
CN Train Performance Computer		36	56	
GO Transit			61	
Average	25	38	164	
Climate Change: Options	24	106	137	

Source: J. Pearce, Transport 2000 Atlantic

Transport 2000 Suggests A Different Approach

Needless to say that Transport 2000 Canada was not impressed. So we suggested the following:

- .. Electrification of the western lines (Edmonton and Calgary to Vancouver). An innovative public-private financing scheme is required here
- .. Electrification of urban transit wherever possible.
- .. For freight have frequent drive-on / drive-off trains in the corridor and between Canmore and Revelstoke (so as to avoid mountain passes).
- .. Combine these frequent freight trains with multiple unit passenger trains so as to reduce car travel.
- .. Develop coordination between the various passenger modes, air-train-bus, both in station location and schedules. Introduce shared taxis to feed the various modes.
- .. Do not have the recommended HOV lanes since HOV lanes in effect increase car volumes and emissions. Have bus lanes and bus approach lanes with signal priority instead.
- .. Introduce fair competition between modes with full costing (including environmental impact), allocated fuel taxes for transportation, eliminate property taxes on rail right-of-way, equalize capital depreciation rates between modes, allow 100% depreciation on railtrack improvements.

The Minister of the Environment stated in a letter that carbon taxes or targeted taxes are off-limits. We think the concept should be that the polluter should pay and user charges should be adjusted accordingly.

In general the Options proposals are too limited and short term to have any meaningful impact. What is needed in Canada is leadership, if we are to reduce emissions and have growth.

By Sitarail through West Africa - A Trip by Anne Bosch. A Slow Express Train

Between July 1st and July 9th, 1999 I made a return trip from Abidjan on the Atlantic in Côte d'Ivoire, West Africa, right through the country north to Bobo Dioulasso in Burkina Faso. (see map on page 1). Although advertised as an Express Train the journey to anyone from more industrialised countries more nearly resembles a very agreeable jaunt on a milk train. The train left Abidjan at 10 am and was due to arrive 20 hours later at Bobo; in actual fact we got in at 2:30 pm the next day. We had travelled about 700 km.

The Railway

The one metre gauge railroad was built northward from Abidjan in the 1930s. By 1954 it was extended as far as Niangoloko, our customs and immigration station after we crossed the border into Burkina Faso (the former Upper Volta). All this area is part of what used to be French West Africa, benefiting today from the lingua franca of the French language (Côte d'Ivoire alone has 63 languages, all honoured), a single currency - the CFA, which guarantees 100 CFA to equal 1 French franc, numerous government, cultural and business connections with European France, and subtle reminders of the more beneficial contributions of colonialism: 3 course French meals (making superb use of local produce), for instance, and handsome avenues of massive old trees lining routes. The latter are especially evident in Burkina Faso.

Today this railway system goes as far as Kaya, past the Burkina capital of Ouagadougou. I believe it was intended to continue northeast and loop over eventually into Nigeria. At present its Kaya terminus makes it a 1000 km system. It is a diesel railway, our train comprising two 1st class and four 2nd class carriages. I rode in the 1st class carriage just behind the engine and we enjoyed the service of the canteen counter there. Tea, coffee, pop, chocolate bars, biscuits, sandwiches, and a choice of two hot meals were provided. In actual fact I had made picnic purchases for myself at a market the day before travelling but was very grateful for tea brought to me from time to time on a cheery orange plastic tray: it was served smoking hot in a pitcher, with glass cup and saucer, 4 lumps of sugar, and 2 slices of lemon - one for each cupful.

For up-to-date transportation news try the
Transport 2000 Canada Hotline: 1-800-771-5035
or www.transport2000.ca
For news from the United States try
<http://www.narprail.org/hot.htm>

Service is Three Times per Week

The train runs 3 times a week north and on alternate days, 3 times south. On the return journey, while waiting to have my passport stamped at Ferkéssédougou ("dougou" means "town") I picked up a railway workers' bulletin to read. Apparently the railway had been recently privatized and had received a much-needed loan from the World Bank in the fall of 98. In May of 99 two Bank officials had visited it to check on development. According to my friend in Burkina Faso, the railway had not been an advisable way to travel until recently; I found it more than adequate.

Price and security were excellent.



Arrival at Bobo Dioulasso, Photos by Anne Bosch.

Officials at the station wore bright yellow shirts and made sure that loiterers did not get through the grillwork to bother travellers. Adama, obviously an approved porter (though wearing a ragged T shirt) was the successful one of 3 porters who struggled for mastery of my suitcase when my taxi had arrived. At my request he shepherded in a newspaper vendor and I was able to choose from a bevy of titles which news - all excellent and in ex-

quisite French - I cared to purchase. There was a slight extra charge, which I believe Adama and the vendor split between them. I had by now understood my role as white foreigner, to be charged somewhat more than the locals; I come, after all, from a developed country where we are (not yet) filled with desperate citizens. I was a single woman (nearly 70) travelling alone and, once through the crush at the various gates in the station there, skillfully negotiated by Adama who carried my suitcase and would have served bodyguard had it proved necessary, there were really no more anxieties.

For 50 cents he took charge of me, and he also handled 2 freight packages for others on that train. As I was 1st class I was allowed through a crowded gate early, onto the platform, to await the train which had originated at the other end of town, a suburb called Treidville. Once through the gate Adama led me down a slope and through some grass, ankle-deep in water (June-August is the rainy season). I was glad I had removed my socks and running shoes and was wearing only sandals - a ploy to keep towelling my feet dry rather than end up with soggy feet. As I unhesitatingly waded in I sent up a small prayer that any wee beasties in the standing water would not wind up in my liver 3 years on. (I think it worked.) I was, as well as other precautions, taking malaria pills daily and for 5 weeks following my return to Canada, and six months later I had my booster shot for Hepatitis A....

By Sitarail through West Africa (continued) by Anne Bosch.

Then came the train in all its glory.

A train always arrives. I began the journey.

Positives included, first of all, the local colour. At each station (about a dozen in all) the hawkers would parade up and down by the train, calling their wares: mangoes, cassava, manioc, bananas, woven baskets, fresh eggs, boiled eggs, one and two-pint clear plastic bags of cold water temptingly covered in condensation drops, pop, etc., etc. All items were piled on trays 2 feet in diameter and transported on the seller's head, often with one hand up to steady the tray but not necessarily. Inactive hawkers stand chatting in small groups without holding on, turning their heads easily to face one or the other of their mates. The one item I spotted not on a tray was a beautifully knotted hammock in thick black rope, borne in the hands of a smiling old man who had obviously bargained previously with the future owner. At the train door the recipient passed out the worn bills and received his treasure.

Head rests were covered with freshly laundered white cloth. There were hooks for clothes just by each window. There were unhookable garbage containers with hinged lids under each window, but refuse was ritually thrown out the windows (many banana skins...). Together with the only other foreign person on the train, a young Frenchman travelling up to Ouagadougou for a month of volunteer service with young children, I had a long conversation with a bright young attendant. He was responsible for the overhead racks, which tended to get overloaded and break down if not monitored. He rode with the train to make sure they were in good repair and treated properly by passengers, who often had enormous suitcases. Animals were not allowed on the train for fear of disease transmission.

We soon fall behind schedule, stopping often. Children run through the mud down to the train all along the route and call for mangoes. Obliging passengers pitch them out to lucky recipients. We travel through bidonvilles galore but also through fields and along byways. We have been at Azague for 2 hours when I learn our engine has detached and gone north to help another train in distress. Eventually it chugs back, there is a carefully manoeuvred clunk indicating the hook-up, and we are off again. By 4:15 pm we reach Agboville, barely up the map from our starting point. My friend in Bobo is expecting me at 6 am tomorrow and I hope she will not arrive at the station at that hour. (She does.) The Nzi River crosses our line at Bangouanou.

Train doors opening to the outside at either end of the carriages remain open for all of the trip, as far as I can gather. This allows for ventilation during the day as it is hot and humid. Through one area quite far up the line we travel for kilometres through a gulley and seem to be traversing a swamp filled with extremely sturdy grasses. These grow tall and right up to the line so that they are kept back only by the repeated scything

rendered by the train as it cuts through almost daily. The noise of their beating against the side of the train, and to flop through the open doors and be jerked back again, is a constant heavy rattling.

The passengers are friendly but do not press themselves on you. I find that colonial times are a thing of the past, as are colonial attitude for the recipient and the perpetrator. I experience no negative incidents because of my foreignness, and the immigration officers at all borders treat me courteously and, on this trip since I am the single white woman, first. Furthermore, as I have grey hair there is some respect and warmth accorded me. (Later, in the towns I am greeted by strangers, "Bonjour Grandmère" and my hand is shaken. Once, when introduced, I am saluted with "Mamma!" and I enjoy it.

We idle a long time at Bouaké in the centre of Côte d'Ivoire. At Dimbroko a young mother comes to talk with me. She has 2 children at home, 7 and 3; she explains it is her husband driving this train. Then we all settle down to sleep about 10.30 pm.

The Return Journey

A week later I make the return journey, which is only slightly less exciting and satisfying than the trip up. This time it takes only 26 hours (it is advertised as 20). I do not disembark in Abidjan but continue right on down to Treichville. The train's engine has been defective for a couple of hours and we move laboriously and slowly. As we cross on the long under-bridge spanning the water outside Abidjan we are painfully grinding along. I do not want to have us stop as we could not disembark and would remain stranded on the bridge. Limping badly, the train pulls into Treichville with the few remaining passengers. I descend the steps, for the first time since embarking with a platform coming up to ease me down from the last step. (At one of the immigration stops up north it had been all I could do to hike myself up onto the first step, which was near shoulder level.) As I move along the platform another porter in a T shirt comes forward to take my suitcase. He swings it up onto his head. As we emerge from the station a uniformed Sitarail woman comes up to claim my ticket stub, thereby removing the one written proof of my fare. It has been Cdn \$ 35 each way, and a marvellous bargain. I can recommend it, and look forward to the continuing improvement of this reviving transport system.

Does Transit Gain from High Gas Prices?

Now that we have had several months of higher fuel prices the effect on transit use can be noted. In Denver it was found that more longer trips are now made by transit. However there was about a two month delay before it occurred. The reason is, it takes time to get your credit card bills and to realize what impact higher prices have on your budget.

Shorter trips do not seem to be affected by higher prices at the pump. So commuter services should benefit.

What About the Bi-Level Option for Passenger and Premium Freight



A VIA Corridor Train. Notice that the engine is much higher than the cars. The air resistance is the same as for a Bilevel Train.



A French TGV Bilevel train between Paris and Lyon. These trains now operate on a regular interval basis.

If There is Investment, Keep it Simple.

With the possibility of investment in equipment, it may be instructive to consider options. We have mentioned before that Diesel Multiple Units should have a flat front and allow for passage between coupled units.

However when we look at our present corridor trains, we see a high engine and low rail cars. Comparing it to the French TV bi-level trains, the wind resistance should be about the same.

Trucks as Premium Freight

The next problem for the corridor is, how can we divert trucks from roads to rail. The obstacles now are a lack of frequent service and delays in loading truck trailers onto trains. One solution would be to have the trucks drive-on and drive-off trains. The frequent service could be provided by coupling Multiple Diesel Freight Units to Passenger trains. If we look at the European experience, then the drive-on / drive-off units are enclosed when going through tunnels (see pictures for Chunnel and Swiss Alps) or open on flat cars as between Munich (Germany) and Verona (Italy) via Austria. Loading of these drive-on / drive off trains can be either from the end (uncouple one engine) or from the side (using the space of a car). Truck drivers can use the travel time as rest time in the passenger portion of the train.



Covered Car Carriers in Switzerland and

Eurotunnel Truck/Car Carriers for Drive-on drive-off operation.



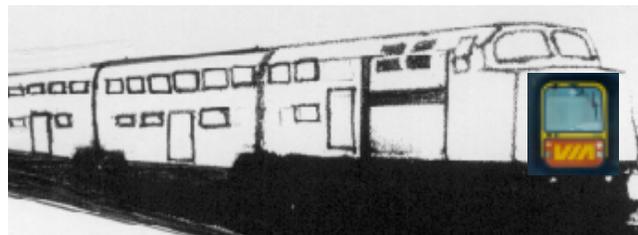
The Design Challenge

In order to keep designs simple, flexible and multi-purpose, a few sketches are given. The length of passenger trains with frequent service would be between 3 and five cars, enough for one engine. However with multiple unit operation there is a cab and engine at each end. If we can design an engine that takes only half the length of the present one used, we have one basic component. The other half can then be a passenger module or a freight module. The freight module could contain trailers like Greyhound uses behind its buses for mail or parcels.

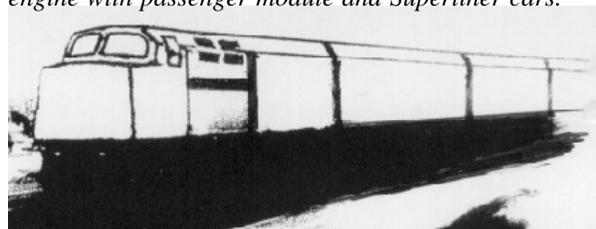
The passenger unit would have a passage to the next unit, so as to give operating flexibility. The passenger cars can be of the Superliner variety, so that the same Multiple Units can be used on some lesser used trans-continental or commuter services. Using bi-level trains means however that tilting is probably not possible.

Research and Development Grant

The next step would be for the Government to give a research and development grant, so that Canadian industry can develop such a unit. With global warming and the increased cost of fuel, there may be a bigger market than just Canada. It would be a first step to reduce global warming at very little cost.



Sketch of Passenger Bi-Level Multiple Diesel Unit, showing engine with passenger module and Superliner cars.



Sketch of Drive-on / Drive-off Multiple Diesel Unit showing engine with freight module and enclosed freight cars.

Amtrak is making Plans, VIA cannot

Amtrak announced the conclusions of its Market-Based Network Analysis (MBNA) on February 28. This study examined a variety of potential passenger and mail & express routes which if implemented, could help the company achieve financial independence and provide more choices for passengers but also doubles available **"shipping lanes for mail & express"**.

Amtrak plans to "activate" 50 passenger cars, 40 locomotives, and 4,000 mail & express cars for the new services. The study creates a hub network of train services at Dallas/Fort Worth, while the Chicago hub also gets many new services. The study recommends:

1.) The **'Crescent'** will be split at Meridian, MS with new service running west to Dallas/Fort Worth and serving Jackson and Vicksburg, MS, and Monroe and Shreveport LA.

2.) One **'Silver Service'** (NYC-Florida) train will be extended from New York to Boston.

3.) One **'Silver Service'** train will split at Jacksonville with one section serving destinations along the East coast of Florida to Miami.

4.) A new Chicago - New York train, the **'Manhattan Limited'**, will serve Toledo and Cleveland during the day and Pittsburgh to New York overnight.

5.) Four trains serving the Chicago - Detroit corridor will have four different destinations: Pontiac, MI, Toledo, OH, Toronto, and New York City. The **'International'** will be removed from its present route through East Lansing, Durand, Flint, Lapeer, and Port Huron and instead serve the Ann Arbor - Detroit market. It will then pass through southern Ontario to Toronto. A second Chicago - Detroit train will pass through nonstop through southern Ontario to Buffalo and New York City.

6.) The Chicago - Grand Rapids, **'Pere Marquette'**, remains pending funding from the state of Michigan. Michigan may also wish to retain the existing **'International'** route to Port Huron.

7.) A new train Chicago - Janesville, WI, will serve the Lake Geneva resort area, *this train will also serve a magazine publisher in Janesville with express freight.*

8.) An extension of a Chicago - Milwaukee **'Hiawatha'** train will serve Fond du Lac.

9.) A new overnight train Chicago - Des Moines, IA, will serve Davenport and Iowa City, *it will also provide refrigerated transport of beef products.*

10.) The Chicago - San Antonio **'Texas Eagle'** will become daily and a connecting train for San Antonio - Laredo/Nuevo Laredo - Monterrey, Mexico is planned. *This service may be used to expedite auto parts.*

11.) The **'Sunset'** will be rerouted from Houston through Dallas/Fort Worth, then on to El Paso and its current route west. It will provide new service to Eastland, Abilene, Big Spring, Odessa, and Pecos, TX and eliminate service from Alpine, Sanderson, and Del Rio which may be served by Amtrak Thruway buses.

[continued next column]

Cascades Services Threatened

The Washington Association of Rail Passengers report that the Talgos are being threatened by rule changes. The three Talgo rail sets met or exceeded requirements at the time they were ordered. The Federal Railroad Administration (FRA) allows the grand-fathering of existing equipment. Amtrak has applied to the FRA, but is getting no reply. The deadline is May 8, 2000.

FRA now requires 800,000 pounds buffing load strength, the existing Talgo sets have a buffing strength of at least 440,000 pounds. FRA is being bombarded by Bombardier for more information on the Talgo sets, including information that Talgo considers proprietary. Talgo has released much of the requested information, yet Bombardier continues to push its delaying tactics.

On the West coast the new service is well received and a backlash against Bombardier is now developing. Talgo equipment comes from CAFTA in Spain, a competitor of Bombardier in Europe.

[Source Feb./March.2000 Washington Rail News]



Cascade Train between Vancouver and Seattle.

Alberta: Urban Gas Taxes to be Split

Effective April 1, 2000 the gas taxes collected in Calgary and Edmonton by the Provincial Government will be split. The revenue received by the cities is to be used on capital transportation projects.

This new policy means that Alberta does believe in allocated taxes and recognises that half the vehicle.km are driven in urban areas.

The provincial government should be congratulated with this new policy. They should now calculate what the real costs of driving are, to determine the revenue.

12.) A new luxury train will travel between New York and Los Angeles on a 60 hour schedule. The specific equipment, frequency, or route for this train has not been disclosed.

13.) A new Los Angeles - Las Vegas service using Talgo.

14.) A new Boston - Portland, ME service.

15.) Last but not least the introduction of High Speed Train services in the North-East corridor.

It is a contrast with VIA which has no spare or new equipment and does not carry mail & express freight.

Sources: Associated Press, Iowa Association of RR Passengers, National Association of RR Passengers (NARP), Amtrak, Dallas Morning News, and ProRail (Wisconsin).



Bombardier's Acela High Speed Train on display in Philadelphia. Service introduction should be later this year.

The Airline Merger Air Canada now Controls Canadian

Air Canada won control of Canadian Airlines, while reaching a crucial deal with Canadian's largest shareholder, AMR Corp. Air Canada will pay between \$55 and \$60 million to purchase AMR's convertible preferred shares in Canadian Airlines.

Under the deal, Air Canada and Canadian's reservation systems will be merged. Air Canada has agreed to "consider" using AMR's Sabre reservation system.

If Air Canada does not choose Sabre, AMR would receive up to \$83 million from Air Canada to pay for some of Sabre's start-up costs. The deal allows American Airlines, a subsidiary of AMR, to maintain codesharing with Canadian for 10 years.

American Airlines will also maintain a non-exclusive frequent flyer relationship with Canadian Airlines. Members of Canadian Plus and American's frequent flyer program, AAdvantage, will continue to accumulate mileage benefits.

Air Canada says "should Canadian be fully absorbed into Air Canada within the ten year period, certain provisions will allow American to maintain its marketing presence in Canada."

Federal Government Approves Merger

The Federal Government approved the merger of Air Canada and Canadian International in December 1999. Air Canada has agreed to:

- " surrender some peak-hour runway slots at Toronto's Pearson Airport. (That will allow competing airlines better access)
- " not start a discount air carrier in Hamilton, Ont., before Sept. 30, 2001
- " sell Canadian Regional Airlines
- " service all existing domestic routes

Since that agreement Air Canada has taken over Canadian. Initially Canadian's assets and liabilities have been transferred to a numbered company registered in Alberta. This company is now trying to restructure Canadian's debt. Once the debt problem has been resolved then Canadian will be integrated with Air Canada. And of course Air Canada has started to repaint Canadian Airlines planes!

Air Canada is consolidating its regional airline subsidiaries, Air Nova, Air Ontario and AirBC. Meanwhile the schedules will be integrated as of next April 2000. Duplication of flights have been eliminated and some new services have been started. The airlines increased fares by 3% to offset fuel price increases, the same increase has been applied by many U.S. and European airlines. We intend to analyse the new schedules in our next issue. Indications are that the Calgary hub is being downgraded (28 flights less) and that Edmonton and Winnipeg will get more direct flights.

Meanwhile Westjet has announced to serve Hamilton

[continued next column]

CN plans merger with BNSF

On December 20, 1999 Canadian National Railway and U.S. rail giant Burlington Northern Santa Fe announced they are teaming up to create the largest North American railway, generating \$18.5 billion in annual revenue.

After achieving regulatory approval, CN and Burlington expect to finalize the deal in mid-2001. The deal would see the businesses combined under a newly formed parent company, North American Railways.

Owned and operated by the parent company, CN and Burlington would work together to create a seamless rail transport service throughout Canada and the U.S. Each would also continue to operate under its own name in its own country.

North American Railways would have its headquarters in Montreal along with CN, which the railways call a companion company. Burlington would retain its headquarters in Fort Worth, Texas.

Through a complex share swap, Burlington, would emerge with 70 per cent of North American while CN would own the remaining 30 per cent.

However CN and BNSF have agreed to pay hefty breakup fees if their planned merger is blocked by a regulatory body or one of them enters into a deal with a rival suitor.

CP Prefers Alliances or does it?

CP stated that their approach will be to have alliances. Agreements already allow CP to operate as far south as Washington DC. However there are rumours that a merger with Union Pacific would occur if the CN-BNSF merger proceeds.

CN and link it with Thunder Bay and Winnipeg. Westjet will go further east later in 2000 to Moncton, Montreal and Halifax from Hamilton. Canjet meanwhile has shelved plans to start a discount airline in eastern Canada.

The minister of Transport has introduced legislation to make sure that Air Canada fulfils its commitments. Air Canada will be required to:

- " limit fare increases on domestic routes on which it has a monopoly to no more than fare hikes on domestic routes where there is competition;
- " offer as wide a variety of discount fares on monopolistic routes as it does on competitive ones.

At the same time, the Federal Competition Bureau will be given more power to make sure Air Canada does not offer prices that are so competitive, they would drive smaller carriers out of business. Officials of Air Canada are even threatened with fines or jail time.

People in jail are held in confined, even overcrowded quarters, they may be given minimal or no information on when they may leave, they are ordered around, and are sometimes subjected to substandard food and drink, poor ventilation, and inadequate programs. They may be subject to arbitrary-seeming decisions and told to move quarters without explanation. Just like travelling in economy class. This must be a case of poetic justice.

From Rail to Real Estate

The railways have an interesting procedure to convert a railway line to real estate. When a railway wants to close a rail link, there is a process required. The right-of-way has to be offered to short lines or governments. However the railways know how to get around it. The process is accomplished over a period of time.

First as rail link is severed at one end, making it a branch line. Nobody objects because rail service to clients along the line is being maintained. Closing a branch line still means that the track and/or right-of-way has to be offered to governments. Then the branch line is converted into a long rail spur. And then it can be closed without hearings or other governments obtaining the right-of-way.

Branch Lines Costly

The Canadian Transportation Agency ruled that railways may include federally funded rail-line improvements in the net salvage value of branches. This ruling will double to triple the true worth of branch lines in Saskatchewan.

Municipalities and producer groups who wanted branch lines to stay open are furious and view the decision as one that will destroy rural Saskatchewan. Together with the disputes about farm aid, this decision could have an impact on the government in the next federal election.

Eastlake Industrial

One example of spur line closing is Eastlake Industrial in Burnaby BC. Here BNSF supplies dangerous goods cars to an industry and wants to close the spur, so they can have residential development, wanted as a result of the new SkyTrain. The dangerous goods would have to be transferred to trucks!

Arbutus Corridor

Another case is the Arbutus corridor. The CP line used to be linked to the line along False Creek. Now CP wants to close the line and convert it into housing property. The city and TransLink want it as a transportation corridor. It could fit into an IRT network.

The Broadway Corridor Alternatives

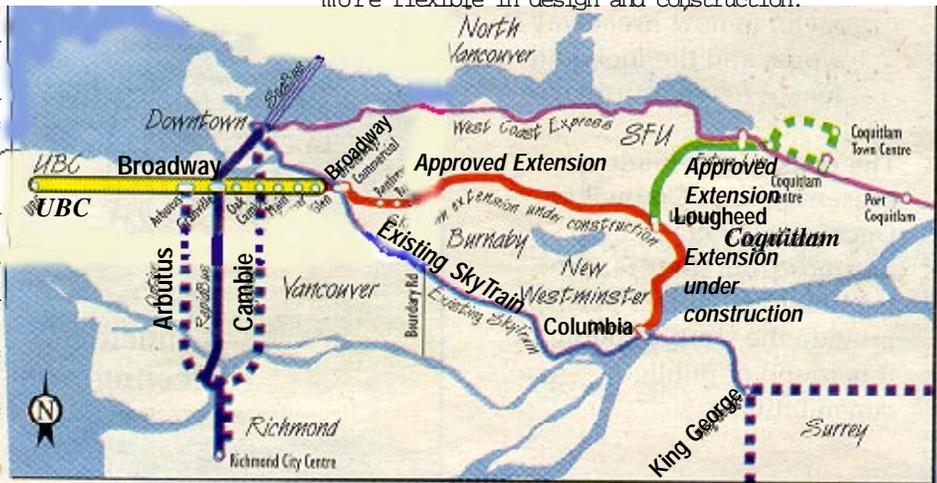
TransLink is in the process of examining options for the Broadway corridor. They have assumed as a given that Lougheed to Commercial (Broadway on the existing line) will be SkyTrain technology. So the analysis is from Commercial to UBC.

Option	Stations	Riders	Capital Cost
Rapid Bus	13	97,000	\$ 90 million
Light Rail	16	140,000	\$ 800 million
SkyTrain			
to Main,	12	124,000	\$ 280 million
Cambie	to	to	to
Granville or	13	150,000	\$ 710 million
Arbutus			

The Light Rail Alternative

The SkyTrain extension is under construction between Columbia and Lougheed. Further extensions have been approved from Lougheed to Commercial (=Broadway) and Lougheed to Coquitlam. However costs are much higher than anticipated and because of political pressures, attempts are made to reduce costs. For example Lougheed Station is a block away from Loucheed Mall, at Sapperton (just north of Columbia) the station has no connection to the hospital or the waterfront.

With a new, more pragmatic, premier it is perhaps time to re-evaluate SkyTrain beyond Lougheed. SkyTrain cannot operate at grade, while LRT can. In fact LRT can be elevated, in tunnel or at grade. LRT is far more flexible in design and construction.



Existing and Proposed Rapid Transit, showing the Arbutus and Broadway corridors

Technology, Design and Costs

The Province and Translink are finding out the hard way that the SkyTrain restraints in design make it a costly alternative. In the Broadway Corridor alternatives IRT costs are also shown as high. However that depends on the design standards used, the degree of grade separation and other enhancements. It is easier to bring down the costs of LRT, than of SkyTrain.

Lougheed - UBC Corridor.

There appears to be agreement that SkyTrain cannot be used to get to UBC, a major market. Particularly if UBC wants to develop some of its land. It seems more logical to use one technology for the Lougheed - UBC corridor and to reduce transfers. This corridor now has Rapidbus service.

Peer Review by Outsiders Needed

Because there is now a possibility of review in the "post Clarke era", we would suggest it is time for a peer review of the planing and the technology. The peer review members should come from outside the region and should also examine cost estimates of LRT, which seem to be consistently high, while SkyTrain estimates seem to be consistently low. One of the considerations is of course Bombardier, however Bombardier also makes electric and diesel light rail vehicles in its worldwide organisation. For example the diesel light rail is being used in Ottawa.



Revelstoke Railway Museum

Anyone passing through Revelstoke should try to see the Railway Museum. Go into town from the highway along the tracks and it is on your left hand side. It is a very nice museum. **Opening hours** are April through Nov. 9:00 - 17:00 (20:00 in July & Aug.) Daily, except April & Oct. closed on Sunday, in Nov. also closed on Saturday. December through March 13:00 - 17:00 Mon.-Fri.

CP Announces Tourist Train

There will be another high fare tourist train in Western Canada. CP will operate a train called Royal Canadian Pacific from Calgary west to Golden then south and returning to Calgary via the Crowsnest pass and Lethbridge. Travel time will be six days (!) in splendour, trains will operate once a month. Fare \$ 7,000. The cars will be refurbished executive type cars, with seats for 12 people. The train will be pulled by vintage F type locomotives. People of more limited means cannot travel by rail on the southern route.

Transport 2000 Canada, Western Newsletter

4119 Reid Road, P. O. Box 247, Eagle Bay, BC. V0E 1T0
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Our Mission: Transport 2000 Canada represents the interests of public transportation by promoting socially, environmentally and economically sustainable policies, programs, services and actions.

Transport 2000 Canada is a national federation of consumers devoted to advancing the public interest in transportation of all modes. A registered charity, it is involved with research, public education and advocacy of public transport issues. It publishes: Transport Action. Transport 2000 BC and Transport 2000 Prairies are separate organizations in the western provinces. Half the membership fees go to the Federal Organization.

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Transrapid Cancelled in Germany

The German Government has cancelled the Transrapid project between Berlin and Hamburg. Some Dutch interests had wanted to extend this line to Amsterdam. To promote this project a test unit was brought to Drachten in the Netherlands and secretly unveiled on January 1, 2000. Test unit #6 operated on the testtrack at Lathen, Germany between 1983 and 1990. It reached a maximum speed of 412 km/h (260 m.p.h.) on January 2, 1988. Because the line has now been cancelled this unit will remain in Drachten and become an information booth. [Source: Rail Magazine Jan/Feb.2000]



Transrapid in The Netherlands

New Web-site Profiles Sustainable Transportation Initiatives

In July 1998 the Moving the Economy conference showcased economic success stories in sustainable transportation from around the world. The conference brought a new approach to sustainable transportation by emphasizing the economic benefits of transit, sustainable goods movement, cycling and walking, and land use and telecommunications solutions which reduce the need for travel. By drawing on success stories from around the world where sustainable transportation is creating jobs, stimulating business, reducing costs, increasing productivity, and revitalizing local economies, the conference showed that these benefits are a reality in many places. Now on the Moving the Economy On-Line website, at www.city.toronto.on.ca/mte, you can access the 150 case studies presented at the conference in brief, easy to read formats.

Moving the Economy is also looking for new case studies to profile on the website, so if you know of an initiative that you think should be profiled, please contact MTE by email at mte@city.toronto.on.ca, or contact them directly through the website.

Railtrack suffers Tube Setback

A blow to plans for the part-privatisation of the Tube The government has abandoned plans to allow Rail-track to take over responsibility for upgrading part of the London Underground and linking it to the national rail system. The move casts huge doubt over the future of the government's plans for the part-privatisation of the Tube and the improvement of rail links in London.

Transport 2000 Canada Western Newsletter



2000-2
June 2000

**for Manitoba, Saskatchewan,
Alberta and British Columbia**

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This is the email edition of the newsletter. If you want to obtain a hard copy, please advise the editor by email.

If you have any feedback, please write to the editor by email. Thank you.

We send a hard copy of this newsletter to every federal cabinet member and to members of the House of Commons Transport Committee. We also send copies to the press.

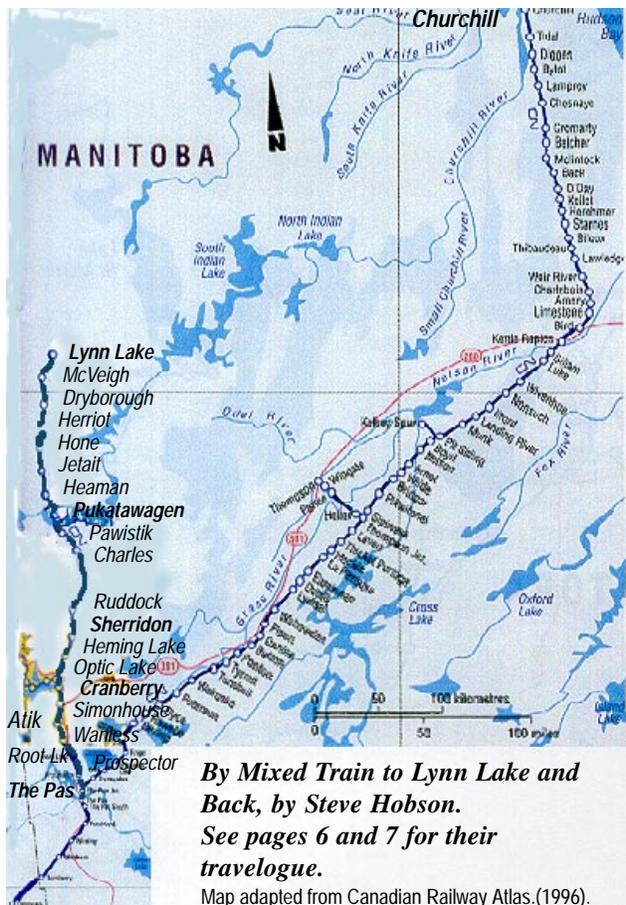
This issue went to press on June 5 and was mailed on June 9, 2000



Eurostar articulated train on test between York and London on the GNER. The electric engine would be replaced with a diesel and the train split in half if it were used in Canada.



Are Eurostar sleepers and coaches an option for VIA? Sleepers with Category A and B compartments in storage at Kineton, UK.



By Mixed Train to Lynn Lake and Back, by Steve Hobson. See pages 6 and 7 for their travelogue.

Map adapted from Canadian Railway Atlas.(1996).

Editorial

Transportation was in the news lately, with a \$ 400 million commitment by the Federal Government and the consequences of the airline merger being the main items. In articles we deal with both.

Finally there is a commitment towards capital expenditures for passenger rail. It is a limited amount and VIA has to be careful in the way they spent it.

Unfortunately VIA keeps stonewalling requests for factual data per route. Their bunker mentality does not help.

In This Issue

VIA Rail gets Capital Funding of \$ 400 million over 5 years. Investment Targets, Remotes go Private, Corridor emphasized, Eurostars are Surplus, Euronight for the East? Can Euro Equipment be used?..... **Pages 2 and 3**

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BC News Items, SkyTrain, Transportation Plan with \$75 per year levy, Want a cheap Ferry?..... **Page 10**

VIA Gets Capital Funding of \$ 400 million over Five Years

On April 12, 2000 the minister of Transport Hon. David Collenette announced funding of \$ 401.9 million spread over five years. VIA is to come up with a program as to how it intends to spend this capital funding. The minister should be congratulated in finally having persuaded cabinet that funding was essential for the survival of regular passenger rail transportation. The representatives of the right wing of the party wanted to kill VIA altogether. Cabinet and caucus did not agree to that step.

Investment Targets Are:

The investment is to be targeted for spending in these categories:

- .. system fleet renewal;
- .. modernized signalling on VIA-owned track;
- .. strategic infrastructure improvements in the Quebec City - Windsor corridor;
- .. station refurbishment; and
- .. environmental waste-management improvements.

"This investment will give Canadians more frequent services, more modern VIA trains, and a more reliable system," said Mr. Collenette. "By providing a stable, safe and environmentally friendly transportation option to Canadians, passenger rail will help reduce both highway congestion and greenhouse gas emissions in the Quebec City-Windsor corridor. At the same time, a revitalized VIA Rail will provide greater opportunities for tourism in Western and Atlantic Canada."

Remote Services Go Private

Transport Canada and VIA Rail Canada will also initiate the commercialization of certain remote and regional passenger rail services to tap into the expertise and sense of community that local and regional rail operators can offer in the provision of better and more efficient passenger rail services. This initiative will fulfill the government's commitment to "pilot test" the concept of franchising before the end of this year.

VIA Rail is considering franchising the Esquimalt and Nanaimo passenger service on Vancouver Island. Bruce Tunstall, president of the E and N Rail Society, a Nanaimo-based group, wants to see passenger rail service and train equipment improvements on the Island. Tunstall's group wants to see a rail authority to operate E and N passenger service. That proposal could be used as the foundation of a franchising proposal, he said. Tunstall said even though other interest groups would have an opportunity to operate E and N passenger trains, he feels confident the rail authority proposal would succeed. VIA Rail now receives a \$30 million federal subsidy to operate passenger service on the Island. Tunstall believes the service, if marketed and managed properly coupled with the proper equipment, could serve 108,000 passengers—the number of riders needed to break even—in its first year of operation.

Transport 2000 Canada Welcomes Investment

Harry Gow, President of Transport 2000 Canada welcomed the announcement by Transport Minister David Collenette as a good and necessary first step. Revitalizing our passenger rail system is an important component in our country's plans to become more competitive. A strong VIA Rail will improve tourism, create jobs and help Canada meet commitments under the Kyoto protocol."

The Minister had few alternatives. Delivering intercity passenger rail service, like highway building, is not something the private sector does. It's time Canada improves alternatives to the automobile in particular with a looming energy and emission crisis.

Corridor is Emphasized.

In the background to Mr. Collenette's announcement of funding for VIA, it is stated that 85% of the passengers and 70 percent of VIA's income is from the "corridor". However in the April 13 editions of the Globe and Mail (B9), the Halifax Daily News and the Halifax Chronicle Herald it is stated that 85% of VIA's revenue comes from the corridor. People in the regions outside the corridor are very sensitive to misuse of these figures. It implies that investment elsewhere is unproductive. It is useful to remember that prior to 1990, 44 % of VIA's revenue came from OUTSIDE the corridor and 56% within. The predominance of passengers and revenue now generated within the corridor is not a reflection of public support or market possibilities but mostly of political action to cut services in other parts of the country by a central government. Cuts that have yet to be restored.

How To Get The Most For The Least

The \$ 400 million will not re-equip VIA's aging rolling stock. Although the need is for DMUs in the corridor and bi-level trains on the east and west transcontinental trains, the funds allocated will not allow it.

VIA is looking around for other equipment. One source may be Eurostar.

Regional Eurostars are Surplus

The Channel Tunnel Act obliged British Rail to invest in Regional Eurostars. These trains have never been put into service as intended. There are seven 14-car sets. Each full set of 14 cars has two engines. Recently GNER in Britain commenced a lease of 2 sets with 2 sets as back-up for extra services between London and York. The 14 car set can be broken into two 7 articulated car sets, since it is a requirement that Chunnel trains can be broken into 2 parts.

VIA is investigating whether to buy the three remaining sets, which would give 6 half-sets of articulated cars, to be hauled by standard locomotives. These trains have retention toilet facilities. Seating would be 57 first class and 222 coach. There is one wheelchair space in first class with appropriate toilet facilities. There is also a bar car with 10 stools. Catering in first class would be hot tray at your seat type. Most seating in first class is of the face to face type with a table in between. It compares to an LRC train of one VIA1 (56) car and three coach cars (3x72=216). These trains could be suitable in the corridor. The seating layout is such that the sets are bi-directional and do not have to be wyed. Maintenance would require a long pit, since the set cannot be broken up.

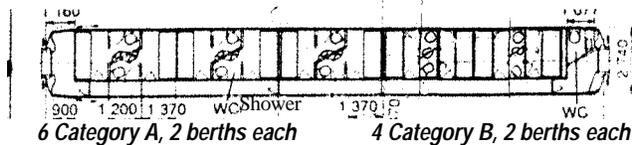
Could Eurostars Be Used In Canada?

The main problem with Eurostar equipment is the buffing strength. The regulations would have to be modified to allow their use. In the USA the Talgos were permitted on the west coast, but although grandfathered, new Talgos would not be allowed. That would also mean that Eurostar equipment could not serve Detroit nor that it could be used on a restored Atlantic service, unless special approval was given. It is not desirable to mix and match Eurostar equipment with conventional equipment, it is more energy efficient to have lighter equipment. On the roads there are a great variety of weights. Safety rules should be more realistic. Energy absorbing baggage cars that crumple may be the answer.

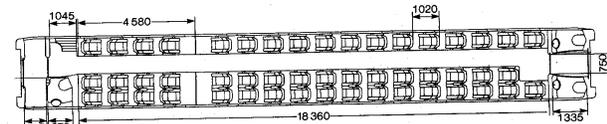
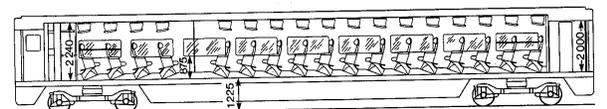
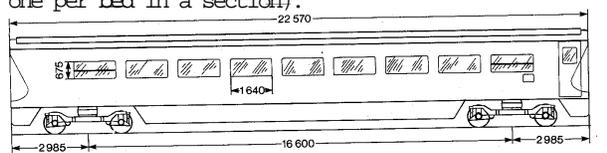
EuroNight Equipment

Regional Eurostar also intended to run sleeping car trains, called night stars. The initial order for 200 was scaled back to 139, but only 70 units were built, 30 complete units are stored at Kinton, UK.

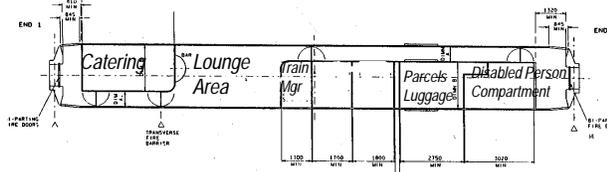
There are three types of cars. Sleepers which have six category A compartments (2 beds, toilet, washbasin and shower) and four category B compartments (2 beds, toilet and washbasin). Originally 4 cat. A and six cat. B were planned and no toilets for cat. B, ex-



cept at the end of the hall. Total capacity of the sleeper is 20, which is less than a VIA sleeper (22, assuming one per bed in a section).



The second type is a kind of Dayniter with 50 seats, called Category C. The third type is a lounge service car, which has wheelchair accommodation and two compartments for security personnel. These two compartments would not be needed in Canada. It also has a catering, lounge and parcels area.



It was intended to run these cars in a set of 5 sleepers, 1 lounge car and 2 Category C cars, so as to have even door spacing.

How could Eurostars be used?

If the Regional Eurostar equipment was acquired, it would seem likely that:

" The corridor could use the half-sets of the Eurostars, particularly in the Toronto-Windsor route. This would free up more equipment elsewhere in the corridor.

" There are about seven nightstar equipment sets available, depending on the make-up of sets. The night star equipment is not articulated and there is flexibility in making up a set. Two sets can be run together. That would be sufficient to run the eastern transcontinental services of the Ocean and Chaleur. Transport 2000 Atlantic would hope that some of this equipment might be converted to "sightseeing" domes which are also attractive in the east.

" All existing VIA-CP equipment could then be moved to western Canada, including all dome cars. Transport 2000 Prairies and BC would like to see a return of service on what was in 1990 the best used route, namely Winnipeg - Regina - Calgary - Kamloops - Vancouver. The move of equipment west would make three train sets plus the Chaleur equipment available.

" Serious promises are being made about regular year-round service being restored to Cape Breton. Sydney - Truro and west would need a connection east as well as west.

" The Bangor and Aroostook Railroad (BAR) together with the Canadian Railroad Company (CRC) would like to see Amtrak and VIA restore the following passenger service links: Montreal - Boston, Montreal - Portland (Me), Montreal - Saint John and from the maritimes to the Amtrak network. BAR and CRC will be feeding freight cars from Saint John to a new Amtrak service with express freight. They may want to add a sleeping car and coach. VIA says that they are not ready for restoring service on The Atlantic.

VIA says the extra capital funding will allow VIA to get its house in order and will allow it to expand services mostly on established routes where VIA does not have the resources to keep up with passenger demand. The European Night Star equipment would probably not be permitted on the Atlantic route.

Sources: Modern Railways 1990, 1991, Railway Gazette 1991, 1992, 1999, 2000. Internet <http://mercurio.iet.unipi.it>, news releases VIA and Transport Canada. Information about Eurostar equipment does not come from VIA.



Eurostar Class C Equipment at Kinton, UK.



Bras d'Or, Tour Train between Halifax and Sydney. It is a 10 hour cruise train, using Ocean equipment without sleepers.

VIA Statistics over the last 15 years.

<i>(in million of dollars)</i>	1985	1986	1987	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999
Total operating revenue	205.6	208.7	197.6	223.5	248.6	142.8	150.1	155.8	164.2	176.4	175	184.5	190.5	200.2	220.6
* Cash operating expenses	694	658	666	760	740	493.3	478.1	487.1	485.2	438.5	397.3	389.8	386.5	382.6	389.1
Capital Expenditures	154	92.6	81.3	60.6	127.4	31.5	40.1	44.7	11.8	25.3	39.6	20.7	16.4	18.3	10.9
Total Government funding	631.4	506.1	536.4	636.6	598.3	441.5	392.8	388.9	348.1	318.2	295.4	245.2	228.7	178.4	170
KEY OPERATING STATISTICS															
Revenue/Cash exp. ratio (%)	30	32	30	29	34	29	31	32	34	40	44	47	49	52	57
Passengers (000's)	6,927	6,246	5,824	6,357	6,375	3,536	3,633	3,601	3,570	3,586	3,597	3,666	3,765	3,646	3,757
Passenger miles (000,000's)	1,514	1,403	1,298	1,437	1,518	785	820	817	820	834	859	892	884	856	931
Government operating funding per passenger mile (cents)	41.7	36.1	41.3	44.3	39.4	52.2	43	42.1	41	35.1	29.8	25.2	24	20.8	18.3
Train miles operated (000's)	12,087	12,725	11,848	12,187	12,180	6,365	6,247	6,483	6,515	6,524	6,219	6,472	6,482	6,325	6,448
Car miles operated (000's)						35,767	35,890	35,993	35,861	36,351	37,100	40,491	41,242	42,068	43,168
Ave. passenger load factor (%)	52	51	52	53	60	57	58	57	59	60	61	59	58	56	59
Average number of passenger miles per train mile	125	110	109	118	125	123	131	126	126	128	138	138	136	135	144
On-time performance	n.a.	n.a.	n.a.	n.a.	n.a.	88	90	90	90	87	86	84	84	81	84
Employees at year-end	4178	5370	5726	6873	6594	4,525	4,402	4,478	4,131	3,718	3,178	3,000	2,969	2,952	2,909

1990 the year of Mulroney cuts, which reduced passenger rail services in the West by 75%.

* Cash Operating expenses exclude amortization of properties and reorganization charges.

Together with its annual report for 1999, VIA gave a backgrounder giving statistics over the last 10 years, with 1990 representing the first year of the current passenger rail network.

VIA Statistics Limited

VIA only releases general statistics and often in a way that suits them. Meaningful statistics which we were able to obtain until 1996, would be by route. These detailed statistics showed for example that revenue per passenger mile was equal or greater than the avoidable costs per seat mile on the western transcontinental service. In other words passengers were not being subsidized, but the subsidy was due to empty seats. Now a 100% load factor is not possible. But having the feds buy empty seats during the off-season could be used to promote interprovincial student exchanges, and that method could be a better way of supporting VIA.

We still intend to publish a comparison between Amtrak and VIA in our next issue. Last month we sent a submission to VIA regarding equipment. In the covering letter we again asked for route specific data. The answer was no regarding the statistics. The rest of the submission was ignored. A good way to lose friends. What does VIA have to hide?

The West has not forgotten...

The 75% cut made in western services has not been forgotten in the west. Conveniently ignoring what happened in VIA's 10 year overview, is not good enough. The centre of Canada forgets why regional federal political parties are so popular out west. Well one reason is that they were cut off from the centre in passenger rail services and symbolically. The centralist federal parties have yet to understand that there are consequences to actions. Actions and not task forces will correct the impression of trying to isolate the west from the rest of Canada. The cuts in Air Canada services are another example.

Reporting Could Be Greatly Improved

There are four different services provided by VIA. East Transcontinental, the Corridor, West Transcontinental and Remote services. Operating statistics should be given separately for each service, if not by route. It should also be noted that VIA could only meet its financial target by reducing amortization.

By not showing the cost and burden of mandatory remote routes separately, VIA just makes its image worse than it really is. Remember there is more to Canada than just the corridor.

Bombardier in the News.

Bombardier has been in the news lately in a variety of ways.

Burnaby Plant Opens

The new manufacturing plant for SkyTrains opened on Wednesday March 25. Bombardier hopes for export orders in Asia. Bombardier finished its last 29 km SkyTrain order in Kuala Lumpur, Malasia last year. Bombardier should complete the \$ 500 million order for Vancouver in 2001 and it has no orders beyond that time.

The new cars are larger than the existing units and would allow 214 people to be crammed into one car. The total cost of the SkyTrain construction is as yet unknown.

(Editors note: Cramping people into transit should make the automobile more attractive. A plant making light rail vehicles would probably have a bigger potential market, but there would be competition. SkyTrain uses proprietary designs and Bombardier has the exclusive rights to manufacture and set prices.)

High Speed Diesel Locomotive

As described in the Railway Gazette International of April 2000, Bombardier and the US Federal Railway Administration are developing a Non-Electric High Speed Locomotive. It would have many common components with the Acela design (High Speed Electric Locomotive for the North-East corridor).

Amtrak still hopes to get the Acela service started before September. Full service of the Acela Express has been delayed months while Bombardier and GEC Alstom try to solve excessive wheel wear problems.



**Non-Electric High Speed Rail Locomotive by Bombardier.
Maximum speed 240 km/h.**

\$ 1 Billion Hidden Trade Secret?

The Ottawa Citizen tried to create a fuss with a sensational headline "How Canada's hidden loan to Amtrak sealed deal for Quebec firm; Export Development Corp. bailed out U.S. giant while Liberals slashed VIA Rail funding". We have been raising that issue for years. It is not that Canadian industry can get export orders, it is that similar funding is not available to VIA or other passenger train operators that was our objection. Since VIA is still not a commercial Crown Corporation, VIA's problems remain unsolved. The EDC will not disclose the interest rates, repayment time-lines, or principal owing.

**For up-to-date transportation news try the
Transport 2000 Canada Hotline: 1-800-771-5035
or www.transport2000.ca
For news from the United States try
<http://www.narprail.org/hot.htm>**

U.S. Gov't stalls CN-BNSF merger

On March 17, 2000 the U.S. Government has ordered a moratorium on railway mergers, stalling the proposed Canadian National Railway-Burlington Northern Santa Fe deal.

The Surface Transportation Board issued the order following hearings on the \$6 billion US merger, saying it has to adopt new rules for such deals. The board said that should occur within 15 months.

CN said it will challenge the decision in court, since it should be considered promptly on its merits. .

BNSF and CN had asked the board to allow the combination, proposed last December, to move forward, but the agency said it did not want to create new regulations in the middle of what might turn out to be the final round of railway link-ups.

The deal would have created North America's largest railway, with 80,000 kilometres of track and 67,000 employees.

News From Saskatchewan

(Thanks to information supplied by George Corin in Saskatoon)

Air (Canada) Rage in Saskatoon

Travellers to and from Saskatoon have been furious with Air Canada for reducing the number of flights, reducing the size of aircraft, overbooking of planes and the unavailability of lower fare seats. Flights to Winnipeg and Calgary were reduced, and the three flights to Toronto were changed from A320's to B 737 or from 130 seats to 100 seats per plane. Saskatoon now has 210,000 people and is growing. Prof. Colin Boyd, who has studied the air travel situation closely is not sure whether it is complete ineptitude or price gouging. Air Canada says they will restore the larger planes this summer, but there is as yet no change in the services to Winnipeg and Calgary.

Prairie Alliance for the Future

This alliance together with four railway unions want to explore options to transfer branch lines to a regional railway system. CN says they are open to reviewing options. The railways and elevator companies have managed to make enemies out of farmers by consolidating elevators. It would force farmers to truck grain over inadequate roads over longer distances. It was a good plan for the railways and elevator companies but not for the farmers.

The Prairie Alliance wants to work with the highway department to create a coordinated network reducing trucking costs (gas prices are going up).

Estey Report Criticized

Since the abandonment of the Crow rates in 1983, grain hauling prices have increased seven fold. The railways want to download costs to the farmers, and want to have no regulation either price or distance related.

The minister of Transport wants to put a cap on freight rates. It would mean an 18% reduction in grain freight rates. Non-grain haulers are afraid that they would have to pay more or that there would be a reduction in service or track maintenance.

By Mixed Train to Lynn Lake (and back). By Steve Hobson

It is Hot and the Train is Late

It's Friday, 31st July 1998, and with the air temperature close to thirty degrees Celsius the station platform at The Pas, Manitoba is an uncomfortable place to sit. Lin and I are part of 50 passengers, surrounded by boxes of groceries, bags, clothing, cassette players and toys, I'm reminded more of a station scene from India or South America than one from Canada. We're waiting for a train that is two hours late.

The train in question is the triweekly (Monday, Wednesday, and Friday northbound. Tuesday, Thursday, Saturday southbound) "mixed" to Lynn Lake, 243 miles north of The Pas. Although it's shown in VIA Rail Canada's National Timetable as Train 291 (the southbound counterpart is Train 290) this is very much an operation of the Hudson Bay Railway and before the sale of its northern Manitoba routes in 1997 was the responsibility of CN Rail. Unlike the "Hudson Bay" trains to Churchill, VIA Rail on-board staff do not work this train. The Crown Corporation (and Transport Canada) simply funds the passenger portion of the train. Although in one sense "mixed" trains are making something of a comeback - the expansion of mail and express service is seen by Amtrak, for example, as a way of preserving its nationwide network and similar recommendations have been voiced for passenger trains this side of the border (VIA Rail already ferries piggy back units between Churchill and Thompson, where no road exists) - the train to Lynn Lake is one of only a handful of classic mixed trains that are left in North America. "Classic" in the sense that the passenger is at the mercy of the needs of the freight train, where the passenger timetable is only an approximation and is actually governed by the switching requirements of those customers shipping and receiving freight via the train. The opportunity to be a passenger on a mixed train, and in our province, was too much to resist, so with a sense of adventure and a certain amount of apprehension we stepped off the overnight VIA Rail "Hudson Bay" service from Winnipeg (Train 693) and found ourselves waiting on the platform in The Pas.

Train 291 is scheduled to depart at 11:00, but 30 minutes before departure time, station staff loading the baggage car told us that the train would be departing at 12:00. Now, sitting on the platform, the revised departure time has been and gone and people are getting restless. Finally, our train pulls into the platform from the yards located south of the station. At the front is a pair of ex-CN M420's (3530 and 3543), products of the Montreal Locomotive Works and sporting full-width cabs. The train consists largely of former CN boxcars and gondolas, a few orange ballast cars and, bringing up the rear, a battered looking baggage car, a passenger car with a small baggage compartment and diesel generator (to maintain lighting and air conditioning for the passengers when the locomotives perform switching duties en route) and another passenger car, all in VIA yellow and blue. It's now 14:00 and 291 is a full three hours late leaving The Pas.

Crew Invites Us for Coffee

We lean into the curve immediately north of the station, slip across the Third and Second Street grade crossings and soon our mixed train is rumbling across the bridge which spans the Saskatchewan River and heading towards the junction where the "Bay Line" leaves for Churchill and we take the Flin Flon subdivision. As 291 picks up speed we start to realise that our fellow passengers are not on their best behaviour and the contrasts between this train and a regular VIA run are evident. It's also apparent that the air conditioning is not working properly. Most of the passengers must be travelling as far as the Indian Reserve at Pukatawagan since few other stops have the population to attract much custom. That's at least five hours away. One of the crew invites us to share in the coffee that he's brewing. We accept his generosity and settle back to watch the scenery slip by the window.

With Provincial Trunk Highway 10 shadowing the railway, it is not surprising that 291 makes none of the five request stops between The Pas and Cranberry Portage. The schedule allows an hour and thirty-five minutes for this 55 mile stretch, but long overdue maintenance forces the train to a crawl and it takes us over three hours to reach Cranberry Portage.

Shortly after leaving the station we roll through the triangular Sherritt Junction where the Flin Flon Subdivision continues on to the town of Flin Flon, hard against the Saskatchewan border and home to a Hudson Bay Mining & Smelting plant, and, the Sherridon Subdivision begins. The line is rarely straight for more than a few hundred yards and offers ample opportunity to see the locomotives and freight cars swaying on the uneven track. Sherridon (98 miles from The Pas) is one of the few scheduled stops on this route and here we exchange a handful of passengers. There are some very sharp curves as we leave town and we can see the M420's as they lead the train around the shores of Kississing Lake to the west of the line.

Our companions are still rowdy and, worse, the air conditioning seems to have packed up for good, but salvation is on its way. The member of the traincrew who had given us coffee invites us to sit with him in the rear of the last car. We move our few belongings to the next car and soon we're sitting in a cool seat talking to Ernie Foster and his partner Phil. They usually make this run once a week. Other assignments include grain extras on the Bay Line, trips to the mine in Flin Flon and the paper mill in The Pas, as well as the more mundane job of working the yard in The Pas. Ernie is the more senior of the two and hired on with CN in Neepawa, Manitoba before moving north to Swan River and finally The Pas. Both were offered positions with the Hudson Bay Railway when Denver-based OmniTrax purchased the property from CN. Both men treat us as guests and we appreciate their generosity. They supply us with ice cold bottled water throughout the trip and, of equal value, they supply us with anecdotes and information.

Airline Merger, Passenger Pain is Shareholders Gain.

Combined Airline Has Major Problems

Well bigger isnot necessarily better. Air Canada and Canadian Airlines combined schedules, eliminated duplication, reallocated planes providing often less capacity and then found out they had underestimated demand in a booming economy. The result is many unhappy customers.

In addition chaos reigned in Toronto because some flights leave from Terminal 1 and others from Terminal 3, and with the coordination in numbers passengers finished up at the wrong terminal. On June 3 domestic flight departures will all be at Terminal 2, International flights from the old and dingy Terminal 1. Now a new problem arises, the Air Canada union wants to see all Canadian Airline employees at the bottom of the seniority list. This arrogant approach of one local against another has soured relations between employees, which will not enhance service to customers.

Uproar Reaches Parliament

The many horror stories of travellers were aired at the Transport Committee. The government announced the appointment of Complaints Commissioner, who will report to the minister. Air Canada a day later announced it will appoint an ombudsman. Many cities in the west are complaining about overcrowding, lack of seat availability, bumping and confusion. Saskatoon has suffered particularly both in the loss of flights and a reduction in the size of aircraft. Air Canada officials did meet with city officials on May 10, and promised improvements. Vancouver claims it is affecting the tourist industry adversely. One of the big problems still is the two different reservation systems of Air Canada and Canadian Airlines.

Use Seattle and Save Money

One anomaly in fares has shown up in Vancouver. If you travel from Seattle to Hong Kong the fare is \$ 1,068 or \$ 1132.71 with taxes. The same ticket from Vancouver (and without the cost of the Air BC shuttle Seattle - Vancouver), is \$ 1954.61. There is more competition in Seattle, is the excuse.

Now that Westjet has started flying from Hamilton to Moncton, Air Canada has reduced its fare on this leg. Yet there was a promise not to use predatory pricing at the time of approval of the new merged airline.

Transport 2000 Canada Position

As an organisation we are working together with Canadian Association of Airline Passengers (CAAP) to establish a Passenger Bill of Rights. An ombudsman is resolving conflicts after the facts. The problem lies in the direction given to management. In this newsletter and in a submission to the government we recommended last fall that the board of any combined airline (Onex or Air Canada) should have a consumer representative on it. It is perhaps typical that when Air Canada took over the direction of Canadian Airlines, the first step was to remove the labour representatives on that board. Air Canada should find a way to involve stakeholders in schedule design.

Air Canada Shares Went Up

The more passengers complained about overbooked planes, the better shareholders liked it. They expect Air Canada to boost profits more than anticipated. Shares which were in the \$ 10 range at the time of the merger, now trade at the \$ 20 level.

Air Canada is also renegotiating business discounts with large companies. Only if these companies go overseas do they have any clout left, for domestic flights only Air Canada has a monopoly.

Air Canada claims in their advertisements that they did not increase fares except for 3% fuel surcharge. They say they offer the same amount of frequent flyer seats as last year. (Ed.: It is not known whether this is a total or per route)

Improvements to Airline Schedules

Air Canada and Canadian have made improvements to domestic services in response to customer complaints. From June 3, 2000 there are new daily departures on routes Vancouver to Calgary, Vancouver to Winnipeg, Vancouver to Toronto, Calgary to Toronto. Larger aircraft with more seats are provided between Vancouver and Ottawa and Regina/Saskatoon to Toronto. Air Canada pleads for more patience and suggests passengers allow themselves more time. (Ed.: Terminal time of airlines is already far too high)

Air Canada will also add new international services to Amsterdam, Brussels (=1.5 hrs from Paris and 2.5 hrs from Amsterdam by train!), Munich, Madrid, Singapore, Shanghai, Manila, Sydney Australia via Honolulu, Caracas, Santiago and in the U.S. Austin TX, Denver CO, Ontario CA, Philadelphia PA and Washington DC.

Family Virus Spreads

United Airlines, a Star alliance partner of Air Canada, announced that it wants to merge with US Air. This merger would increase the destinations reached by Star Alliance in the U.S.A.

Meanwhile former One World partner of Canadian Airlines, British Airways complains that Air Canada is overcharging them for feeds into their services in Canada.

Canadian Airlines, under financial protection, cancelled its contract with American Express. The contract was supposedly good until 2002. This public relations coup should make many people in the elite mad at Air Canada.

Other Potential Mergers

The One World Alliance is also trying to get bigger and bigger. British Airways wants to take over KLM, while American Airlines is trying to acquire Northwest Airlines. American lost its Vancouver gate to the Pacific using Canadian Airlines and wants to use Northwest services. KLM and Northwest have an alliance separate from Star and One World. Negotiations between KLM and Alitalia (Italy) broke down in April.

Meanwhile the US courts are busy trying to break up Microsoft. One must admire consistency in policies.

[continued on page 9]

Airline Passenger Bill of Rights, as recommended by the CAAP.

General Principle:

Airline passengers flying in or out of Canadian airports or on flights operated by air carriers based in Canada are entitled to a safe flight, with a high quality of service at affordable, predictable prices on a year round basis.

Specific Principles:

1) Public Participation.

Airports, carriers, and the navigation system require public oversight, with status on their boards by public interest representatives. Issues relating to safety, pricing and service quality must be resolved.

Intervenor funding must be provided to facilitate organizations which represent passengers in Canada.

2) Safety.

The safety of passengers must have priority in all areas of air carrier, airport, air navigation system and aviation regulatory decision making.

All parties making up the Canadian aviation system must comply with all applicable regulations regarding normal and emergency levels of service.

All airline companies should publicly commit, and be accountable to an open and fair culture of safety

A public review and verification of safety procedures should be required for any merging or restructuring air carriers.

Passengers are entitled to complete and timely disclosure of all information dealing with safety standards and compliance with safety regulations.

In the event of an accident, passengers are entitled to rescue and fire-fighting services that are equal to, or better than, international standards, as well as shelter, first aid and other assistance, and compensation.

3) Service Quality.

Passengers are entitled to complete, timely and full disclosure of all information that is material to their flight. Passengers are entitled to comfortable seating, adequate space for emergency evacuation, and hygienic and humane conditions, including breathing fresh air, fresh drinking water, and clean and accessible toilet facilities.

[continued from page 8]

Foreign Competition?

There is of course competition to foreign countries. The proposal to allow US Airlines to fly points within Canada would require reciprocal arrangements for Air Canada in the US. That is highly unlikely. Domestic competition has to come from Westjet, Canada 3000, Skyline Services and the like giving more scheduled services. However all these airlines will only serve the bigger cities (also called creaming off the market). Canadian Regional is supposed to be spun off later this year, and it did serve smaller centres. Question then is will Air Canada still serve these smaller centres? Maybe American Express should invest in a new airline for its cardholders.

General service standards include: courteous service; explanation of safety regulations; timely information on flight delays/problems; careful handling of baggage; protection by abuse/harassment by other passengers; no discrimination based on disability; prompt service by company representatives; consumer complaint representatives and process.

4) Pricing.

Passengers are entitled to protection against unwarranted and/or sudden price increases in regular fares, as well as price fixing and anti-competitive collusion. There should be regulation to set prices in markets where there are dominance or monopoly conditions.

Fares in rural and remote areas should be established as a percentage of average rates in urban Canada. Fare increases should not be greater than the country-wide average. Rates should be set through a public process. Under monopoly conditions, a contribution regime should be established to ensure that service is not degraded and pricing remains affordable.

5) Regulation.

The Canadian Transportation Agency should mandate through new regulations the passenger rights, oversight procedures and redress mechanisms listed in this Consumer Protection Bill of Rights. Public participation must be a part of the CTA's monitoring, review and regulatory activities.

A new regulatory framework should:

- Establish a Consumer Protection Bill of Rights;
- Require an annual, comprehensive evaluation of services related to public safety, with full reporting to Parliament on an annual basis;
- Require public safety reporting by carriers;
- Require special reviews and verification of safety procedures for mergers or restructuring, including measures to address unresolved safety issues;
- Require assistance, support and compensation for passengers in emergencies;
- Provide for public accountability for post-accident recommendations and follow-up.
- Assess monetary penalties for failure to meet service quality and general service standards;
- Establish an Ombudsperson to mediate passenger and carrier disputes;
- Institute pricing and service regulation for rural and remote markets;
- Require a public interest statement from carriers, and a public process, to address how passenger's interests may be affected in structural changes in the industry;
- Be applied by the CTA or Transport Canada.



Revelstoke Railway Museum

Anyone passing through Revelstoke B.C. should try to see the Railway Museum. Go into town from the highway along the tracks and it is on your left hand side. It is a very nice museum. **Opening hours** are April through Nov. 9:00 - 17:00 (20:00 in July & Aug.) Daily, except April & Oct. closed on Sunday, in Nov. also closed on Saturday. December through March 13:00 - 17:00 Mon.-Fri.

SkyTrain extension going ahead

In a close vote, Vancouver City Council has approved the \$600 million SkyTrain extension from Commercial Drive to Granville Street.

Opponents of the scheme argued for a new rapid bus system, saying that would be much cheaper than SkyTrain. SkyTrain supporters point out that the provincial government has agreed to pay 2/3 of the cost. And there's no such deal for the rapid bus or light rail alternatives. (*That is like playing with loaded dice, Ed*) The project won't be completed until 2008.

Transport 2000 Canada, Western Newsletter

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Our Mission: Transport 2000 Canada represents the interests of public transportation by promoting socially, environmentally and economically sustainable policies, programs, services and actions.

Transport 2000 Canada is a national federation of consumers devoted to advancing the public interest in transportation of all modes. A registered charity, it is involved with research, public education and advocacy of public transport issues. It publishes: Transport Action. Transport 2000 BC and Transport 2000 Prairies are separate organizations in the western provinces. Half the membership fees go to the Federal Organization.

A. Check your membership:

() \$ 25 Adult; () \$35 Family () \$20 Senior \$ 18 Student
() \$ 60 Non-Profit Affiliate () \$150 Business

B. Charitable Donation to Transport 2000 Canada

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C. Total (A + B) \$ _____

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Want A Fast Ferry Cheap?

On March 12, 2000 the BC Government decided to get out of the fast ferry fiasco. B.C. ("Bring Cash") will sell the vessels and absorb the huge debt of the B.C. Ferry Corp.

Initially the cost of building the ferries was projected to be \$210 million, but the project is closing in on \$470 million. The government says buyers can now snap them up for \$40 million apiece. That's a loss of over \$340 million.

The first ferry, the Explorer, was launched last July on the Vancouver to Nanaimo route. Island residents complained about the huge wake thrown by the ferry and said the seats weren't even comfortable. To add insult to injury the ferry broke down often and proved to be unreliable. Last January, the B.C. Government was forced to admit that the fast-ferries were providing poorer service. One of them was replaced by a slower, but more dependable ferry.

\$ 1.5 Billion Transportation Plan for Vancouver Region.

\$ 75 per year per vehicle

The GVRD board of directors has approved transit's long term plan, which includes a controversial levy of \$75 on every vehicle on the Lower Mainland. But the new tax won't kick in until October, 2001.

That gives opponents like Surrey Mayor Doug McCallum lots of time to fight it. McCallum says most of the vehicles operate in areas outside the city of Vancouver.

"This is just a straight cash grab to support transit in the Vancouver area, and we're tired of that type of scenario," he says. We have the fastest growth in Surrey, we have the strongest balance sheet of all the cities, and we're tired of putting all that up and not getting any services, and constantly being asked to fund the majority of funding that goes into the GVRD."

McCallum says he's meeting with the mayors of Langley Township and Delta in mid-June to talk about leaving the GVRD and setting up a separate transit system.

The GVRD provides essential services such as water, sewage treatment, drainage, regional parks and solid waste management to 21 municipalities. The dissatisfied mayors may find that uni-city could be the counter move.

The fundamental issue is who should pay. Should one pay for the ownership of a vehicle, as is to be implemented now, or for the use of the vehicle (gas tax). The latter can be evaded by crossing the border and tanking up in the state of Washington.

In the USA many transit systems are financed by an extra cent on the sales tax. That is not legally possible in British Columbia or any other province. The reality is that someone has to pay and nobody wants to.

We will address transit commitment and traffic more in our next issue.

Transport 2000 Canada **Western Newsletter**



2000-4
November 2000

**for Manitoba, Saskatchewan,
Alberta and British Columbia**

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This is the email edition of the newsletter. If you want to obtain a hard copy, please advise the editor by email.

We send a hard copy of this newsletter to every federal cabinet member and to members of the House of Commons Transport Committee. We also send copies to the press.

Please note the articles on pages 6 and 7 as they relate to the election. On page 5 there is a comparison between fuelcell, trolley and hybrid buses.

If you have any feedback, please write to the editor by email. We wish you the compliments of the upcoming season. Thank you.



Nightstar stock standing in Ottawa Station, shown here is the sleeper. The cars were designed for speeds of 125 mph and are equipped with retention toilets. August 21, 2000.



An F59 engine on lease to VIA from the Sounder commuter service in Seattle, in front of Nightstar stock. Ottawa Station August 21, 2000. Photos by Steve Hobson



VIA is purchasing 7 high speed GM locomotives for \$ 25 million. The new GM F59PHI locomotives will replace 7 LRC presently in use. Photo VIA Press Release.



VIA Train carrying Mr. Trudeau leaving Ottawa for Montreal. Photo by Bert Titcomb.

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Editorial by J. J. Bakker

Federal Election

As you may have noticed in the press, Canada goes to the polls on November 27, 2000. As an advocacy agency we do not support one party or another, but we can inform you about the election platforms of the various parties as these policies may affect the environment or transportation. Our source were the political party websites.

Transport 2000 Canada Finances

Our finances are not in the best shape. We need more members and more funds to be able to keep going. A further increase in postal rates on January 1, 2001 does not help us.

The main benefit our members get is newsletters. As a result the membership fee, if paid in full to the national organisation, can be considered a charitable donation. Up to recently the fee was split 50-50 between the regional and national organisations.

At the annual meeting in May 2001, it is proposed to increase our fee from \$25 to \$30, with similar increases in the other categories. However because it is a charitable donation, there is a tax credit. In 1999 the tax credit was up to 27%, in 2000 it will be 25% and if the mini-budget becomes law it will be 22% in 2001. Taking the 22% figure the benefit is \$ 6.60 or the net rate would be \$ 23.40. So the long term effect on members would be little change.

You should note that any contribution in 2000 will realize a greater tax benefit.

The regional newsletter will henceforth be paid by the national office. The regional activities will be financed by the national office based on a budget and submission of receipts. As before the total will not exceed 50% of membership revenue minus the proportional cost of the regional newsletter. In this way the regional activities will remain as before.

The arrangements with Transport 2000 Atlantic will be different, since Transport 2000 Atlantic is a registered charity.

VIA Thinks Corridor Only

It is becoming quite clear that VIA will concentrate on the corridor as far as improved service and equipment renewal is concerned. The Nightstar stock now appears to be going to the corridor. The sleepers will be used between Montreal, maybe Ottawa and Toronto. VIA is primarily interested in the coaches and service cars. The idea of using these trains to the Atlantic and then shifting the ex-CP stock to the west has now been abandoned.

As far as VIA is concerned, and that is also the thinking of Transport Canada and the Toronto based minister, the West is just a tourist attraction that does not need regular and frequent passenger rail services.

There is a lot of hand wringing about the lack of knowledge as regards history. The fact that there is a Canada west of Windsor or Sudbury is perhaps unknown to Transport Canada.

Unregulated Monopolies and Consumer Input

We now have several passenger transportation companies, which act as an unregulated monopoly. Air Canada, VIA and Greyhound have in common that they operate almost exclusively in certain areas. While VIA is tightly controlled by the government, both Air Canada and Greyhound are controlled by a board of directors, and their prime objective is profits.

After the second world war, some European countries wanted to set up a different management structure. They created a kind of company council, which had representatives of the owners (=board of directors), executive management (day to day management and planning) and labour.

This kind of model should perhaps be applied to Air Canada, VIA and Greyhound, where owners, management and consumer representatives form a company council. The advantage would be that consumers would have a say, but not a majority say, in the policies of the company.

In the case of Air Canada there is some retroactive remedy, maybe, through an ombudsman. In the cases of VIA and Greyhound there is no public input, either in policy development or through an ombudsman. In fact VIA confuses its name with CIA and has a secretive bunker mentality afraid of any public input.

VIA Rail is testing Nightstar coaches

VIA Rail is still testing three European coaches as part of its ongoing search for equipment to augment its fleet. Designed by Alstom, the three cars (one coach, one sleeper and one service car) arrived on Canadian soil in June for a period of at least six months. The testing consists of three phases, two of which are now complete. Phase I of the evaluation, a stationary and very low speed test that included computer simulations designed to determine the cars' stability and signalling ability. The new equipment passed the test with flying colours.

Phase II consisted of medium-speed road testing on the VIA owned Alexandria subdivision between Montreal and Ottawa. The objective was to assess the cars' stability, ride quality and braking performances with respect to Canadian and international railroad regulations, as well as their ability to activate the train control and road crossing warning signals.

According to VIA, the results are favourable. A detailed report is being prepared on the first two phases of testing which must be submitted to CN, CP and Transport Canada for review before Phase III can begin. Phase III will consist of a high-speed road test on CN's Kingston subdivision and started on Nov. 11.

Meanwhile, there are discussions between VIA, the manufacturer and regulators at Transport Canada regarding buffing strength and other issues. The FRA decision regarding the Talgo trains is also relevant. Opposition can be expected from manufacturers who want to sell new cars meeting US/Canada buffing strength requirements.

Projects to Revitalize Via Rail

On October 20, 2000, prior to the election call, the Transport Minister David Collenette released details regarding the first phase of projects to revitalize passenger rail service in Canada. These projects, including the purchase of new passenger rail locomotives, will ensure safe train operations, allow for additional high-speed services, begin the modernization of passenger stations and facilities, and improve waste management practices. In April 2000, the Government committed \$400 million over five years to create a more modern, attractive and competitive rail service.

The projects include:

*** acquiring seven new passenger rail locomotives** from General Motors. This will begin the replacement of the existing LRC fleet and expands VIA's capacity to operate high-speed express trains. The locomotive models to be acquired are reliable, and can be used immediately with VIA's maintenance centre wayside systems. The state-of-the-art systems and subsystems will be equipped for health monitoring (detection of weakening equipment), event recording and diagnostics. [Editor's note: These seven are the first batch of a planned 21 locomotive acquisition for the corridor. VIA still operates 7 LRC engines out of 28. These abandoned units could be used as a baggage/cab unit, making turn around times less at Montreal, Quebec and Windsor. It would create something close to a multiple unit with existing equipment.]

*** \$7 million in signalling, grade crossing protection and track upgrades for the Montreal/Ottawa route** to be provided this year, and up to a total of \$25 million planned over the next three years. These investments will allow VIA to upgrade several portions of the track and sidings to permit increased train speeds and make improvements to track layout and signals. These changes will enable VIA Rail to reduce trip time by up to 25 minutes, while increasing train frequencies along the Montreal/Ottawa route, providing improved service and greater convenience for customers.

*** over \$8 million is planned for redeveloping London's station** and providing space for more commercial/retail development, as well as station improvements in Kingston, Oakville and Oshawa.

*** \$5 million for the development of new waste management procedures**, which will eliminate the disposal of human waste on tracks in the Quebec City/Windsor corridor. Similar work is planned nationwide in coming years, at a total estimated cost of \$40 million.

VIA's current locomotive fleet is:

*** 57 GPA30 locomotives** operating in the Corridor and Transcontinental services, 3 of which require accident repair. (these were built in the mid-1980s by GM).

[Editor's note: Originally these engines were meant for Transcontinental services only].

*** 7 GPA418 locomotives** operating in Northern Quebec and Northern Manitoba (built by GM in the early 1950s)

*** 7 160 km/h locomotives (LRC)** manufactured by MLW.

Talgo Trains Approved for NW Corridor

On Sept. 8, 2000 the Federal Railroad Administrator Jolene Molitoris announced a Federal Railroad Administration (FRA) decision to grant Amtrak's request to "grandfather" use of Talgo trainsets for its Cascade service in the Pacific Northwest Rail Corridor. "This decision is consistent with railroad safety and in the public interest. Amtrak provides a very successful passenger service for the people of Washington and Oregon using the Talgo trainsets. This high-speed corridor will benefit travellers by providing an important transportation alternative and by reducing pressure on crowded highways and airports."

Amtrak asked FRA to grandfather use of the Talgo trainsets because they were ordered by Amtrak before FRA issued its new passenger equipment safety standards on May 12, 1999. FRA's approval includes several conditions intended to ensure continued safe operation of the trains. The grandfathering decision also calls on the trainset manufacturer to provide additional information and data of a technical nature. This information will permit FRA to complete an ongoing, detailed engineering evaluation of the trainsets. The results of the ongoing technical analysis are needed to help FRA resolve remaining issues with respect to future operation of the trainsets at higher speeds, as well as their use on other corridors in California and Nevada for which Amtrak seeks to initiate new service. Talgo trains differ from conventional North American designs, but similar trains have been used extensively in Europe. They offer the advantage of navigating curves at higher speeds, while enhancing passenger safety and comfort, by using a passive "tilt" feature. FRA had previously granted a waiver for the Cascade service permitting higher speeds on curves than would be allowed for conventional Amtrak passenger cars.

End Cars Run Empty

The decision today addresses the lesser "compressive" or "buff" strength of the Talgo equipment, which Amtrak has sought to address through use of unoccupied end cars and conventional locomotives. Amtrak's petition requested approval for the Pacific Northwest Corridor (Eugene, Ore., to Blaine, Wash.) as well as new routes from San Luis Obispo to San Diego, Calif., and Los Angeles to Las Vegas, Nev.

FRA's decision on the other routes will be issued at a later date, following receipt of additional information from Amtrak and Talgo.

The above could be relevant when the Nightstar equipment is being evaluated.

Unplanned Intermodal Transfer

When a floatplane, going from Vancouver to Victoria went down in the Burrard Inlet, the Seabus was diverted and helped in the rescue of passengers. Some describe that as the unintended consequences of transportation investments.

Actually Translink could do with a third ferry, however that is not part of the Strategic Plan. See also pages 8 and 9.

Fuel Crises Prices

A Few Facts:

1. Production costs in Canada have not changed
2. Fuel Taxes have not changed, *only GST is a percentage tax.*
3. The price of fuel has increased
4. If prices increase and costs are constant, profits increase.
5. If fuel taxes do not increase, revenue from fuel taxes do not increase either.

So Why are Prices Higher ?

Actually world oil production has increased, however world consumption and therefore demand has increased even more. When demand starts to exceed supply, the world price goes up. The cost of production does not change, unless more expensive sources (such as oil sands) are used.

GST is 7% of total (including other taxes)

The table on the next page shows the trend of gasoline prices in Canada. The GST resulted in a revenue increase of 1 to 1.6 cents, while oil company profits went up in the range of 13.8 to 20.9 cents per litre for Canadian produced gasoline. Note that Ottawa had the least increase of all cities listed. In the Atlantic provinces, except Newfoundland, the percentage tax is 14% (HST). There is no evidence that lower prices will return.

Price of Oil is in U.S. Dollars

The U.S. Dollar has increased in value relative to other currencies. Although the Canadian dollar has dropped a little lately, relatively it has kept its value better than other currencies! This means that price increases in Europe (Euro is down about 28% since its launch in January 1999) are far greater for the public than in the U.S. or Canada. The Yen, Australian dollar and many other currencies have all lost value, so oil prices are proportionally higher to their consumers than in the U.S. Hence there are more protests in Europe.

The Lower Fuel Taxes Campaign

To hide from public wrath, the oil companies have started a very effective campaign that fuel taxes are to blame and should be lowered so as to keep prices at the pump lower. Political parties and newspapers have fallen over themselves to jump on this bandwagon.

However if world demand exceeds world supply, prices will go up. Since demand has to be reduced and since a reduction in taxes would stimulate demand, prices in Canada would have to be increased. Which means more profits for the oil companies. Nobody should think that the oil companies are stupid when they started this fuel tax debate.

A fuel tax reduction would in fact mean a straight transfer from the treasury to the oil companies. And the oil companies are the last ones who should be at the receiving end of government money.

The federal government will give some relief to lower income people, the Alberta government is giving a grant to every adult. This approach will cause users to make more economic decisions as to energy use.

National Energy Program

The Trudoux government tried to isolate the Canadian market from world prices in the late seventies, early eighties with a so-called National Energy Program. Prices in Canada were kept low relative to world prices and an export tax was applied, so that the difference between national prices and world prices went to the government. Alberta protested against this policy and it was eliminated by the Mulroney government. There is no chance that such an experiment will be repeated. Free trade and NAFTA preclude interfering with world prices, so we are stuck with world prices. The difference between cost of production and prices are called profits and these go to the oil companies and to the Alberta government in the form of royalties. Profits are so high that oil companies are now having to pay income tax. Poor souls.

We Need a Canadian Energy Policy

Because of reduced oil reserves, increased consumption and increased emissions, there is a need for a Canadian Energy Policy.

Fundamentally this policy should be to use electricity wherever that is possible and practical. Any form of energy can be converted into electricity, and it would give the country a chance to reduce emissions. It is interesting to note that the Federal Environment Department (not Transport) is willing to give grants for urban transit, provided these are "green" projects. SkyTrain, LRT or Trolleybuses would qualify.

What Can Rich Alberta Do?

Alberta does collect enormous sums of money from oil exploration in the form of concessions to drill and royalties. Instead of gloating and wanting to eliminate income tax, Alberta should consider other investment alternatives. Since oil is a one-time non-renewable resource, it makes sense to invest revenue from oil in projects that reduce emissions and shift energy use to electricity.

Projects that would benefit Alberta and Canada are the electrification of the railways between Edmonton and Calgary to Vancouver. It is the lifeline for Alberta exports. Other provincial projects would be LRT extensions in Calgary and Edmonton, or low floor trolleybuses for Edmonton.

Other projects could be to strengthen the electric grid between Alberta and B.C., as well as providing the infrastructure for High Speed Trains between Calgary and Edmonton. A private operating company could then provide the actual passenger service. It would reduce the need for many car and airplane trips.

Year	Regular Self Serve Gasoline Prices (mid-month), including taxes										Tax	Increase		
	1998	2000	2000	2000	2000	2000	2000	2000	2000	2000	2000	2000	2-'98 to 10-'00	
	Feb.	Feb.	Mar.	Apr.	May	Jun.	Jul.	Aug.	Sep.	Oct.	Oct.	Oct.	Gas	Tax(GST)
Centre														
Whitehorse, YT		75.0	77.5	78.1	79.4	81.5	83.0	84.7	85.6	88.5	n.a.			
Kelowna, BC	51.9	63.5	68.9	67.9	66.9	68.9	71.9	71.9	76.9	74.4	25.8	20.9	1.6	
Vancouver, BC	52.3	61.1	68.4	65.8	67.8	68.4	75.2	73.8	73.0	74.2	29.9	20.4	1.5	
Victoria, BC		64.9	68.9	71.9	69.9	71.6	76.9	76.9	78.9	79.9	28.7			
Calgary, AB	47.7	59.4	64.8	65.0	61.8	62.9	67.7	64.0	68.3	69.2	23.5	20.0	1.5	
Regina, SK	55.9	67.6	72.9	73.9	69.9	69.9	73.5	71.9	75.9	75.9	30.0	18.6	1.4	
Winnipeg, MB	49.9	64.3	68.8	68.4	64.9	65.9	66.9	65.9	71.9	67.8	26.1	16.6	1.3	
Ottawa, ON	52.8	67.5	69.3	66.3	71.8	71.5	66.3	64.2	71.5	67.6	29.3	13.8	1.0	
Toronto, ON	53.1	68.9	72.9	68.0	73.9	75.9	70.7	67.5	75.1	69.8	29.4	15.5	1.2	
Québec City, QC		74.3	76.8	69.7	71.4	75.2	74.6	72.2	76.3	73.0	34.9			
Montréal, QC	57.7	72.5	76.9	77.3	78.7	81.8	78.3	76.2	84.0	77.7	37.3	18.6	1.4	
Moncton, NB		62.0	76.9	62.3	62.7	78.9	78.9	76.9	80.9	74.9	30.6			
Halifax, NS	59.7	72.9	77.7	74.9	75.9	79.7	78.8	74.8	81.0	78.5	33.9	16.2	2.6*	
Charlottetown, PE		63.6	65.7	65.7	68.0	69.7	69.8	74.7	73.0	74.8	27.9			
St. John's, NF	68.9	76.5	83.9	81.9	82.9	87.8	87.9	82.9	86.9	86.9	37.7	16.7	1.3	
CANADA AVERAGE		67.5	72.4	70.3	72.2	74.1	73.2	70.4	76.3	72.9	30.9			

Note: Vancouver and Montreal have a transit tax on gasoline. *HST Source: Petroleum Communication Foundation

The Fuelcell, Trolley and the Hybrid Bus. Where Should We Invest?

Fuelcell Bus Needs More Development

The Ballard buses in Vancouver and Chicago met the intent of their tests, limited as they were. (i.e. to use the buses in revenue service day in, day out). Considering the complexity of the equipment this is a considerable achievement.

What the fuel cell buses also demonstrated is that they are some way from practical application. In Vancouver the buses were limited to tripper service and often had a technician on-board or following with a van. **Fuel cell buses are very heavy and hence could only carry half the passenger load, 40 versus 80. Their fuel supply was also insufficient for a full service day.**

No one talks about energy efficiency but the following gives you some indication, when comparing with a trolleybus or a hybrid bus.

Fuelcell Bus Requires 9 KWH to Produce 1 KWH.

It takes about 4 KWH of electricity to create, compress and transport 1 KWH worth of hydrogen. The fuel cell goal is to be 50% efficient, and the bus convertors and motors 90% efficient. The end result is 9 KWH of electricity (however generated) for 1 KWH output at the wheels of a fuel cell bus. In theory regenerative braking is possible on fuel cell buses, using batteries or flywheels, but the fuel cell bus is already overweight and cannot carry more equipment.

Trolleybus (with no regenerative braking)

In contrast with trolleybuses there is a 20% loss in the overhead. The vehicle would be 80% efficient, with 60% going to the motor and 20% going to auxiliary functions, such as air system compressor, lighting and passenger heating grids. This means it needs 1.56KWH for 1KWH tractive effort without regenerative braking.

Thus a trolleybus is about 6 times as fuel efficient than a fuel cell bus. If you factor in the reduced passenger capacity of a fuel cell bus the factor is probably closer to 12 times more energy efficient. Even the most optimistic projections for fuel cells and mass production of hydrogen are unlikely to reduce this below a factor of five.

Trolleybus (with regenerative braking)

The trolleybus with regenerative braking can recover at times as high as 30% of the energy and put it back in the wires. It would then require about 1.1 KWH for every 1 KWH of tractive power. This applies only to trolleybus with high levels of regenerative braking operating on a system such as Vancouver with frequent stops and a high level of line receptivity. (i.e. a high likelihood of other buses in the vicinity able to use regenerated power).

The Hybrid Bus (reduces emissions and fuel consumption)

New Flyer/Allison is developing a hybrid bus, with indications that it is performing well. A hybrid bus uses electric motors at the wheels and a smaller diesel engine which drives a generator. In between generator and wheelmotor is a battery, increasing the weight of the bus. The hybrid bus also has regenerative braking (putting energy back into the battery), a much lower fuel consumption (48% compared to diesel) and a decrease in emissions of 46%. Other performance results are still confidential.

Hybrid Bus May Have More Immediate Results

The government is perhaps too impressed with the Ballard bus, and would do well in its innovative technology programs to help in the further improvement of the hybrid bus. Particularly if this bus is combined with trolley operation, it would produce a very operationally flexible and environmentally friendly bus with wide network application.

Where Do The Different Parties Stand on Transport Related Issues?

VIA Rail

Alliance Party - would eliminate subsidy (because it does not serve much of the country) and privatize VIA

Liberal Party - continue operating subsidy of \$ 170 million per year plus an investment of \$ 402 million over 5 years for new equipment and infrastructure. VIA is looking into commercialization options for some VIA operations.

NDP - It does not mention VIA in its platform. The NDP does mention commuter rail and transit as part of a national transportation strategy.

PC Party - It does not mention VIA in its platform
[Comment: The Liberals tried to privatize VIA, but found that the proposals received would require a greater subsidy than is now being paid. The UK found that franchising doubled the subsidy, the increase was translated into dividends for the private companies. The UK has given up hope that subsidies in total can be reduced, because of additional investments needed in infrastructure. The proposal by the Alliance Party would mean the elimination of VIA. The Alliance fails to see the difference between cruise trains and daily, regular service. **None of the parties** addresses the fundamental problem of public roads financed from taxes used by trucks and buses and private infrastructure of the railways paid for by the railways. Also railways pay tax on infrastructure, while roads do not. The depreciation rates of railways are different compared to other modes. In other words there is no level competitive playing field.]

Fuel Taxes and Sulphur in Fuel

Alliance Party - will eliminate "tax on tax" by cutting the GST on top of other federal and provincial fuel taxes, and will eliminate the "temporary" 1.5 cent increase in federal excise tax (savings of at least 3 cents per litre) The Alliance will also cut the federal excise tax on diesel fuel by 50% to help Canadians, including farmers and truckers, cope with high fuel costs. No mention of sulphur content in gasoline.

Liberal Party - will give relief through tax credits to low income earners and otherwise not interfere in the market. The liberals will insist that the oil-refining industry cut sulphur in gasoline by more than 90% in the next five years.

NDP - No or lower taxes for low income Canadians, otherwise no position. Put mandatory limits on sulphur content in gasoline.

PC Party - would remove the GST on home heating fuels for a period of one year and would immediately suspend, for one year, the 1.5 cents/litre surtax on gasoline. The PC Party would encourage drivers to purchase low sulphur fuels by reducing the federal excise tax by four cents per litre on those fuels for a two-year period and it would remove the GST on home heating fuels for a period of one year.

{Comment: See pages 4 and 5 of this issue}

City Transit

Alliance Party - Subject not mentioned

Liberal Party - will work with provincial and municipal partners to help improve public transit infrastructure

NDP - will invest as partners in integrated, coordinated and affordable public transit and commuter rail service in and around our major urban centres.

PC Party - Subject not mentioned

Highway Infrastructure

Alliance Party - wants modern infrastructure: open skies, open roads, open seas. One area where government investment can genuinely help economic growth is infrastructure investment. To compete internationally, Canada needs a modern integrated network of road, rail, air, and marine transportation. We need to rebuild Canada's crumbling highway system, and especially develop trade corridors linking Canada with our NAFTA partners, the United States and Mexico.

Liberal Party - will invest \$600 million to improve provincial highways in first 5 years.

NDP - says good roads and accessible transit are essential to strong, healthy communities.

PC Party - A Progressive Conservative government would establish a National Highway Policy in partnership with the provinces to ensure the long-term viability of our national highways.

[Comment: None of the parties address the issue of who should pay for infrastructure or alternate forms of transport that would relieve the highway system. Roads are assumed to be free and should be provided from taxes. All the parties see transport in one mode or another and fail to see that the heavy subsidies to highways have an impact on more energy efficient forms of transport. The relationship between emissions and trucks or the urban car is not seen in relation to less polluting forms of transport like trains or buses. That does not mean that there are safety cases for highway improvements].

Airline Merger

Alliance Party - promotes choice and competition in Canada's airline industry. The Canadian Alliance does not believe that a regulated monopoly is in the interests of Canadian business or consumers. The Alliance would negotiate a liberalized Air Services Agreement with the United States and other countries to increase foreign competition on Canadian routes.

Liberal Party - No position other than watch and see, regulate if necessary.

NDP - No position

PC Party - would broaden and enhance the Airport Capital Assistance Program (ACAP) to ensure community airports are sustainable.

[Comment: Like in the bus industry profitable routes support remote routes. Competition on the profitable routes will make travel prohibitively expensive on remote routes. Party leaders and the elite no doubt only travel on the main routes.]

Municipal Infrastructure

Alliance Party - Subject is not mentioned

Liberal Party - will invest \$2 billion in new money to improve municipal infrastructure - bringing the total investment in municipal infrastructure to more than \$14 billion in 10 years.

NDP - want to set up a Clean Water Fund to upgrade municipal water and waste water treatment plants to improve water quality, water conservation and effluent management.

PC Party - would ensure investment is channelled into green municipal infrastructure to ensure safe drinking water and more effective waste management systems.

[Comment: The PC Party does not say where the investment comes from.]

Where Do The Different Parties Stand on Transport Related Issues? (continued) *Climate Change and Environment*

Alliance Party - would rely on community-based stewardship programmes and stakeholder consensus. Where incentives or voluntary measures are inadequate, it supports the regulation of critical habitat with fair market-value compensation. The Alliance will encourage business and industry to develop conservation solutions and will recognize those who deliver improvements in environmentally efficient production. The Alliance will work with the provinces in setting national standards and negotiating international agreements.

Liberal Party - would promote increased energy efficiency in industry and the transportation system. It will invest \$135 million in programs that help other countries reduce pollution affecting Canada by committing nearly \$1.1 billion in programs that develop innovative technologies and fight global climate change. It will invest in the development of new energy technology, such as fuel cells, and help farmers to reduce agricultural emissions through improved farming methods. It will increase Canada's use of renewable energy such as electricity from wind and ethanol from biomass. It will encourage consumers to buy more energy efficient products by providing information and setting high product standards.

NDP - would assert a strong federal presence in both environmental monitoring and regulatory enforcement. It would develop a national water strategy, including national safe water standards and a ban on bulk water exports. It would give environmental protection precedence over trade agreements in trans-boundary movement of hazardous wastes and dangerous goods.

P.C. Party - would introduce a Safe Air Act legislating acceptable air quality standards for Canadians that would be harmonized with the provinces and territories. It would achieve sector-by-sector agreements with industry to set targets to reduce emissions of various types of pollutants. The agreements would be negotiated and binding.

[Comment: Actually the various policies are rich on motherhood statements and poor on specific solutions]

Grain Transportation

Alliance Party - will make the grain transportation system more efficient and cost-effective by introducing commercial accountability.

Liberal Party - will make Canada's grain-handling system more competitive and accountable.

NDP - This subject is not mentioned.

P.C. Party - would open up the Canadian Rail System to competition by and between all competent railway operators to create a more competitive and efficient rail transportation system that will benefit Canadian farmers. It would support the development of a commercial and contractual grain handling system.

[Comment: The railways have either closed branch lines or converted branch lines into short lines. These short lines are entirely dependent on one of the two freight railways. What is needed as a minimum, that each shortline has running rights to reach the other freight railway, or the line to Churchill. The proposals of Alliance and the Liberals are not clear]

WestJet more planes, more profits Web Posted Tue Aug 22 16:41:30 2000

In August WestJet Airlines Ltd. announced it would add another 24 planes to the 70 it had announced in February. Westjet is also planning to buy a 737-700 flight simulator from CAE Electronics Ltd. to be housed in its new hangar in Calgary.

The lower unit costs of the Boeing 737 will allow WestJet to continue to provide low fares that have been the trademark of WestJet's success: giving more people the opportunity to travel by air to visit friends and family across Canada and serving more communities. The airline this summer operated 18 Boeing 737 jet aircraft and serves 15 cities across Canada. It added destinations in the East, including Hamilton and Ottawa in Ontario and Moncton in New Brunswick.

The low-cost airline company's third-quarter earnings rose 72.9 per cent to \$10.4 million, up from \$6 million in the third quarter of 1999.

Airline Merger Update

Air Canada completed its reservation integration on October 22, 2000. The airline did not have to sell Canadian Regional and is speeding up the merger with Canadian. The Canadian operations headquarters has now been moved from Calgary into the Air Canada headquarters in Montreal.

It are the outlying areas that remain the most dissatisfied. Although there is some competition on the trunks, Air Canada controls all the feeds into both the trunks and international routes. Air Canada is known for the desire of having control.

Canadian Airlines was quite interested in economic development at the local level. Air Canada is not interested in that aspect, it has concentrated all control in the Montreal HQ, and as its tradition is far more bureaucratic and central in its approach.

It is likely, due to the limited market, that regulation will be needed for outlying cities.

Air Passenger Safety Group

This sub-group of Transport 2000 Canada has been quite active in the past year. Using Access to Information it has been able to expose some of the bluff that comes from the officials. The Cost Benefit Analysis for Emergency Response Services proved to be just a financial analysis. At smaller airports ERS is either inadequate or exists only on paper, due to the time needed to get from municipal firehalls to airports.

The group is also pursuing the issue of electrical wiring and procedures with circuit breakers in aircrafts. It has also found that Access to Information is not provided in the required timeframes. Many requests are outstanding and when provided were made either meaningless or it was found that there were no records.

Sources for Election Platforms :

Liberals: www.liberal.ca and Redbook III downloaded in Word Format;

Canadian Alliance: www.canadianalliance.ca/;

NDP: www.ndp.ca/;

PC Party: www.pcparty.ca

The Bloc Quebecois does not run candidates in Western Canada.

Transportation Issues in Lower Mainland of B.C.

Perceptions and Reality

Perception.

Alderman Price addressed the joint meeting between WASHARP and Transport 2000 BC. He pointed out that there are perceptions, greatly promoted by the automobile industry, that are difficult to counter. For example take advertising. All car advertisements show a nice car on an empty road (or a desert), going at speeds well above the limit. The image is that there is always space for another car. We do not see an advertisement showing a 10 km line up, with the statement that for \$ 40,000 you can add your car to the end of line.

The other perception is that roads are free and that the cost of any car trip is the incremental out of pocket expenses of gasoline and parking. On the other hand for transit the out of pocket cost is the fare

Public perception of road vs. transit expenditures is also distorted given that transit expenditures are made by a single agency and are thus highly visible. In contrast, road expenditures are tucked away in the budgets of 20 municipalities, as well those of TransLink and the provincial government.

Reality

The reality is different. In most urban areas there is no additional space for cars to either drive or park. Current trends show a population growth of 40,000 people and 23,000 cars **a year (or 198 km of lane space per year)**. By 2005 it would mean 500,000 to 600,000 more trips every day. Vancouver a long time ago decided not to build freeways. It is now impossible to build urban freeways, the only possible link could be from Highway 99 to Highway 1 and 7 via approximately Langley. In other words traffic can only be taken around congestion.

The other reality is that because nobody wants to compute the real cost (and charge for it) of the highway system, there is a refusal to contemplate increased user charges or taxes.

Translink Transportation Proposals

The Greater Vancouver region has one of the worst air qualities in Canada. Transportation is the number one issue for residents. And TransLink is set up to take deliberate steps to: improve roads, provide better traffic signal systems, create better and different types of public transit, develop bike facilities, promote alternate forms of transportation to the single occupant vehicle and reduce traffic congestion.

Translink Plans and Finances

TransLink plans and finances the transportation system in the Greater Vancouver Regional District including major roads and transit. Subsidiary companies operate buses, SeaBus, SkyTrain, West Coast Express, Albion Ferries and the AirCare program. TransLink partners with municipalities on a network of major roads and bridges.

Translink has no access to sale taxes.

Strategic Transportation Plan

Specific highlights of what the Strategic Transportation Plan proposes to do from now to 2005 include:

- \$208 million to maintain and rehabilitate major **roads** across the region
- \$333 million for new **roads** and to expand existing **roads**
- Transit use is projected to rise by 30%
- 515 more **buses** – including "B-Line" style buses, Express buses, Community Shuttle "mini-buses" and regular City buses. By 2005 we would have 1,640 buses on the road
- 45 more custom buses providing **handyDART** services to the disabled
- **20 more SkyTrain cars** – the new, larger "Mark III" trains for the existing line
- An additional **train** on the West Coast Express

The Cost

The Strategic Transportation Plan was approved last spring by TransLink's Board of Directors and ratified by the Board of the Greater Vancouver Regional District. It calls for investments of \$1.4 billion from 2000 to 2005. Costs associated with new SkyTrain line construction will not appear until 2006.

Funding Before and After the Creation of Translink

Prior to TransLink's creation, the Vancouver Transit Commission collected fare revenues, a 4 cent per litre fuel tax, the hydro levy and non-residential property taxes. However, the province provided an additional subsidy each year to cover the remainder of BC Transit's costs. When TransLink assumed responsibility for transit services, the provincial government replaced the subsidy with an additional 4 cents per litre from the fuel tax it collects, the sales tax on off-street paid parking and the transfer of funds formerly collected as a hospital levy. The additional funding from the province will be worth \$178 million in 2001 and will increase to \$218 million in 2005.

Funding Shortfall

This expansion can only be sustained if a new source of on-going funding is available. The financial projections from 1999 to 2005 shows very clearly that after transit fare increases, there is a \$446 million funding gap that has to be filled if the Strategic Transportation Plan is to go ahead.

Vehicle Levy and Transit Fare Increase

The shortfall was to be financed with a transit fare increase (implemented) and a vehicle levy (not implemented).

At first a flat vehicle levy of \$ 75.00 was proposed. Opposition pointed out that less polluting cars should get a benefit and maybe big cars should pay more. A revised proposal recommended \$40 for a small car, \$ 75 for medium sized car, \$120 for heavier cars, vans and trucks and an average of \$ 190 for commercial vehicles.

Transportation Issues in Lower Mainland of B.C. (continued)

Opposition by Media and Suburbs

Some of the major local media outlets, as well as some suburban municipal politicians, are currently waging war against the proposed levy.

Unfortunately Translink directors are clutching at straws, hoping that money will suddenly appear. When Finance Minister Paul Martin visited the region as part of the federal election, he was taken on a flight to show him how bad traffic congestion was. He agreed it was bad and also agreed that something should be done about it.

No Federal Gas Money

However Paul Martin made it clear that he would not allocate any federal gas taxes to anyone. All taxes go into general revenue and will be spent on the basis of national needs. He did remind Vancouver region politicians however that capital transit expenditures are now part of the joint federal / provincial / municipal infrastructure program.

Strategic Transportation Plan now in jeopardy.

The continued refusal to come to grips with the funding problem for the Strategic Transportation Plan, puts the entire plan in jeopardy. As transit supporters point out, if vehicle users are not going to contribute then the transit fare increases should be rescinded.

The board at its last meeting (Nov.9.2000) did approve to proceed with bus purchases. However it once again at the insistence of the suburban mayors postponed making a decision on vehicle levies or any alternatives thereto. In the absence of a decision to implement the levy, or an equivalent alternative funding source, the Board will face difficult decisions on cut-backs to both road and transit programs and services. The danger is that Vancouver allows itself to get into a downward transit spiral, it could also involve the likely elimination of trolley bus replacements.

If the consequences of not funding are pointed out (for example a 25% cut in transit services) the media and suburban politicians yell blackmail. Sorry folks there comes a time to face up to reality and many will have to start paying in one way or another and soon. Public opinion polling has revealed solid majority (74%) support for the Strategic Transportation Plan and lesser support (c. 55%) for the vehicle levy.

Any tax levy would come into effect in October 2001.

Transit Improvements so far

Since 1992 there has been a 23% increase in bus hours. Service delivery is now 99.63%

In 1992, there were 943 buses, with 788 in peak hours
In 2000 there are 1155 buses, with 923 in the peak.
424 of the 861 diesel buses are "clean diesels"

There are now 121 articulated buses with 60 seats
There are now 50 natural gas buses

In 1996 the express 99B line was introduced

In 2000 the express 98B line was introduced

In 2001 express service to White Rock will start.

By 2003 the entire 244 trolley fleet will be replaced and 81 trolley buses added.

Sky to Sea Service

Vancouver and Whistler are trying to get the 2010 Winter Olympics. This would require major improvements in the transportation links between Whistler and Vancouver. At present there is a single track railway (BC Rail), and a two-lane highway. The highway is known as dangerous.

Option 1. Highway Widening \$ 1.34 billion plus.

Widening would be very expensive and create environmental concerns. There are also several unstable mountainsides along and above the highway now. Tolls would have to be levied to meet that kind of costs.

Option 2. Traffic Operation Measures. \$ 365 million

In this option new intercity bus services and facilities would be used, together with high occupancy lanes, queue jumpers, bus bays, wider highway shoulders and pavement markers. The option would have a low capital cost and a low environmental impact.

Option 3. Multi-modal option. \$ 745 million

The emphasis would be on rail / bus interconnecting services. It is designed to increase rail capacity along the BCR line to help with peak demand times. Five trains a day would run between Whistler, Squamish and North Vancouver, similar to the Westcoast Express. The train service would have connecting feeder buses, with bus services in the off-hours. The rail option would require new platforms at Squamish and Whistler. A platform would also be needed at Lonsdale Quay next to the Seabus terminal. It would include some highway improvements.

Transit Initiatives in the U.S.A.

Texas - Austin's referendum for LRT failed.

California: - Santa Clara County

- extend BART to San Jose - extend 0.5 cents sales tax approved by more than 70% (2/3 required)

- Connect BART to Milpitas, San Jose, Santa Clara;

- Build light rail connection from San Jose Airport to BART and Caltrain, and link with light rail network;

- Purchase vehicles for disabled access, senior safety, clean air buses;

- Provide light rail throughout Santa Clara County;

- Expand and electrify Caltrain;

- Increase rail, bus service;

California: Alameda County

- extend BART from Fremont south to Warm Springs approved by more than 80% (2/3 required)

Utah: County Measure 1 Salt Lake County - more rail lines and buses, adding an extra quarter-cent-per-dollar sales-tax increase to raise at least \$43 million a year to add to the Utah Transit Authority's \$90 million budget approved with about 58 percent of the vote. This tax hike also won in Davis (58%) and Weber (53%) Counties,

Washington: Initiative-745 failed 58-42%, which could have reserved 90% all transportation money for roads and use the leftovers for other areas, such as public transit, potentially gutting local transit, inter-city passenger rail, and the state ferry system

King County, voters approved (53-47%) a measure to raise the sales tax to support Metro bus service
Seattle voted to continue study of monorail (58-42%)

Greyhound could be up for sale

Financially troubled Laidlaw of Burlington, Ont., has been struggling under a large debt load and failed U.S. investments in ambulance services and waste management. For the nine months ended in May, Laidlaw lost almost \$2 billion US.

Laidlaw CEO John Grainger said on August 18, 2000, while they aren't actively seeking a buyer for Greyhound, financial circumstances being what they are, an unsolicited offer would have to be taken seriously.

Grainger said he would rather restructure Laidlaw around its core transportation business, including Texas-based Greyhound. But the parent company has given permission to the bus company to seek new debt financing. Greyhound officials announced they are seeking outside financing to cover capital expenses such as new buses. In a filing with federal regulators, Greyhound said Monday it might be unable to keep operating if it couldn't find alternate financing. It has \$176.1 million in long-term debt.

The Canadian Federal Government has no intention of becoming involved. If the feds were to buy Greyhound they would have an unique opportunity to create a national, inter-modal transport system. The bus component would be profitable.

At present all coordination between modes is voluntary and is only working in a few cases. There is a challenge for governments to do something at very little cost.

This newsletter went to press on Nov. 13 and was mailed Nov.15, 2000

Transport 2000 Canada, Western Newsletter

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Our Mission: Transport 2000 Canada represents the interests of public transportation by promoting socially, environmentally and economically sustainable policies, programs, services and actions.

Transport 2000 Canada is a national federation of consumers devoted to advancing the public interest in transportation of all modes. A registered charity, it is involved with research, public education and advocacy of public transport issues. It publishes: Transport Action. Transport 2000 BC and Transport 2000 Prairies are separate organizations in the western provinces. Half the membership fees go to the Federal Organization.

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Vision of The Canadian Bus Industry

Transport 2000 Canada's board of directors met with Sheilagh Beaudin, Executive Director Canadian Bus Association on October 27, 2000.

By definition, the bus industry includes scheduled services, adapted, charter, tour, intercity, shuttle, commuter and contracted services.

Vision Statement

That the industry and its representatives, as a whole, strive towards achievement of the following:

- " The bus industry is an integral part of federal and provincial policy.
- " The government, media and public recognizes the bus industry's contribution to the welfare of the Canadian public and the Canadian economy through: the environment, safe travel, regional development, job growth, tourism, social integration, mobility and the reduction of road congestion.
- " The bus industry has grown diversified and expanded creating a profitable and sustainable industry.
- " Bus travel will maintain its position as the safest mode of travel.
- " Every player in the bus industry is a partner in the collective vision.
- " The bus industry is an integral part of a seamless, integrated and intermodal transportation system.
- " The Associations and their member Companies are committed to providing the highest levels of Customer service.

The industry is working with Statscan to separate truck and bus statistics. It needs more data to support its position. The industry did not ask for deregulation and does not agree with it.

Because it is an environmentally friendly mode, other provinces should consider the Quebec approach of giving tax rebates.

Some problems were pointed out, such as the lack of a map showing where buses operate in Canada, the seating pitch which varies between and even within companies and idling noise.

Accessibility regulations are different in Canada compared to the USA. The industry wants buses accessible, but feels it should not be an industry cost.

BC FERRIES SEEKS FARE CHANGES

BC Ferries is seeking the public's views on the best way to increase fares to offset inflation, rising fuel prices and vessel maintenance costs. BC Ferries plans to request the equivalent of a 3.8 per cent fare increase from the provincial government before the end of the calendar year, to take effect in early 2001. Fares have not increased since November 1997. The Crown corporation is seeking input from key interest groups and the public on whether to increase fares across the board or base fares on route distance. The public is encouraged to comment on the proposal before Dec. 1, 2000, which is available on BC Ferries' Web site at <http://www.bcferreries.com/corporate/tariffreview.html> or use 1-877-281-1294(toll free)