

Rail innovation benefiting passengers, the economy and the environment

All aboard!

by Cliff Mackay, President and CEO Railway Association of Canada

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The importance of Canada's railway sector is underwritten by two facts: each year, 68 million passengers and 75 per cent of all freight that moves in the country goes by rail. Simply put, Canada's strength as a trading nation is based on a safe, efficient and environmentally friendly railway system.

I represent the interests of some 50 freight, tourist, commuter and intercity railways, and more than 30 rail suppliers. These companies and the customers they serve know that demand for rail services will increase as trade with Asian markets flourishes.

Canada's challenge is to keep investing in the infrastructure we need to meet that inevitable demand. Already, more than 100 miles of train each day cross the Canada-U.S. border. Projects like the Pacific Gateway in British Columbia and the eastern gateways through Montreal and Halifax are the right ways to go if Canada wants to see this business grow.

Despite rail's contribution to Canada's economy, rail generates just three per cent of transport's greenhouse gas emissions and [the rail sector] has been involved in reducing emissions and fuel consumption, working smarter and increasing productivity for at least the past decade.

How do Canada's rail companies do it? Through innovation and investments.

Consider CN's procurement of 40 more 4,300-horsepower Electro-Motive Division (EMD) SD70 locomotives, now expected for delivery in 2010,

adding to 75 SD70s now in service. EMD locomotives are up to 20 per cent more fuel efficient than the ones they replace and comply fully with the latest emissions regulations.

In addition to the environmental benefits of these locomotives, improved cabs reduce noise and vibration, making life better for the crews.

Meanwhile, CP has acquired two new N-ViroMotive Ultra Low Emitting Genset locomotives now being evaluated in Southern Ontario as a potentially more efficient replacement for CP's four-axle locomotive fleet. These locomotives offer the potential to reduce fuel consumption and greenhouse gas emissions by 40 to 60 per cent and particulate emissions by close to 80 per cent.

Among the ways these locomotives achieve such green performance are their stop-start idle-limiting technology and on-board software that allows the engineer to engage only as many of the engines as needed.

This is just a glimmer at the ongoing investments by Canada's railways – now valued at over \$2 billion this year alone – to ensure the safe and cost-effective movement of goods and people.

Yet, Canada's railways aren't just investing dollars towards this goal; while still competing vigorously they are also co-operating in areas of common interest.

For example, a recent routing protocol has helped CN and CP to reduce car miles operated by one million car

miles annually and to improve customer service by getting traffic to its destination via the most direct routing, regardless of whose track it is.

Why is this important? Consider this: Prince Rupert may be closer than Seattle or L.A. in terms of sailing time from China, but it's the speed and efficiency of the port and the railway that make it a desirable North American gateway. Similarly, Vancouver has enormous opportunities, but it's the willingness of CN and CP to work together on co-production agreements that helps keep the traffic moving and keep Canada competitive.

And when you win globally, the rewards can be significant. Think of the success of Montreal-born Bombardier Transportation. This leading railway supplier has emerged as a world leader in the development, manufacture and export of railway carriages and locomotives and the provision of maintenance and servicing systems. Today, despite the economy, Bombardier is flourishing.

But it is not alone in its success. Canada's railways have responded to competitive challenges with vigour; the achievements speak for themselves.

Our vision is to make Canada a global powerhouse in the world of transportation logistics. We encourage the public to learn more and join us in supporting Canada's railways in their endeavours for the benefit of all Canadians and the environment.