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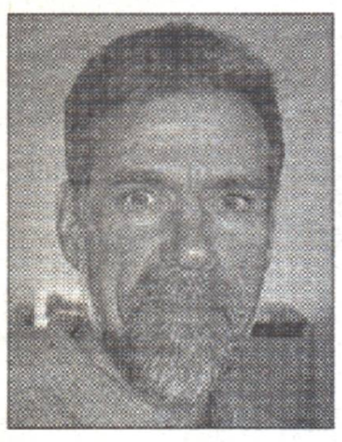

Gilles **Gagné**

Steady pressure needed, but the railway can be saved

Considering the hardship they have experienced over the last few years, the Gaspé Railway Society certainly didn't need another blow. But one came on November 21 from the necessity to protect the transporter's assets from one of its creditors.

Filing for court protection to avoid bankruptcy always leaves a mark. It's a last resort, albeit necessary sometimes to stay in business. Some businesses don't make it through receivership. The Gaspésie Railway Society should work its way through that procedure for a couple of reasons.

First, lately, freight traffic has been slowly increasing on the line. It will continue to increase with the possibilities offered by the sawmill of Association coopérative forestière de Saint-Elzéar, Raid GD and, two years down the road, the Port Daniel cement plant.

Secondly, municipal politicians, whose towns and villages are the owners of the Gaspésie Railway Society, are gradually realizing that the railway located along the south shore of the Gaspé Peninsula, especially in the Bay of Chaleur area, are the biggest users of the line and that a prolonged or permanent service shutdown will have a dramatic effect on the region's economy.

However, the Quebec government was not quick enough reacting to last June's emergency funding request made by the GRS. "Not quick" is an understatement, considering what was at stake and the relatively small amount of $1.3 million request.

If the Quebec government didn't approve of the way things were being done at the railway company, why didn't they appoint an administrative supervisor who could have guided the transporter? Instead of that, they let things deteriorate to the point that the company had to file for court protection, with all the uncertainty attached to that.

Business people hate uncertainty. They have to deal with it on a daily basis and they certainly don't need an additional dose triggered by potential failure in systems, transportation modes, that shouldn't, in 2014, pose a problem in a region that is part of an industrialized country.

It is very tempting to suggest that the Quebec government, blinded by its zero deficit goal, was and is still trying to save a year of funding by not sending money to the Gaspésie Railway Society.

That would be ill-advised and it would represent a very poor way of saving money. Six bridges located between Cascapedia-St. Jules and Grand River require major work, if not complete replacement. Stretching these refurbishment contracts will only increase the cost and it might well lead to more bridges having to be replaced.

Regional Minister Jean d'Amour is probably trying to buy time when he says that rescuing the Matapedia to Gaspé line must be announced as a whole instead of step-by-step. He often hints that the Federal government should intervene, a sure bet that things will not happen quickly.

He is also quick to point out that since 2002, the Quebec government has invested $48 million in the Gaspé Peninsula line. In doing so, he neglects to mention that Jean Charest's Liberal government agreed to pay its share of a $16 million to Quebec's Railway Society, a private business owned by good friends of the party, the late Pierre Martin, who was a former Liberal Deputy Minister. That amount was used to buy the Matapedia to Chandler stretch of track in 2007.

This $16 million paid for a line that barely 500 carloads a year used. Eleven years earlier, Canadian National sold that track for $4.5 million to the Quebec Railway Society. At the time, traffic was hovering between 8,000 and 9,000 carloads.

Do you know many businesses that are worth 360% more after losing 95% of their traffic?

Minister D'Amour regularly casts doubts about the way the Gaspésie Railway Society was managed since 2007. He is not the only one, but a quick look at his party's record in this case, should prevent him from advising others.