

## Société du chemin de fer de la Gaspésie experiences traffic decline in 2022

GILLES GAGNÉ

NEW RICHMOND – The Société du chemin de fer de la Gaspésie experienced a significant decrease in traffic in 2022 compared to its record year of 2021. The freight transporter's total number of carloads went from 4,636 in 2021 to 3,190 last year, a 31.3% drop.

Three main reasons explain the decline, and two of them are tied to customers. Gaspé's LM Wind Power ceased to send their windmill blades to the southern part of the United States by rail in May instead of November. This represented a 70% drop in carloads while traffic out of the Port Daniel Saint Mary's Cement Plant went down by 22%.

Only seven windmill blade trains left the New Richmond station between the beginning of January and May 5, the departure date of the last such train. In 2021, there were 23 unit trains that hauled windmill blades between New Richmond and Matapédia. Close to 20 such trains were initially planned in 2022. LM Wind Power decided to use ships to reach the destination of the blades, Texas in most cases.

The blades were trucked between the Gaspé plant and the New Richmond transshipment facility because the line, mainly its bridges, is under repair east of Caplan.

"We can say that 2022 was a transition year. We knew that the windmill blade hauling operation would come to an end last year but it occurred eight months earlier than expected. It was a major element in our budget. We still have to realize that the duration of the hauling contract was almost twice as long as we thought initially. It was also a transition year for the cement plant, following its (April 2020) acquisition by Votorantim. Some logistics elements of the transportation patterns changed with the new ownership," explains the Société du chemin de fer de la Gaspésie (SCFG) director general, Luc Lévesque.

He indicates that the 2022 traffic total is twice that of the 2010-2016 stretch.

The third reason that prevented cement traffic from increasing or being stable is the fact that the railway still was not in service between New Richmond and Port Daniel in 2022, as promised by the



Photo: G. Gagné

*The end of windmill blade traffic during the first half of 2022 contributed heavily to last year's decrease in carloads*

owner of the railroad, Transports Québec. The costly transshipment expense from a truck to a railcar between the plant and the SCFG cement silo in New Richmond hurt and still hurts the railway, says Luc Lévesque.

"It is a large component of the traffic decline. We realized it when we received confirmation that it would take two more years before we could load cement cars in Port Daniel. We could see it coming but in our five-year business plan, we had expected to reach Port Daniel in 2022. The rising cost of diesel affects the trucking of cement between Port Daniel and New Richmond. The cost of other types of fuel went down but diesel remained high. It affected us a bit with our trains, because our locomotives burn diesel fuel but it is only a fraction of the trucking cost on a tonne per mile travelled,"

Woodchip traffic generated by Nouvelle's Groupe Lebel sawmill remained stable in 2022, compared to 2021, with an increase of 2% in the number of carloads. Lumber traffic increased by 56% between the two years. It had also increased between 2020 and 2021, after a few years of decline.

"Woodchip traffic would have been a bit better without a slump at the end of the year. White Birch Papers undertook a series of shutdowns at its Rivière-du-Loup mill and it slowed down wood chip deliveries from Nouvelle. As for lumber, the market experienced crazy growth over the spring and the summer, before

ment volumes and get a handle on input traffic. The inputs not coming by the sea all reach the cement plant by truck.

"The windmill blade cars that appear on our 2022 numbers will not be there in 2023. Can we make up for that loss? Lumber and cement could compensate but it will depend on the magnitude of the recession anticipated by a number of experts. We are also working on other traffic files, like the possibility of hauling wood chips and lumber produced by the Saint-Elzéar sawmill. It has been discussed for years but it will come. We will surely regain what we lost when we load cement cars in Port Daniel. We might even add to our annual traffic, counting the input," points out Luc Lévesque.

That return to Port Daniel could take place in 2023 but the SCFG director general is cautious and, therefore, functioning as if it will only happen at the beginning of 2024.

"The main bridges will be ready this year but the call for tenders regarding the two culverts (Caplan and Port Daniel) and the small Saint-Siméon bridge are not out yet. Some observation of fish habitats will be required in Saint-Siméon, which could delay

construction start until the fall. We will see," says Mr. Lévesque.

### Cement plant yard to be ready over the summer

Groupe Gilbert, the contractor chosen to move the main line north of the cliff, just east of Saint Mary's Cement Plant, will also build a small yard to service the facility. It should be ready over the summer.

"I was consulted before planning drawings of the small yard. The first stage will consist of two tracks, one for the loading of cement cars and the second one for loaded cars and input cars," says Mr. Lévesque.

The total capacity of the two tracks will amount to about 30 cars. The SCFG will use its New Richmond trackage to carry out the main shunting activities linked to the Port Daniel plant and the New Carlisle yard for longer car storage purposes.

Whether traffic picks up or not in 2023, the SCFG will, nevertheless, have a very busy year considering that the transporter will be allowed a \$19 million budget to participate in some track and retaining wall upgrading initiatives. The envelope is earmarked for two years.

### What about traffic in 2023?

Mr. Lévesque fears another traffic decrease in 2023 because as long as the railroad is not reopened to Port Daniel, it will be difficult to increase ce-