

Gaspésie Railway Society to invest in woodchip cars

— Gilles Gagné

NEW RICHMOND: – The Gaspésie Railway Society is about to invest in the acquisition of woodchip cars, a move that would allow the company to declare profits on the woodchip traffic generated by the Temrex sawmill in Nouvelle.

The move is prompted by the high cost charged by Canadian National to use its woodchip cars. This cost eats up the profit margin of the Gaspésie Railway Society.

The investment required comes close to \$1.4 million, including the taxes and the brokerage fees, says Éric Dubé, president of the Gaspésie Railway Society.

“We need 30 cars for the service. We have found cars in the United States with a capacity slightly higher than the volume of CN’s cars. The transaction is a bit complicated because we cannot get financing from the government because the Gaspésie Railway Society is considered a municipal structure and in that context, we cannot get that kind of funding. So we will deal with it like a municipal loan but it takes a little longer,” says Mr. Dubé.

In the spring, the Quebec government became the owner of the line between Matapédia and Gaspé, following financial problems experienced by the Gaspésie Railway Society. The Quebec government acquired the line for \$3.9 million, an amount that basically cleared the debt of the Gaspésie Railway Society, which stayed active as the operator of the freight service and the owner of the rolling material, like four locomotives and some maintenance cars, like ballast hoppers.

The municipal entity, controlled by the four MRCs of the southern Gaspé Peninsula, is also in charge of the day-to-

day maintenance of the line between Matapédia and Caplan, and the inspection of the Caplan to Gaspé stretch.

“Currently, CN charges us such a high fee for the use of the woodchip cars that our profit is zero. Their argument is that they could use those cars more profitably on another line. We could clear \$45,000 per month with our own cars. That is enough to justify their acquisition, even if the exchange rate hurts. We had our eyes on other American cars in June but it didn’t work out. They were sold to another company. We would have saved a lot of money by buying them three months ago, considering the drop of the Canadian dollar,” says Éric Dubé.

The Gaspésie Railway Society also owns the Amiral tourist train. That train will not circulate this year due to a delay in the repairs that must be made to the Haldimand bridge. Repairs were started last year but halted due to Gaspésie Railway Society’s financial problems (*see other story on page 6*). New line owner Transport-Québec did not issue a call for tenders in time for the 2015 cruise ship season, which peaks in September and October.

A line inspection made by a Transport-Québec geologist also revealed recently a crack in a Douglastown cliff located between the Haldimand ridge and the Highway 132 overpass, near Seal Cove. The cliff passes along the bay of Gaspé. The line has to be moved.

“We are not talking about a

complicated repair, in the Douglastown case. We have to move the track about 10 metres away from the cliff, over a length of 200 metres. It can be done without Transport-Québec buying a piece of land. We can move the track sideways and stay on the property,” states Mr. Dubé.

The cost of moving the line over that 200 metre stretch would cost close to \$1 million. The Haldimand bridge would also require an investment of that range.

Éric Dubé is putting pressure on Transport-Québec to have these repairs carried out as soon as possible. He is also asking that ministry to invest the amount necessary to replace the two bridges spanning over the Cascapédia river in Saint-Jules and Grand Cascapédia. It could represent an investment of \$15 to \$20 million.

“The companies based in New Richmond, Rail GD and Fabrication Delta, need a higher bearing capacity from those bridges and we must go further than Caplan in order to get some volume. I am convinced that the Port Daniel cement plant will generate traffic, even if McInnis Cement is discrete about that aspect at the present time,” says Mr. Dubé.

This year, the Gaspésie Railway Society is receiving \$2.8 million from Transport-Québec for operating and doing the basic maintenance work on the line, mainly the Matapédia and Caplan stretch. That money is not slated for major infrastructure work.

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