

Gaspésie Railway Society turns things around financially and declares \$708,000 surplus

Gilles Gagné

NEW RICHMOND – The Gaspésie Railway Society declared a surplus of \$708,000 for the financial year that ended on March 31, 2021. An \$800,000 increase between 2019-2020 and 2020-2021 in its transportation revenues made a big difference in the financial statements of the transporter.

In 2019-2020, the Gaspésie Railway Society had lost \$799,000 because of the Canadian National Railway strike, the railroad blockade in Listuguj and the beginning of the pandemic, which at first almost paralyzed economic activities for two weeks.

“We made \$10,325,620 in total revenues, to be accurate, including the annual grant handed out by the Quebec government, which totalled \$2,28 million last year, when all our admissible expenses were included. The total revenues also include \$800,000 of additional fees we contracted when we participated in the completion of the Cascapedia-Saint Jules railway bridges just before Christmas,” explains the Gaspésie Railway Society president, Éric Dubé.

Transportation revenues reached \$6.8 million in 2020-2021, compared to \$6 million the year before.

Other smaller miscellaneous sources of revenues, such as right of way licences and a \$100,000 salary compensation handed out by the federal government to enterprises affected by the coronavirus, complete the income side of the transporter’s financial statements. Those results were presented to the administrators on September 22.

The expenses reached \$9,725,000 in 2020-2021, close to the level of 2019-2020. The accumulated surplus of the transporter is now \$2,739,804.

“It is not \$2,739,804 sleeping in one of our accounts. It is on paper surplus, coming from our balance sheet. It is what we would have if we sold all of our equipment and land,” points out Éric Dubé.

During the 2020 calendar year, the Gaspésie Railway Society hauled 4,202 carloads with its freight trains.

“Various factors con-

tributed to our transportation revenue increase. We had a hike in cement hauling and overall stability for the windmill blade traffic,” says Mr. Dubé about the transporter’s two main sources of revenues.

The next major revenue increase is expected to occur when Transports Québec, the owner of the Matapédia to Gaspé line, will open the railway between Caplan and Port Daniel.

Cement traffic has to begin in New Richmond because some railway bridges still need to be fixed or replaced between Caplan and Port Daniel. Since the summer of 2017, part of the McInnis Cement plant’s output is therefore trucked to New Richmond at a higher cost. The same phenomenon is applied to the windmill blades made by LM Wind Power in Gaspé.

Transports Québec has committed to reopening the Caplan to Port Daniel line before the end of 2021 but Éric Dubé is confident that those repairs will be carried out eventually, and wonders if the ministry will fulfil its commitment, time-wise.

“I am starting to be worried. There is always a delay of close to six months before the call for tenders is out, and the turn key step that takes place when the repairs are done. Transports Québec has not issued a call for tenders for bridge repairs on the line for more than a year now. We have been dealing with efficient contractors so far but as long as the calls for bids are not out, they can’t work,” states Mr. Dubé.

Four bridges located between Caplan and Port Daniel need either to be replaced, like the Ruisseau Leblanc structure at the municipal limit of Caplan and Saint-Siméon, or upgraded, like the Bonaventure, Shigawake and Port Daniel bridges. In the latter case, it is the bridge just west of the train station, not the one located in the centre of the village, and currently being refurbished.

“When a call for tenders is issued, we must count 30 days before the bids are sent by contractors, and 60 more days for the Transports Québec people to analyze those bids. It often takes another period of three months before the contract is



Photo: G. Gagné

Cement and windmill blades represent by far the two main sources of revenues for the Gaspésie Railway Society.

awarded and before work starts,” explains Éric Dubé. “So far, we have been lucky because the contractor hired for the bridges, Hamel Construction, has always delivered the bridges in advance but as long as the contracts are not awarded, nothing moves,” he adds.

For example, Hamel Construction delivered the Ruisseau Leblanc bridge in Caplan five months ahead of schedule at the beginning of May, while the contractor had until the end of September to do so. The contractor did not want to demobilize its crew for the summer and bring it back in September to complete the contract, as a clause was forcing Hamel to stop work in the summer because of the presence of a campground next door.

“The Ruisseau Leblanc bridge is located just east of the Ruisseau Leblanc bridge. Suppose that the call for tenders would have been ready for Ruisseau Leblanc and that Hamel had won it, the crew would just have had to move a short distance to the east and work would be underway. The Ruisseau Leblanc bridge is almost the same length as the Ruisseau Leblanc one and there is more space to move for a contractor. It is hard to understand why it is taking so long to run the call for tenders for Ruisseau Leblanc,” explains Éric Dubé.

So far, Hamel Construction, or one of its subsidiaries, has won all the

railway bridge contracts awarded by Transports Québec over the last three years.

Board of administrators changes to come for the Gaspésie Railway Society

Meanwhile, the Gaspésie Railway Society’s board of administrators will greet new members in the weeks to come, as two members are stepping down from the transporter, a municipal entity.

The two representatives of the Percé Rock MRC, the mayor of Chandler, Louisette Langlois, and the Percé Rock MRC prefect, Nadia Minassian, are quitting municipal politics.

“The MRCs are responsible for appointing two board members per MRC. It doesn’t have to be the prefect or the mayor of the main town. So, the next mayor of Chandler and the next prefect will not necessarily be appointed to the board of the SCFG. It could also be someone from

the private sector but it never happened,” explains Éric Dubé, using the French acronym designating the Société du chemin de fer de la Gaspésie.

He has presided over the transporter’s board since the spring of 2014 and is interested in staying on.

The mayor of Carleton, Mathieu Lapointe, and Matapédia mayor, Nicole Lagacé, represent the Avignon MRC on that board. Mr. Lapointe is also prefect of the Avignon MRC. Éric Dubé, who is mayor of New Richmond and prefect of the Bonaventure MRC, and Saint-Siméon mayor Denis Gauthier, represent that MRC. In the Côte-de-Gaspé MRC, the mayor of Gaspé and prefect Daniel Côté sit on the board, with the mayor of Murdochville, Delisca Ritchie-Roussy, whose seat is contested in the current municipal election campaign.

The Gaspésie Railway Society provides work to between 35 and 40 people.