

Rail GD signs another major contract with VIA Rail for the refurbishment of dining cars

Gilles Gagné

NEW RICHMOND – Rail GD, the company which operates a railway equipment repair shop in New Richmond, signed a second major contract a few months ago for the repair of dining cars for the public carrier VIA Rail. The amount of the agreement is not disclosed but it is possible to deduce that it exceeds \$10 million.

This contract follows an agreement signed in October 2018 for the in-depth refurbishment of four cars of the same type, at a cost of \$16.4 million, i.e. \$4.1 million per unit. The most recent agreement consists of restoring three dining cars.

“We do not reveal the amount for competition reasons. We won a call for tenders. I can only say for now that the level of complexity per car is the same as the previous contract. I can also say that we are more efficient, at Rail GD, because we have learned to be so over the years,” says the company’s president, Gilles Babin.

While the first four dining cars were delivered in just under three years, Rail GD is due to deliver the three units currently in the shop during the fall of 2022. They entered the New Richmond facility in

the summer. The Gaspé Peninsula firm is therefore counting on a little less than 18 months to carry out the repair.

The word “complexity” aptly describes the mandate entrusted to Rail GD. Apart from the dining car body, which consists of the structural part and the exterior walls, everything is dismantled, removed and generally replaced with new equipment and parts.

“It is a complete interior restoration, with elements to be replaced under the body as well. We touch on the air conditioning system, electricity, mechanics, electronics and kitchen equipment components, which are of a completely different technology from what we could previously see on board. We will manage to do the work in less time because we are better. We learned. When you do the same job more than once, you become better. One of the big challenges of this type of contract is managing the supply of equipment, because of everything that is found in a passenger car. There are numerous things in a dining car,” says Mr. Babin.

The Rail GD workshop will celebrate its 10th anniversary in May. At the beginning of 2012, the firm



Photo: G. Gagné

VIA Rail’s three dining cars sit side-by-side in the Rail GD shop in New Richmond. Their extensive refurbishment will be completed in the fall.

carried out one of its first contracts: the refurbishment of passenger cars for Rio Tinto in rented spaces and even outdoors. Since November 2010, the Rail GD team has also carried out major assignments for Rocky Mountaineer of Vancouver, a firm that operates tourist trains.

VIA Rail, however, has been Rail GD’s most loyal customer. “With VIA Rail, we have a partnership-style relationship. They trust us and we trust them. You have to go through calls for tenders, but when you get a con-

tract, trust is established,” says Gilles Babin.

Since 2010, Rail GD has repaired about 25 VIA Rail passenger cars or automotive units.

The dining cars on which Rail GD is currently working were manufactured in the mid-1950s by Budd Cars. They are therefore 65 years of age and over. Nevertheless, it is worth modernizing them, he says, even by investing a few million dollars per unit.

“It is much cheaper to restore them than to buy new.

It’s hard to say how much a new dining car would cost. Designing a dining car costs around \$15 million in engineering. Thereafter, the price will depend on the number of cars ordered. All the models are unique. That explains why they are so expensive,” says Gilles Babin.

“I am very proud of our team, a group that has a variety of skills, with young people and more experienced workers. This is our strength,” he says.

RAIL GD:

▶ *Cont’d from cover*

This team has 37 people and nearly a dozen subcontractor employees support them. At peak times, Rail GD has hired up to 50 people. The firm is currently negotiating with a major carrier still in the passenger car business to find other contracts for 2023.

Rail GD occasionally repairs freight cars like the cement cars used by McInnis Cement and the woodchip cars owned by the Gaspésie Railway Society.

“We do freight car maintenance but we don’t force it. At

the beginning, we were shooting everywhere in order to get contracts but now, we specialize, and it is in the field of passenger cars,” he concludes.

VIA Rail uses the dining cars refurbished by Rail GD for the Canadian train connecting Toronto to Vancouver.

The public transporter owns 13 dining cars like the ones restored by Rail GD. Only one has been upgraded elsewhere than at the New Richmond shop and that contract was awarded to CAD in Montreal. At the end of 2022, five similar dining cars will remain to be upgraded.

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