

SCFG suffers second consecutive traffic decline

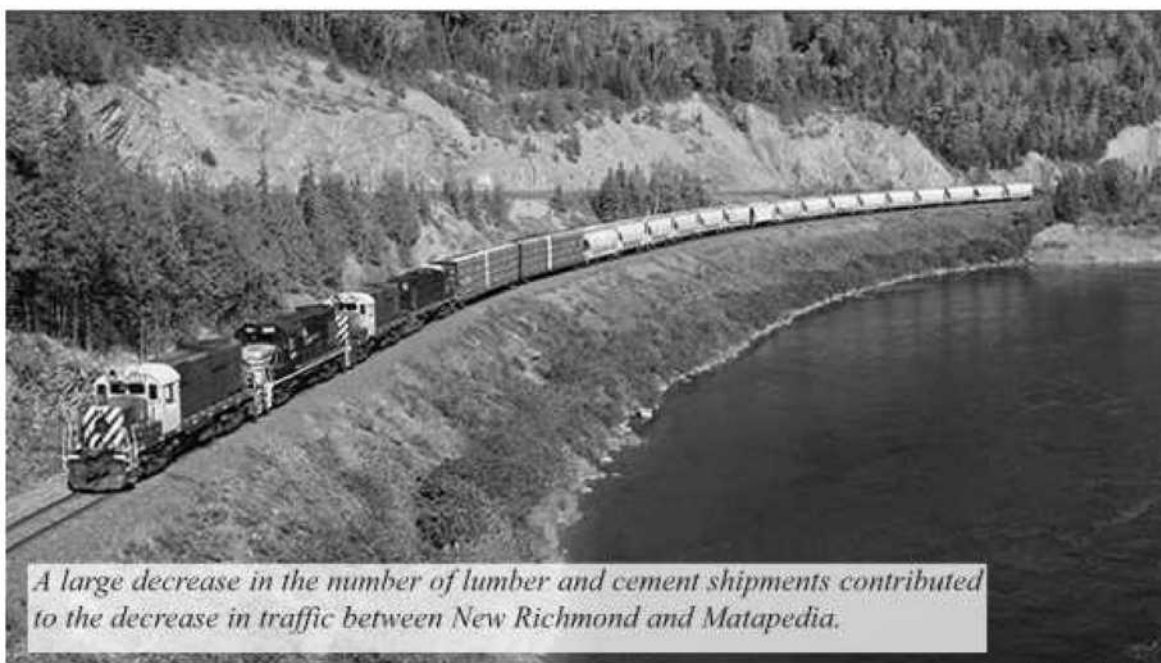
GILLES GAGNÉ

NEW RICHMOND – The Société du chemin de fer de la Gaspésie (SCFG) experienced its second consecutive traffic decline in 2023, a situation caused mainly by delays in Transports Québec's track upgrading work between New Richmond and Port Daniel, where Saint Mary's cement plant is located.

The economic slump that hit North America in 2023 also impacted railway traffic, such as lumber, wood chips and cement.

"It was a bad year. Our main sources of business were hampered by the economic context. The Groupe Lebel woodchip traffic went down because the Rivière-du-Loup paper mill experienced several shutdowns. It produces newsprint and the market for that commodity is constantly declining," analyzes Luc Lévesque, director general of the SCFG.

The number of carloads that circulated between New Richmond and Matapédia dropped to 1,998 cars in 2023, a 37% decrease from the 3,190 cars in 2022. Traf-



A large decrease in the number of lumber and cement shipments contributed to the decrease in traffic between New Richmond and Matapédia.

Photo: G. Gagné

fic in 2022 was also down 31% from the 4,636 cars of 2021. The windmill blade traffic, which ended in May 2022, statistically affected the last two years.

Between 2021 and 2022, the number of windmill blade cars decreased from 1,653 to 501, reaching zero between 2022 and 2023. The 501 cars of 2022 partly explain the 1,192-car drop of 2023.

SCFG's two main customers, Groupe Lebel's sawmill in Nouvelle and Saint Mary's Cement, which loads cars in New Richmond because the railway is closed

between that town and Port Daniel, lost a total of 726 carloads in 2023 compared to 2022. The SCFG doesn't provide accurate numbers when they require that discretion for competitive purposes.

"Cement traffic was down not only due to the economic downturn but also because Saint Mary's Cement has diminished its fleet of cars because the railway is not available to the cement plant. We lose some traffic to trucks because of that. At certain points in 2023, we were experiencing a shortage of ce-

ment cars as well due to the reduced fleet, however, the recent addition of a CN freight train between Mont-Joli and Matapédia over the fall has solved that specific car rotation problem. The cement cars are returning faster and we have not experienced a shortage of cars. We can't wait to get to Port Daniel with the train now and increase our traffic," explains Luc Lévesque.

Once cement is loaded in a truck, it is often hard to convince the customers to pay for a transfer to a railway car.

Lumber market

The Groupe Lebel lumber market faced challenges due to the American downturn in 2022. "We were expecting to double the lumber traffic in 2023 compared to that of 2022 and it was cut in half instead," says Mr. Lévesque.

Despite modest statistics, a positive note in lumber traffic was the return of the Association coopérative forestière of Saint-Elzéar sawmill to the railway after nearly 20 years of absence. Six cars were shipped by rail.

"We had to start somewhere and we did. We have regular talks with Mario Pouliot, the marketing director of the Saint-Elzéar sawmill, and we expect more shipments in 2024. As a matter of fact, the lumber market is picking up lately in the United States so we expect better numbers this year," explains Luc Lévesque.

New Richmond-based Fabrication Delta also experienced positive developments, restarting the reception of steel after a quiet

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SCFG: istry has owned the Mata-

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period that saw only one car in six years. Six cars were received in 2023.

Ten woodchip cars were also sent to Edmundston, New Brunswick, for a test with the Two Rivers paper mill. The test was inconclusive, mainly due to a lack of proper equipment to unload the wood chips at the mill.

Additionally, the SCFG received ten cars loaded with new rails in 2023. The rails were installed on the bridges repaired or replaced by Transports Québec between Caplan and Port Daniel. Although the min-

pedia to Gaspé line since 2015, the network remains limited to the Matapédia to New Richmond stretch, despite benefitting from an \$872 million upgrading program launched in 2017.

"We are optimistic for 2024. Reopening the line to Port Daniel at the end of the year will help increase cement traffic in the Maritimes and our attempts to land some (Saint Mary's Cement) input. It is always tough to reach shipping agreements as long as the line is not available. It will be the same thing when the line is reopened to Gaspé," concluded Mr. Lévesque.