

Gaspésie Railway Society owes \$3.6 million, not \$1.3 million to its creditors

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NEW CARLISLE: Radio station CHNC learned that the Gaspésie Railway Society owes \$3.6 million to more than one hundred creditors, including Rail GD and Revenu Québec.

The radio station obtained a document that details the names and amounts owed to all its creditors. You may recall that the Gaspésie Railway Society's financial situation prompted the company to file for court protection last November 21. The receiver is

The list shows a debt of \$3.2 million. The following creditors are part of the long list: Activa Environment (\$8,870), Revenu Québec (\$34,123), l'Agence métropolitaine de transport (\$11,497), the accounting firm Alphonse Bernard inc. (\$22,880), the Regional Tourism Association (\$18,970), the Caisse populaire Desjardins of the Bay of Gaspé, a credit margin of \$450,000 and a loan of \$12,084, the consulting firm Cima based in Chandler (\$31,996), Crédit Ford Canada Limited (\$119,269), Hydro-

Québec Bankruptcy Department (\$48,525), J. A. Cormier et fils (\$4,646), the Town of Port-Daniel-Gascons (\$2,209), Pavages Beau Bassin (\$16,110), Rail GD (\$135,035), Roche Groupe Conseil (\$229,310), the Town of Percé (\$2,398), the engineering consulting firm, WSP Canada (\$34,431) and the company X Rail Inc. of Chateauguay (\$102,820).

CHNC also learned that two weeks ago the executive governing board of the Society was informed of another debt of one million dollars that would be related to a lease which would bring the total debt to \$4.2 million. Information that the president of the Society, Éric Dubé, didn't deny but stressed at the same time that the debt is \$3.6 million. Why? Because there's a debt of \$600,000 with a 'numbered company' that was counted twice," he added.

Unhappy mayors

Informed of the situation, the mayor of Grand River and administrator of the Society, Bernard Stevens, stated that he was 'very disappointed' by the

news adding that on November 21, when the Society filed for court protection, the members of the governing board were informed that the debt was \$1.3 million. "Then, on November 26, I received a document from the Receiver saying that the debt was \$3.2 million. Now we have learned that it's at \$3.6 million. Light has to be shed on the entire situation!," he said.

Chandler Mayor, Louise Langlois, was also fuming when the radio station called and informed her of the debt. "I'm on the governing board and I learn from the radio station that the debt is not \$1.3 million but \$3.6 million. It's time for clear answers!"

Blaming the former executive board

Éric Dubé acknowledged to the radio station that on November 21 the amount of the debt announced was in fact \$1.3 million, but that at the time all the facts weren't known. "We were poorly informed all along (from the previous executive board) and that's what led to the current problem. It has become a crap shoot." A few

days later, in an interview with SPEC, Éric Dubé added that the Gaspésie Railway Society has receivables amounting to close to \$1 million. Transport-Québec owes them about \$750,000 for repairs on the line that were carried out, while Tourism Québec also owes the company approximately \$110,000, a commitment linked to the Amiral tourist train. Canadian National Railways (CN) also owes about \$85,000, the share coming to the Gaspésie Railway Society for the freight transported in December and January. CN does the overall billing and then pays local transporters.

"From what I understand, the Gaspésie Railway Society will only get its government-related receivables once a restructuring plan is accepted. The situation is different for CN, as we're paid on a monthly basis. But December and January are low months because our largest customer, Temrex in Nouvelle, stops work for two weeks around Christmas," explained Mr. Dubé.



Tourism Quebec also owes the company approximately \$110,000, a commitment linked to the Amiral tourist train.