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Chair

Mr. Larry Miller

Standing Committee on Transport, Infrastructure and Communities

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• (1530)

[English]

The Chair (Mr. Larry Miller (Bruce—Grey—Owen Sound, CPC)): Our meeting today is split up into two segments.

In the first segment we have Ms. Bateman, MP, to answer questions and explain a little bit about her private member's bill, Bill C-627, an act to amend the Railway Safety Act, safety of persons and property.

Ms. Bateman, welcome to the committee and thanks for being here.

Ms. Joyce Bateman (Winnipeg South Centre, CPC): Thank you very much, Mr. Chair. I'm very pleased to have the opportunity to speak with you today.

I hope to answer any questions that you may have regarding my private member's bill, Bill C-627, an act to amend the Railway Safety Act, safety of persons and property.

[Translation]

Mr. Chair, I am very happy to have the opportunity to speak to you today about my bill, Bill C-627, and of course, to answer the questions of the members of the committee.

[English]

As you know, the security of transportation in general and rail safety in particular is one of the priorities of our government.

The recent catastrophe of Lac-Mégantic and the recent tragedy in northern Ontario underlines and reminds us one more time of the necessity to have a secure and safe rail system and to improve the supervision and control of the rail operations as a whole.

[Translation]

As I was saying, the recent catastrophes underline and remind us one more time of the necessity to have a secure and safe rail system and to improve the supervision and control of rail operations.

[English]

I would like to highlight the excellent work of your committee, Mr. Chair, and the leadership of the Minister of Transport, Minister Raitt, who reacted in such an efficient and effective way to gaps identified in the system.

I have found another gap that I would like to fill.

Indeed, the current legislation does not allow the minister or rail crossing inspectors to close a rail crossing when it presents a risk for pedestrians, cyclists, persons in wheelchairs, or vehicles.

My private member's bill will improve that situation for the entire population.

I have heard loud and clear from my constituents that rail safety is an issue that matters to them. As a servant of Winnipeg South Centre, I share in this vision of wanting to see our crossings safe, whether for a child riding a bike, a senior in a wheelchair, or any vehicle.

Rail crossings criss-cross my riding and the safety of them can be enhanced. That's why I chose to use my private member's bill to achieve greater rail safety in my constituency with a happy consequence that all Canadians across this great country will be safer and more secure because of my bill.

My bill is about prevention and proposes to enhance the Railway Safety Act by seeking to give additional powers to the Minister of Transport, so she may intervene when required in order to better ensure the safety of citizens, property, and communities. Additionally, this proposed legislation seeks to empower railway safety inspectors, so they may quickly intervene to restrict the use of unsafe works and equipment, and to forbid or restrict the use of unsafe crossing works and road crossings.

• (1535)

[Translation]

My bill is about prevention and its objective is to solve problems before they occur. The notification provisions propose to improve the Railway Safety Act by seeking to give additional powers to the Minister of Transport, so that she may intervene when required in order to better ensure the safety of citizens, property and communities.

Additionally, this proposed legislation seeks to empower inspectors to quickly intervene to stop the use of unsafe crossing works and equipment, and to forbid or restrict the use of unsafe crossing works and road crossings.

[English]

I'm sure we will go into a discussion about the details later, but what I propose is that the minister and her inspectors have the power to shut down a railway crossing, if necessary, if the safety and security of any Canadian is at risk.

I hope all parties support me on this bill.

I thank you very much, Mr. Chair, for your kind attention and it will now be my pleasure to answer any questions you and your colleagues may have.

The Chair: Mr. Mai.

Mr. Hoang Mai (Brossard—La Prairie, NDP): Thank you, Chair, and thank you, Ms. Bateman, for being here and for bringing your private member's bill.

We do have issues sometimes, when private members' bills are brought forward, especially when we deal with rail safety as you know. You mentioned that it's complicated, but it's also very important for Canadians.

Were government officials consulted with regard to your bill?

Ms. Joyce Bateman: Yes, absolutely. In fact, I consulted widely on this bill not only with government officials, not only with the minister herself, not only with organizations such as CN but also with the teamsters. I found that the teamsters are very supportive of this bill.

Mr. Hoang Mai: Have you seen or have you read Bill C-52, which was brought forth by the government regarding rail safety?

Ms. Joyce Bateman: You know, I don't have them all by memory. I have started. I'm about three-quarters of the way through.

Mr. Hoang Mai: In Bill C-52, which we haven't debated yet, there are provisions that actually deal with your bill. They actually repeal what your bill is bringing forward. I'll give you the example of subsection 39(1). It states:

39. (1) Subsections (2) to (7) apply if Bill C-627, introduced in the 2nd session of the 41st Parliament

Then it states:

If subsection 25(1) of this Act comes into force before section 2 of the other Act, then

(a) that section 2 is deemed never to have come into force and is repealed;

So we're talking about your section.

Ms. Joyce Bateman: Does it mention C-627?

Mr. Hoang Mai: Actually, yes.

Ms. Joyce Bateman: Wow, I'm honoured.

Mr. Hoang Mai: It makes it more complicated for us, when we look at rail safety, when you bring in something where you said you consulted with the government, but then the government actually repeals what.... Now if your bill goes forward, we have to repeal your provision.

Ms. Joyce Bateman: I defer to the officials of the Ministry of Transport on the details of the upcoming bill, but the motivation of my bill was what happened in my riding. I'm sure you feel the same about yours.

Mr. Hoang Mai: That's why I understand your motivation. I understand that you want to protect your constituents and people across Canada, obviously.

When there's a private members' bill that deals with something where the government actually has to review the whole regulatory regime, when we start bringing pieces.... We've seen that happen with the Conservatives with the Criminal Code, for instance, where we had a lot of private members' bills dealing with the code.

When we add everything up, it makes it even more confusing. We have a bill coming from the government that is actually repealing what you're bringing forward and without you even knowing what the bill from the government brings.

• (1540)

Ms. Joyce Bateman: It presumes that this is going to pass, so I thank you in advance for that. It would actually be wonderful if it did pass.

Mr. Hoang Mai: Well, it doesn't presume. It says if it passes, because right now we're wondering whether or not Bill C-52 from the government is going to become law.

Ms. Joyce Bateman: I can't speak to the government bill, because I'm not the minister and I'm not the officials. I am not the deputy minister. But what I can speak to is that this is a bill worthy of your support, because this is about rail safety in all of our communities.

Mr. Hoang Mai: I understand. I just raised that concern.

Also, if you look at your bill, in the Railway Safety Act subsection 4(4) in the definition of safe railway operations already includes safety of persons and property. You've included that in the bill.

Can you tell us why you think that definition wasn't sufficient?

Ms. Joyce Bateman: I worked very closely with the minister's officials, and as you know, when you do a private member's bill you're assisted by a lawyer in the House of Commons to develop the proper and appropriate terminology. I'm a chartered accountant, not a lawyer, so I'm not going to speak to the legalese, but I will say that I told them very clearly what my intention was.

In 2007 we had a lady in a motorized wheelchair crossing one—

Mr. Hoang Mai: When there's an amendment to a bill or to a definition or something is being added, we have to understand why it's being added, and why—

Ms. Joyce Bateman: Hopefully this will explain that.

There was a lady whose motorized wheelchair got trapped in the rail crossing. Had it not been for a good Samaritan who pulled her to safety while the train was coming, she would not be here with us today.

That was a pretty traumatic thing that happened in my riding. It was actually before I was the member of Parliament. Based on that explanation, the lawyer at the House of Commons indicated that we would have to have the safety of persons and property.

Mr. Hoang Mai: I don't know if you realize that the definition of safe railway operations in subsection 4(4) of the act already includes the safety of persons and property, which is something—

Ms. Joyce Bateman: When I presented this, and when I asked ministry personnel if they could shut a crossing, the ministry advised me that it was absolutely impossible under the current legislation. It cannot do it. The minister doesn't have that authority, and neither do the safety—

Mr. Hoang Mai: I think you're referring to another provision of your bill. We're going to debate clause by clause, and I'm trying to understand what has been added and why it has been added. That's why I was raising some concerns about things that are being added in a private member's bill but without understanding the whole impact.

That was my question to you. Why add that section on the definition when actually that portion already exists in the other part of the bill?

Thank you very much.

The Chair: Thank you very much.

We'll now move to Mr. McGuinty, for seven minutes.

Mr. David McGuinty (Ottawa South, Lib.): Hi, Ms. Bateman. Thanks for joining us.

I want to commend you on your work and on the bill. It's a positive step forward and I think Canadians will appreciate it. In my own city of Ottawa we suffered a terrible tragedy some time ago when an OC Transpo bus was hit by a train at a level crossing. People lost their lives and many people are still recovering and families are still traumatized. I think if this goes some distance in preventing this kind of accident in the future, it would be very positive.

Following up on my colleague's line of questioning, which I was going to take as well, there appears to be some duplication here between your bill and the government's Bill C-52.

Maybe just to cut right to it, are you prepared to have your bill amended so that it's actually integrable with the government's measures or "fungible" as we would say?

• (1545)

Ms. Joyce Bateman: I am here in the interests of the safety of Canadians. Of course my motivation is the safety of people in my riding as I'm sure is the case for every one of us on any side of this House of Commons. That's our motivation, so absolutely I will be flexible and I will be guided by the chair and the parliamentary secretary in that. To be rigid on something like this makes no sense. If we can work together to make a difference and to actually accomplish greater rail safety for families, for elderly people, and for people driving cars across the multiple rail crossings, that would be wonderful. I look forward to working with you on that.

Mr. David McGuinty: The second question I want to ask is about the fact that of level railway crossings in Canada today—my understanding is that there are 5,606 of those across the country—only one-third are equipped with warning devices.

When you were doing your research, did you consider being more prescriptive in your bill, not simply imbuing inspectors with the power to take action but talking about the two-thirds of level crossings that don't have those warning devices in place?

Ms. Joyce Bateman: The warning device mechanism was in place at the crossing in my riding and it was the motivation for my bill.

I didn't want to be prescriptive about a piece of machinery that clearly didn't work in the interest of the safety of people, so I did not

pursue that at all. For example, if the rail area has been improperly maintained, or a family drives across and a little bicycle gets caught in it, I want inspectors to be able to say, "That's not safe and we have to fix that." I want it to have teeth, which apparently at present is not the case.

Mr. David McGuinty: For my third question, when you were doing your research on this, did you backcast, in the sense of asking questions about the sufficiency of inspectors? It's one thing to empower inspectors to take specific action; it's another question as to whether or not we have enough inspectors in place to actually use the new power that you want to confer upon them. Would you agree?

Ms. Joyce Bateman: "Backcast", I've learned a new word today. That's good.

My focus was on the safety. When I was asking the questions and doing the research, my understanding was that while we have inspectors, they don't have the power to actually say, "This crossing in Mr. McGuinty's riding is unsafe. We're going to close it until repairs have been made." That was my lens that I looked through.

I welcome any additions and amplifications that you would make to this private member's bill. It's always better when you work in partnership.

Mr. David McGuinty: Okay.

I have no other specific questions, unless you want to add something else in terms of your bill.

Ms. Joyce Bateman: No, that's fine.

I very much appreciate your support and very much appreciate that we're working together for the safety of Canadians. Thank you.

The Chair: Thank you.

We'll now move to Ms. Young, for seven minutes.

Ms. Wai Young (Vancouver South, CPC): Ms. Bateman, I want to say thank you so much for being here today and for presenting your bill to this committee.

As you noted in your opening comments, it was the tragic accident at Lac-Mégantic that has moved this Minister of Transport, the government, and this committee to study the safety of rail safety across Canada. I know we have all been working very hard to this end.

It's wonderful to have you here presenting your private member's bill, Bill C-627, another aspect to making our railway system even more safe. I'm very impressed that you've undertaken to do this.

I want to note some important facts and figures. It's noted here that of the 23,000 grade crossings under federal jurisdiction, 18% of all rail accidents in Canada are at grade crossings. That's a substantive number; 18% is almost one-fifth of all accidents at grade crossings. Again, I think your bill is very timely. It obviously speaks to the point and that is safety for Canadians and for rail.

In your consideration of this bill, which I think is quite comprehensive, you talk about railway safety, safety of persons, and the safety of property. There are obviously some gaps in previous legislation, which is why you proposed your bill.

Can you speak to why you felt you wanted to separate out those three aspects and why your bill will fix the gaps?

● (1550)

Ms. Joyce Bateman: Well, I vividly recall the discussion we had in July with personnel from the Minister of Transport's staff and also staff from the House of Commons.

With respect to the House of Commons staff, I came forward basically saying that this is about safety. This is about making sure that people not only in my riding but in every riding are just a little bit safer. I was incredulous when I found out that the minister did not have the authority to shut an unsafe crossing.

We were guided on the inclusion of the persons and property piece by the House of Commons lawyer. Again, I speak as a chartered accountant, not a lawyer. We were guided and we were told that this was essential for the nature of the bill and what I was trying to achieve. First of all, I checked with the Minister of Transport's staff. They said that it was a great idea and would be helpful, but it was the House of Commons lawyer who actually guided us on that solution.

Ms. Wai Young: Are you saying that what you discovered in your research was that even if a railway crossing was unsafe and people knew it was unsafe, as in the case you've mentioned in your own home riding, the Minister of Transport would have no jurisdiction or no power to shut that down?

Ms. Joyce Bateman: Exactly. Not only did the Minister of Transport have no authority to shut down an unsafe crossing in any of the 308 crossings that exist right now, but further, neither did her huge team of railway safety inspectors. I thought we needed teeth in that—

Ms. Wai Young: When you considered your bill, then, was it shocking to you as a member of Parliament that there was this gap in railway safety?

Ms. Joyce Bateman: Absolutely, and not only to me but to many of my constituents. We have one area in my riding.... It's actually funny because I worked so hard. There is a crossing—I think there are 40 trains a day—right in the heart of my riding. It cuts through my riding. Forty trains a day.... People whose families live on one side invariably are signed up to hockey on the other one, so it's a source of enormous frustration.

I've been working incredibly hard to make sure that we somehow can work with all levels of government to have an underpass at that crossing to make sure that not only are the problems repaired but that it goes under.... When you find out that an accident could happen and the minister has no power to shut it...yes, I was incredulous. This was my motivation for this bill, because that one crossing in my riding is such a source of frustration. People are always complaining about the number of trains, and counting them, and saying, "I was waiting for nineteen and a half minutes today." It didn't take much from my riding to find out that this was a priority. In fact, we had a lot of feedback.

Ms. Wai Young: I know that in Vancouver the minister was there just a few months ago announcing the opening of a new overpass to allow the trains and the people to pass safely. I completely understand what you mean about safety for people, for rail, and for property as well. Also, obviously, the minister is working very hard to ensure that these crossings are safer across Canada.

● (1555)

Ms. Joyce Bateman: Absolutely, and all things being equal, if you're going to make investments in infrastructure and you get an investment in infrastructure that also increases people's safety, it's great. I'm glad you got that.

Ms. Wai Young: I notice in your bill certain aspects that I also wanted to quickly ask you about.

By presenting this bill, you have directly established enforceable safety standards for crossings. You are clarifying the respective roles and responsibilities of railway companies and other parties and are promoting collaboration between railway companies and road authorities. Again, I think the public, certainly in our communities....

I was very surprised, in reading your bill, to find that this doesn't currently exist. Can you speak to this?

Ms. Joyce Bateman: Absolutely, with great pleasure. I was equally surprised when I found that didn't exist. The language you refer to.... Standards are an integral and important part of absolutely anything. We have service standards. We have accountability standards. We have all kinds of standards and for that to be integrated was critical. Roles and responsibilities are very important in a collaboration. Municipalities own property going up to the railway and then it's the railway line that owns the actual part. You have to collaborate and you have to determine exactly the roles and responsibilities of the respective parties.

For example we had one crossing that was repaired recently and it was a huge negotiation project between the municipality and the rail company. It was a successful negotiation, I might add. Yes, all those things matter.

The Chair: Sorry, your time has expired.

We now move to Mr. Yurdiga for seven minutes.

Mr. David Yurdiga (Fort McMurray—Athabasca, CPC): Thank you, Mr. Chair and Ms. Bateman.

Bill C-627 is so important, especially around municipalities where we have children playing and using the crossing to go back and forth to school or home, or wherever it may be.

What kind of feedback did you get from municipalities regarding your bill?

Ms. Joyce Bateman: I've had very positive.... I don't know of any municipal official, as I don't know of any federal official, who would be against safety for families living in their communities. I spoke to the various councillors and further to the comments I made earlier to Ms. Young these things are organic. They grow because of the comments from people in your community. We always work together at various levels of government and certainly the municipal councillors in the area, two of them, are supportive of this and we've had numerous discussions about the crossings.

The City of Winnipeg today declared a crossing in my riding as their number one priority for infrastructure with the Building Canada fund. I'm pretty thrilled about that, but you're absolutely right, Mr. Yurdiga. These things grow through conversations not only with constituents but with other members. The municipalities have been incredibly supportive, as have the councillors.

Mr. David Yurdiga: Yes, and you know the municipalities also own some of these crossings or are responsible for them. When does CN take responsibility? When does the municipality take responsibility for upgrades if needed? Is there a definitive line where one outweighs the other?

Ms. Joyce Bateman: That's a really interesting question and it was part of the reason that this became my private member's bill.

We got a lot of calls about one crossing. For that one crossing there was a rail company involved and—this is to your comments earlier about the collaboration with the city councillors—my goodness, the city councillors' lines were lighting up, my lines were lighting up, and there were real problems on the maintenance at one crossing. Obviously you're working in partnership once you realize it's a problem. We started making calls to the company and that's when we found out how complicated it was. My staff were absolutely incredible, the way they were trying to get help for people in the community who had identified a security weakness in their community. We found that it was a process.

Eventually we were able to succeed and get some remediation, not 100% remediation, I might add, but a little bit of remediation in the area. That opened my eyes to how cumbersome it was and I was amazed that the Minister of Transport had no authority over this ability to shut down something that a vast number of people in the community had identified as a serious security issue for personal safety.

• (1600)

Mr. David Yurdiga: Yes, and I understand we do have a federal program where they contribute up to 50% for eligible costs.

Are there any reports that determine how many crossings are a risk to public safety? Has there been a study or is there going to be a study done on all the crossings that are risky?

Ms. Joyce Bateman: That sounds like a great idea for your committee. There have been numerous studies done on this.

What is unsafe to one person might be slightly different to another. That's why I think it's very important for us to give the minister the teeth in the legislation, with the minister's ability to have an equal playing field right across Canada to make those determinations.

Mr. David Yurdiga: When you were researching your bill did you find out whether there is a current grading system, whether a crossing is rated from one to 10, with 10 as the best. Is there anything of that nature currently in existence?

Ms. Joyce Bateman: I wasn't looking at that grading piece. I was looking at the safety piece, so I defer to the ministry of transport. I'm sure they will have a wealth of information on that.

We were so focused on the ability to actually fix something, so you focus and you get things done.

Mr. David Yurdiga: That's good.

One of the clauses gives the Minister of Transport the authority to dismiss public objection to any railway project if the projects are deemed to be in the public interest. Can you expand on that?

Ms. Joyce Bateman: I'm sorry, I don't have it all by memory.

Did you say “public objection”, if it's in the public interest?

Mr. David Yurdiga: Yes.

Ms. Joyce Bateman: The whole modus operandi of this private member's bill is in the public interest. I was trying to make sure that if people in your community come forward and say that there is a serious problem here, the minister would be able to address it. That's why it's in there.

Mr. David Yurdiga: Which stakeholders did you consult? Obviously you consulted with the municipalities. Were there any other groups that you had in-depth conversations with or requested feedback from?

Ms. Joyce Bateman: Well, I've spoken to a number of organizations, a number of people, and of course, the municipality, a previous mayor, a previous councillor, and the current councillor. I also spoke to some companies. Some companies have very good maintenance systems and some don't, but I spoke to a number of them.

There have been a number of irritants regarding rail safety over the time, which probably fed into this private member's bill. I consulted also with the teamsters and I was well supported.

I think the reality is that people might quibble about an “and” or an “or”, and I'm flexible on those things. But whether people are in a corporate organization, a municipal government, a federal government, or a collective of workers, a union, they want real safety because we all live in this country and in these communities. There was wonderful support.

• (1605)

The Chair: I'm going to have to cut you off there, Ms. Bateman.

I'll now turn it over to Ms. Morin for five minutes.

[*Translation*]

Ms. Isabelle Morin (Notre-Dame-de-Grâce—Lachine, NDP): Thank you very much, Mr. Chair.

Ms. Bateman, to begin, I have a rather technical question for you.

You always add the words “or the safety of persons or property”. My colleague asked you why you added that, but we don't really know.

You amend section 32 by adding the following words: “[...] a significant threat to the safety of persons or property or to the environment [...]”. Why did you add the word “environment” there when you did not use it in the four other instances?

Ms. Joyce Bateman: My answer is almost identical to the one I already gave your colleague. However, when you...

Ms. Isabelle Morin: I understand that you were advised by certain persons. This is your bill and you understand it. Why is the word “environment” used in only one of the five sentences? In fact, it reads as follows:

[English]

“or to the safety of persons and property”. You mentioned it five times in your bill.

[Translation]

Ms. Joyce Bateman: Are you referring to section 32?

Ms. Isabelle Morin: Yes.

Why is the word “environment” used in section 32 and not in the other sections?

Ms. Joyce Bateman: You are referring to the complete section?

[English]

Ms. Isabelle Morin: It is:

3. (1) Section 32 of the Act is amended by adding the following after subsection (3.1):

(3.2) If the Minister is of the opinion that a railway operation poses a significant threat to the safety of persons or property or to the environment, the Minister may, by notice sent to the person responsible for the railway operation, order the person to take the necessary corrective measures.

Why in that section do you mention the word “environment” and not in the previous one?

Ms. Joyce Bateman: I'm going from memory on this complete piece right now, but in truth, dangerous goods are being transported in trains and we are very foolish if we don't recognize that and accept that. For example—

Ms. Isabelle Morin: Yes, but why don't you mention environment in the other sections?

Ms. Joyce Bateman: For example, there is a hue and cry about pipelines, but right now, if we were trying to approve rail development, it probably would be more difficult than for pipelines.

I will get back to the *greffier* of the committee with the exact citation, but I believe it was related to goods within the trains. We'll get back with exactly the reason.

[Translation]

Ms. Isabelle Morin: Is that why you did not include the word “environment” in the other clauses?

Ms. Joyce Bateman: I'm sorry.

[English]

I'll have to get back to you with the exact reference, but I believe it's because of the dangerous goods, Madam.

[Translation]

Ms. Isabelle Morin: Would you accept an amendment that would add the word “environment” to the other clauses?

Ms. Joyce Bateman: You would have to put that question to the committee.

Ms. Isabelle Morin: What is your opinion?

Ms. Joyce Bateman: As I already said to Mr. McGuinty, I am quite flexible on this.

Ms. Isabelle Morin: What is your opinion on the matter?

Ms. Joyce Bateman: I am quite inclined to show flexibility with regard to all of your amendments and all of your changes. To my mind, the objective here is rail safety and the safety of our ridings.

Ms. Isabelle Morin: So you are favourable to that. Perfect.

In reply to a question put by one of my Conservative colleagues, you mentioned that there was “a huge team of inspectors” in Canada. My Liberal colleague asked if you thought there were enough. Do you know how many inspectors there are in Canada?

Ms. Joyce Bateman: I will have to check the exact number with the members of the committee and perhaps with the minister's representative.

Ms. Isabelle Morin: Do you think there are enough inspectors even though you do not know how many there are in Canada?

[English]

Ms. Joyce Bateman: I don't know how many there are.

[Translation]

I will have to clarify this question.

● (1610)

[English]

The Chair: I'm sorry, is this a point of order, Mr. Watson?

Mr. Jeff Watson (Essex, CPC): Yes, in fairness to the member, questions like that are not necessarily inherent to the bill we're discussing. Those are matters for departmental officials and/or the minister to be giving in response to a member's question, Mr. Chair.

The Chair: Yes, the member said that she didn't know. I'm sure she will look into it.

Ms. Morin.

Ms. Isabelle Morin: On that point of order,

[Translation]

the member mentioned several times in her statement that she wants to give powers to rail safety inspectors. I think it is a good bill, but if we do not have enough inspectors, adding these measures will not necessarily be helpful. I think it is thus entirely appropriate that I ask her if she thinks we have a sufficient number of inspectors in our country.

[English]

The Chair: Ms. Morin, in fairness, I think your question probably should be asked of the officials. Is there enough to look after business so to speak if Ms. Bateman's bill were implemented? Probably—

[Translation]

Ms. Isabelle Morin: I will move on to another topic, Mr. Chair.

Ms. Bateman, you said that you wanted to give the minister the power to close these crossings. If the minister shuts down a railway crossing, who is going to pay for that? What will happen in that regard? Will we ask the railway company to take a position on the matter? Does the Department of Transport have money to invest in this sector? As for the federal program my colleague was talking about, a lot of municipalities complain that they have trouble with that program because it is not accessible enough.

What is being done about the cost of repairs? How long will it take if a railway crossing is closed by the minister and the railway company decides not to pay? How long will the railway crossing stay closed? What are the expectations in that regard?

[English]

The Chair: Let Ms. Bateman answer that.

[Translation]

Ms. Joyce Bateman: Thank you, Mr. Chair.

Thank you for your question, Ms. Morin. You talked about costs. What is the cost of a major disaster? I want to point out that the objective of my bill is totally about prevention.

[English]

Just in case I didn't get that.... The goal here for me is prevention. What is the cost if a child is flattened under a train, or a senior? There are huge costs, so prevention has underlined every single one of the changes that both this committee and the Minister of Transport have made. There was a huge cost when the OC Transpo bus was hit. There was a huge disruption in my riding very recently when a truck ran into a railcar. Fortunately nobody was killed.

The Chair: I'm going to have to cut you off there, Ms. Bateman. You're out of time.

Now we'll move to Mr. Braid, for five minutes.

Mr. Peter Braid (Kitchener—Waterloo, CPC): Thank you very much, Mr. Chair, and thank you, Ms. Bateman, for your concern about this very important issue and the excellent work that you've done advocating for these changes through your private member's bill, and the work you've done representing not only all of your constituents but the one in particular who motivated and inspired you to move forward.

There have been one or two questions about the consultations that you've done. I'm curious specifically about consultations that you may have done with the municipality, in your case, and any particular feedback that they may have provided on the merits of your bill.

Ms. Joyce Bateman: Thank you for that question.

There's no question that I've spoken to many people about this. Inevitably, the consultations with the municipality would gravitate to the Waverley underpass, which as of two hours ago has been decreed the number one infrastructure priority for the City of Winnipeg. But we also sent out a direct mailer and asked people questions. It went to every member in the community. We thought the question was going to be about infrastructure. We were actually trying to distill what this key infrastructure piece was, what people cared about most. What we found was that once they mentioned a certain underpass, they would then expound on the safety issues and the

problems. We even got calls in our riding about boards flying up and hitting cars as they drove by at one crossing.

The information has come to us in many ways. People care about safety. Obviously, human safety is number one, but people don't want their cars being damaged with boards flying up and hitting them as they go over the crossing at about 20 kilometres an hour. So yes, it came from a number of sources.

To answer your question, the municipality inevitably knitted the concerns into the Waverley underpass that they want...under the Building Canada fund. But it was quite wonderful to see the almost unanimous support for this, and the fact that people said, yes, that makes sense.

To Ms. Young's earlier question, people were amazed that the minister couldn't close down something that was unsafe in their neighbourhood.

• (1615)

Mr. Peter Braid: You've touched on perhaps one or two examples. Thinking optimistically, assuming that the bill is successful and it passes, could you give us some examples of the types of situations that will be dealt with or prevented as a result of your bill being in place and in force?

Ms. Joyce Bateman: That was my total motivation so I'm very happy to do that.

My children are now 17 and 23, but when they were a little younger, we'd go for bike rides and we'd go over that crossing or other crossings on the way to a city park. You want to make sure that, when you start across with a family of four, you finish with a family of four and that nobody's got their bike caught in an unsafe crossing point. Certainly, that was one of the motivations. Also, there's the lady whose motorized wheelchair got caught, and thank goodness for this good Samaritan who helped her out because she was trapped under and elderly. She was waiting for a hip replacement apparently and she was wedged under this motorized chair, but she got pulled to safety.

There's a senior's home on one side and a little Italian grocery store on the other side of this crossing. It would be really nice if it were safe for seniors to go safely. It's also very important that cars not be damaged on their way. Of course, the community is back and forth, and those parts of the community are an integral part of the whole community, so you want it to be safe to transverse that area.

There's one crossing in particular that was my motivation, but every time I drive anywhere in my riding, there are a lot of crossings. That's western Canada.

Mr. Peter Braid: Do you have any thoughts on how the elements of your bill, once it's in force, may positively influence how new grade crossings are built in the future? Have you drawn that connection at all and can you provide any thoughts on how this might resolve in safer grade crossings being built in the first place?

Ms. Joyce Bateman: What an absolutely wonderful thought.

It wasn't part of our deliberations going into the bill, but clearly with the negotiations, even when you look at a repair to an existing crossing.... One of our crossings was closed last Thanksgiving weekend, and negotiations resulted between the municipality and the rail company. I think it's very important to think that best practices would result in making future crossings safer.

The Chair: Mr. Sullivan, you have five minutes.

Mr. Mike Sullivan (York South—Weston, NDP): Thank you, Mr. Chair.

Thank you, Ms. Bateman, for your private member's bill.

Following up on my colleague's questions about the closure of a railway crossing, who pays for that? When you say closure, obviously that could be simply closing the road. Does it also mean closing the rail? Who would get the priority?

•(1620)

Ms. Joyce Bateman: Well, I hope the safety gets the priority, always. That's the motivation. When the OC Transpo happened in Ottawa, I don't think anybody was talking about who gets priority. You have to deal with safety. The whole premise of my bill is prevention, preventing disasters before they occur.

The cost of closing a rail crossing.... For example, the one that got closed—and I can only speak from what I personally experienced. Last Thanksgiving weekend, there was a rail crossing closed in my riding. It meant you had to go down probably three-quarters of a kilometre in one direction or two and a half kilometres in the other. Those were both access points, so it wasn't impossible. You could still get to the other side; it just took a little longer.

Mr. Mike Sullivan: So closing means closing roads, not closing rail, for sure?

Ms. Joyce Bateman: Well, they had to repair that rail crossing, so I'm sure that the rail company in question reorganized their trains. That particular line that was closed for four days last fall gets about 40 trains a day and it didn't for those four days, so I suspect that they reorganized their schedule.

Mr. Mike Sullivan: Is there some kind of standard the minister would use to determine that a rail crossing should be closed? I say "closed" as opposed to putting a bridge or a tunnel around it.

Ms. Joyce Bateman: Yes.

Mr. Mike Sullivan: Right now the City of Toronto uses 200,000 as the number. If the number of trains times the number of cars is 200,000 or greater, that's a dangerous crossing.

Ms. Joyce Bateman: They multiple the number of trains by the number of cars.

Mr. Mike Sullivan: It's the standard in North America, actually.

Ms. Joyce Bateman: Is that in a 24-hour period?

Mr. Mike Sullivan: Yes. If that number is more than 200,000, the city starts asking the federal government for help, because in Toronto you can't close all the roads around the rails or the city will grind to a halt.

The one in my riding is costing the provincial government \$400 million to put in rail-to-road separations. Who has that money? Is the

federal government prepared to come up with the kind of money that's required to do this kind of thing?

Ms. Joyce Bateman: I think your question is a little bit beyond the scope of my bill, although not necessarily beyond the scope of what we should be talking about on this committee.

Mr. Mike Sullivan: But if your bill says that the minister can just arbitrarily say they're closing this crossing....

Ms. Joyce Bateman: My bill does not say that the minister can arbitrarily close any crossing.

Mr. Mike Sullivan: Okay.

Ms. Joyce Bateman: My bill says that if people or property are at serious risk as defined by the minister, or as defined by the railway inspectors and provided to the minister, the minister will then have the authority to close it in terms of preventing a potential accident.

Mr. Mike Sullivan: In terms of the number of inspectors, we learned not too long ago that there were actually 117 rail inspectors in Canada. That number went up by one after Lac-Mégantic. Clearly your bill would require a considerably greater number than that of rail inspectors—

Ms. Joyce Bateman: Not necessarily.

Mr. Mike Sullivan: —if they're to be inspecting all of the literally thousands upon thousands of road-rail crossings that exist across this land. There are probably something close to 10,000 or 20,000 of those crossings. To have inspectors inspecting all of those is a full-time job for a lot of people. How are we going to manage that if we have only 117 inspectors to keep the whole rail system safe?

Ms. Joyce Bateman: The focus of my bill is to make sure that the rail inspectors who are currently on the payroll, every 117 of them—I defer to your number on that—actually are able to take action if they identify an issue where issues of safety to the community are involved. I don't think that takes more people. I think that gives teeth to the people we have, and that's the intent of this bill.

This bill does not require money for.... I mean, we're already paying those people. We're just giving them the tools to be more effective and efficient.

•(1625)

The Chair: Thank you.

I think your question, Mr. Sullivan, is one for department staff as well.

Mr. Komarnicki.

Mr. Ed Komarnicki (Souris—Moose Mountain, CPC): Thank you.

This is more of a comment, and you can tell me if I'm on the right track or not. As I read your legislation, it refers to amendments to the Railway Safety Act. In fairness, this is the way the act reads, "If a railway safety inspector is of the opinion that the standard of construction or maintenance of a line work or railway equipment of a company poses a threat to safe railway operations". You've added the words "or to the safety of persons or property".

It would seem that the first definition is pretty general. It's hard to say what it exactly includes, but you've specified it particularly to be sure that it does include the safety of persons or property. It really is a clarification. It has a specificity to it so that we all know what it means and can take action if that is in question.

Ms. Joyce Bateman: Yes. Absolutely.

Mr. Ed Komarnicki: There you go.

The Chair: Thank you, Mr. Komarnicki.

Ms. Bateman, thank you very much for appearing today.

Ms. Joyce Bateman: It was my pleasure. Thank you very much.

The Chair: I'm sure the committee is enlightened on your bill.

We'll suspend for a few minutes until our next witnesses come in.

• (1625) _____ (Pause) _____

• (1630)

The Chair: Okay, we'll call our meeting back to order.

With us we have officials from CN. Mr. Finn, Mr. Vena, and Mr. Farkouh, thank you very much for being here today.

I understand, Mr. Vena, you're going to lead the presentation. The floor is yours.

Mr. Jim Vena (Executive Vice-President and Chief Operating Officer, Canadian National Railway Company): Thank you very much. I appreciate the invitation. Most of you I've seen in the recent past, so it's nice to be here.

To my left is Michael Farkouh, VP of safety and sustainability, and to my right is Sean Finn. He has a long title, but we'll shorten it to CLO and corporate services. I'm sure some of you have met Sean before.

I'll start with the first slide. I'm sure you guys all have the presentation. What I wanted to make sure today is to go a little longer than I normally would, maybe three or four minutes. If you can have me take the time to go through, and then answer any questions that you have after, I'll go as quick as I can because there's a number of slides here.

We appreciate the opportunity to be here and update on CN's safety initiatives and the efforts we have undertaken to further strengthen our safety management system. We acknowledge that the past year has been difficult for a number of reasons, which we will review. This has only increased our resolve to strengthen our safety programs because we are committed to the journey.

Safety is a domain in which we continue to work relentlessly. We take every opportunity and lessons learned as a means to strengthen our SMS in the areas of people, process, technology, and investment.

Safety is of the utmost importance at CN for a number of reasons. First of all, it's the right thing to do because we owe it to our employees, the communities, and customers. The second point is that, as a business, we recognize that safety is an enabler that strengthens service, cost control, asset utilization, and safety culture. It is the foundation for success. This is why we work so hard to

strengthen our safety management system and this is why we exceed regulations in many areas.

The first principle of our safety management system is that we view safety from a human and organizational perspective, rather than only a people-centred approach. This means that we view causation broadly. We work hard to understand most root causes and contributing factors, and we address those causes comprehensively using the initiatives in the area of people, process, technology, and investment. We also work hard to introduce as many lines of defence as we can to protect safety because we understand that more lines of defence are better than one.

As an example, we mitigate risk related to rail by performing visual inspections, ultrasound inspections, test cars, runs, and visual inspections, as well as rail grinding, maintenance, and I could go on. People are the strength of our company and we have invested in a big way to train effectively and strengthen culture. If any of you have had the chance to go to Winnipeg, we built two facilities, one in Winnipeg and one in Homewood, Illinois. We've done that on purpose because of the number of people. We are 25,000 strong right now and in the last five years over 50% of the employees that we have are brand new. We wanted to make sure we had the best facility possible and that was built in Winnipeg. If you ever get a chance to go out there and see the facility, I welcome you, and we'd love to tour you around.

We continue to invest and have increased our investments to \$2.6 billion this year. CN invests proportionally more than the class I railroads. For those reasons we have gone beyond regulations. This has allowed us to reduce our accidents by about 40% over the last 10 years.

If you turn to the next page you can see the questions that we asked ourselves after the incidents that we most recently had. Before I try and answer the questions let me take you through a few more points.

In spite of our best efforts to improve safety we saw an increase in accidents in 2014. There were many reasons for that, but one of the key reasons was the harshest winter in generations. There are some people that say it's an easier winter this year in western Canada, but I think it would be hard to say that it was an easy winter in Atlantic Canada and it was a very tough winter in northern Ontario. In fact we had colder weather in February this year in northern Ontario than we did in 2014.

The year 2014 was one of hard work and safety because we implemented a number of initiatives to strengthen our performance in the second half of the year. We implemented peer-to-peer engagement programs. We opened two new training facilities, which I've mentioned. We performed corridor risk assessments and invested in leading-edge technology. These technologies helped us to turn our safety performance in the second half of last year. Recently we faced three accidents in the Ruel subdivision, north of Capreol, in Ontario, which made us question and assess our safety initiatives.

•(1635)

This led us to review every aspect of our safety program and we asked questions such as is the CN safety performance in line with that of the rest of the North American rail industry, are our Canadian operations also in line given recent trends, and what specific factors should be. I won't read the other two, but I think it's something that you might want to look at just to give you a sense. These are not all the questions we have, but when you have incidents occur, even if it's one, we start to ask questions of ourselves and internally say, "Are we missing something? Is there something that we're doing wrong?"

Given the complex nature of the safety issues faced by railways, there are no simple answers and no silver bullet solutions. But CN has been determined to identify root causes and address any systemic problems it identifies fully and promptly as part of its corporate commitment to deliver responsibly.

If you turn to page 4, it provides a comparison of the North American industry. The first point is that the railways are capital intensive and take a long-term view of their assets, operations, and safety trends. It is important to view CN safety performance over a span of time to assess meaningful trend lines and not just on the basis of a single or two-year perspective. This does not mean that we do not look at each individual accident or injury we have to see if there's something that we're missing. But you do as an industry and as a railroad have to understand that you have the right trend line.

In addition to an intense focus on each accident, CN monitors its safety performance looking at three-year averages within a 10-year cycle. Against that framework, CN's accident rate has generally trended in the right direction and compares favourably with the rest of the North American rail industry.

CN recorded one of the lowest number of main track accidents in 2013, and that's all of the performance. Of course, when you're comparing year over year it makes it challenging. Harsh weather was a challenge in 2014. There were record colds and deep cold stresses the rails and wheels, which can produce cracks and other consequences. It affects the infrastructure that we have. We know that and that's why we increase testing in the winter. We have more people out there and we do more ultrasound testing.

We also saw an increase in freight volumes, particularly in western Canada with record volumes of grain, general freight traffic, and energy-related commodities. Full year 2014 volumes reached record levels with car loads up 8% from the year before. The rise in volumes originating in CN's branch line in the network resulted in some increases in accidents owing to joint failures and rail fracturing in western Canada.

Some of you are sitting there going, he's actually telling us what it is. Those are the questions we have and we're trying to answer those questions ourselves.

Here are two key points. Our analysis shows that, first, the CN Canadian ratio is in line with the CN system. It's not different for the U.S., the east or the west of the Canadian versus the rest of our system. Second, the CN three-year ratio is in line with the other railroads in North America.

Turning to the next page, as mentioned earlier we acknowledge that 2014 was a difficult year and you can see the specific causes of the main track accidents in Canada on that page going back to 2005. However, this chart shows that the 10-year trend is positive in all cases.

As an example, rail and track causes dropped from 43 to 29, and wheels and rolling stock decreased from 39 to 18. This is evidence that the investments that we're making in our people, our leading-edge technologies, and our rail and track are bringing results. In fact, CN has worked hard to strengthen its wayside detection network over this timeframe and CN has nearly 900 wayside detectors monitoring bearings and wheels, dragging equipment detectors, as well as 40 wheel impact load detectors that measure wheel impacts and rolling stock imbalance.

We continue to implement leading-edge technologies by engaging research facilities and suppliers. We implemented those detectors using a risk-based approach to our corridor risk assessments. This has further strengthened CN's industry-leading wayside detector network. The other point is that volumes grew significantly during this time period. When we use the absolute numbers and normalize them for volume, we note a reduction of more than 50% in terms of main track accidents.

The next question was on causation for us and the other railroads. Are we missing something? Are we not doing the right things for the main components that cause accidents? In spite of our best efforts to strengthen our safety management system accidents do occur. This is because railways face unique challenges.

The first point is that railways need to maintain their plant, which includes tens of thousands of miles of rail. The second point is that the rolling stock, our mobile assets that can travel all over North American railways, must accept cars and interchange from other railways and car owners. The third point is that cold temperatures do have an impact on steel wheels and rails, as I mentioned before. As well, snow can degrade wheels. Instead of going into that too much I think you can get the general picture of what weather does.

•(1640)

CN and the North American rails have been very successful in using technologies to identify defects, and they use the data proactively. As an example, CN's network of wayside detectors scan three billion bearings and 1.8 billion wheels annually and reduce the impact to just a handful of incidents. Therefore, main track failure modes relate mostly to track and rolling stock, and this applies to CN and all the other railways.

This slide clearly shows CN's main track accident causation pie compared to the U.S. railroads. You can see from slide 6 that causation is almost identical, meaning that CN's accidents are caused by the same factors in the same proportions as the other railroads.

It was important to understand whether we had an outlier. Were we missing something on rolling stock or rail? If you turn to the next page, we dug into that and gave you some history on northern Ontario. The chart shows a 10-year trend for this territory. You can see that the trend is showing improvement, and this is consistent with the 10-year improvement we saw earlier for all of CN's main track accidents. As well, we can see the causation is very similar to CN's system main track causation and to that of other class I railroads, so the facts demonstrate that the recent issues we faced in the NOD, the northern Ontario district, are not inconsistent with the long-term trend.

On top of that though, we wanted to make sure we understood exactly what happened, because when you have three accidents in a close period of time in one area, you need to step back, even if the trend line is right. We needed to do something so we put a speed restriction on northern Ontario until we get a clear understanding of exactly what happened.

At CMAs, census metropolitan areas, we've included that in the key train restrictions we put in, in the rest of Canada, which are going to decrease the speed of what we do in census metropolitan areas. We increased inspections of tracks and trains. We tightened up our standards even further. We've taken an outside-in view, so we brought officers from other parts of the railway to take a look, and we've dealt with external experts who are going to be reviewing the issue of unit trains and how we operate unit trains.

One of the questions we get on unit trains is whether we run the crude trains in any different size from the rest of the unit trains. Are they bigger? We have a long history. We have been operating the normal unit trains.... We're handling crude with around 100 cars, and we handle normally, on a daily basis, trains that are 150, 180, up to 200 cars. We've been doing that for a number of years. This is not something new and their weight is substantially more than what a train carrying crude would be.

I thought it was important to spend a couple of minutes on investment in track infrastructure. The slide on page 8 demonstrates that CN investments have been increasing for the past decade. As an example, we are investing \$2.6 billion in 2015, and CN's capital investment represents about 19% of our revenue. When we review investments in track and infrastructure, we can see from the graph on slide 8 also that there has been a consistent increase in our track and infrastructure investment. In 2015 this part of the capital investment will amount to \$1.3 billion. This is 70% more than what we did in 2005.

Quickly, I just thought I'd take you through investment in technology. I've been railroading for 37 years. I started in Jasper, Alberta, and I mention that every time I come here, just to tell you that I'm from Alberta. More than anything, this is not a new game for me. I've been doing this for a long time.

One of the challenges the railways face, even talking to my own family, is the perception that we use old technology, large railcars,

locomotives on steel wheels with employees still performing manual interventions to operations and inspections of trains and tracks. Employees are very important. They inspect trains and cars as they go by, but nothing is further from the truth because railways have left no stone unturned to leverage technology to enhance safety. Let me take you through a couple.

In line with this, railways use ultrasonics to inspect rail for defects that the eye cannot see, lasers to measure track geometry and identify defects at the edge of visual detection, infrared technology to measure bearing temperatures, acoustic measurement technology to identify potential hidden defects in bearings, force accelerometers, GPS to pinpoint—it goes on and on—sophisticated cameras that can look at the track and tell you what the ties and rail are like and the environment we are operating in.

When it comes to CN's track, the lines of defence have continued to increase over the years from visual inspection, rail flaw track geometry and just this year we are adding the new track geometry test car that we started about a year ago. On this geometry boxcar are advanced optical imaging systems that identify track issues as well as leading-edge tie assessment technologies.

• (1645)

Another aspect is the evolution of data management. It's very important for understanding what the data is trying to tell you and it is used actively for preventative purposes to identify track and equipment issues that can evolve into a defect over time.

I'm just about done. I'll be really quick.

We turn to investing in CN safety culture—page 10—because this is also a key component of what we're doing. Safety culture is the domain where railways have been active with their employees, unions, regulators, and academics. This is critically important for so many reasons, but for two key reasons. First, safety culture is a catalyst and motivator that translates company policy and procedures into action. This is so important for railways because most of our workforce works in a decentralized and mostly unsupervised work environment. They don't see their boss on a daily basis. Second, railways, like many industries, face demographics. As I mentioned before, we're going through a large change in the age and the experience of the people we have.

With respect to safety culture, railways have worked with their unions, regulators, and academics to define it and develop processes to measure. This is an effort that CN has led for several years, and which continues today, to refine a process that measures safety culture along its five dimensions of leadership, two-way communications, employee engagement, learning culture, and just culture.

We also modernized our training program by investing over \$60 million in the two facilities, as I mentioned, and we developed a solid process for field training. This was done with the help of senior labour leaders and Saint Mary's University, where CN established the CN Centre for Safety and Occupational Health, and works with CN professor of safety culture, Dr. Fleming, to strengthen culture.

CN also organized the first international safety culture symposium with Saint Mary's University, bringing together broad industry, regulators, and association academics with the objective to share, learn, and strengthen culture. The people portion is very important to us and we continue to invest to make sure we give our employees the best.

The Chair: Could we wrap up, Mr. Vena, please?

Mr. Jim Vena: Thank you very much.

It will be one more minute, Mr. Chairman.

The Chair: Yes, no problem.

Mr. Jim Vena: One of the comments so far is that CN has been ahead of regulations in many areas, and this journey continues. Recent examples include our securement changes, implementation of key train policies and key crude policies, corridor risk assessments, implementation of leading-edge technologies and data management, and structured community engagement.

CN continues to engage stakeholders to strengthen tank cars because this is an important line of defence. CN supports government efforts to strengthen tank cars. CN already has a robust emergency response plan, but we took concrete steps to further strengthen it by acquiring new equipment such as foam trailers, through agreements with other railways to share equipment and resources, and by working together with the petrochemical industry to make sure we respond.

Our community outreach program was very important and we have met with a number of communities. If you want some more detail, maybe later on I can have Sean fill you in because he spent a lot of time working with the different communities.

These slides provide only a brief overview, demonstrating our commitment to safety, where we have taken action, and this journey to which we are committed for the long haul. The bottom line is that we asked ourselves the same questions as I'm sure some of you have asked. Hopefully, there are no questions and then I can move on, but I don't think I'm going to be that lucky today. At the end of it, I'm open for questions.

Thank you very much.

The Chair: Thank you, Mr. Vena.

Mr. Mai, you have seven minutes.

[Translation]

Mr. Hoang Mai: Thank you, Mr. Chair.

Gentlemen, thank you for being here with us today.

Just like me, I am sure you know that the population was traumatized by the tragedy in Lac-Mégantic. There were also CN train derailments in Gogama and in northern Ontario.

Following the events in Lac-Mégantic, the Transportation Safety Board of Canada asked the railway companies to carry out risk assessments. We are asking to see these risk assessments. We want to know what the issues are. As you know, the population is worried, and we have nothing upon which to base a statement that everything that is being done is being done in the safest way possible.

Would you be ready to make the risk assessments public?

• (1650)

[English]

Mr. Jim Vena: I apologize. I might have missed the first piece of the question, but you asked about risk assessments and whether we'd be willing to make them public. We do perform risk assessments any time there's a change in our operation. We make sure, because of our SMS system, that we review what impact it would have on the railroad. When we do the risk assessments we give them to the government, specifically to Transport Canada, so they are available and that's how we provide them.

On top of that, we go out and deal with the individual communities. If they have questions about what we've done in the local area and how we operate, we're more than willing to answer those questions at the local level.

Mr. Hoang Mai: Let me come back to the derailments that happened in northern Ontario. The TSB said there were track infrastructure failures and that these played a role in each of the derailments.

There are concerns about inspections. We've heard the government say that they are doing enough, but we don't feel that they are. Can you tell us who is actually responsible for inspections? Is it the rail companies or is it the government?

Mr. Jim Vena: We are responsible for track inspections. We perform track inspections.

Maybe I went really quickly through the presentation. Track inspections are performed first of all by highly skilled, trained people who are mandated, but we also do it at a higher level. They're mandated to go over the track at least twice a week and they inspect the track on a visual basis. We also do it by running an ultrasound. We're mandated to do it four times a year, but we do it 14 to 18 times, depending on weather and on the quality of the rail. We do it by geometry test car. There are many different ways for us to do it.

Mr. Hoang Mai: My point was that we're talking about self-inspections, railway companies are inspecting their own rails. After that, with the 117 inspectors it has, then maybe Transport Canada will take a quick look at what is happening. That's an issue.

You also mentioned that you're going beyond regulations, that you're even safer than regulations. We're now again talking about self-regulation. Can you give me an example in which, for instance, for track, CN is going beyond the standards that Transport Canada—the government—has set forth?

Mr. Jim Vena: It's in the number of inspections per week. With visual inspections, we do that. I know we go over in the number of ultrasound tests we do, and the geometry tests. We have the new autonomous railcar that will run up and down the track, which is above and beyond our normal, regulated amount.

The way we train our people is not regulated. We make sure that they pass the regulated tests or what we have put in as a regulation. If you look at most of the things we do, we do more because it's driven from the analysis we do on the accidents and what is happening on the railroad. We try to understand what is happening, what the trend line is, what we can do. In every accident, we look.

You mentioned that the TSB said—

Mr. Hoang Mai: Thank you.

Mr. Jim Vena: I'm sorry about that.

Mr. Hoang Mai: It's just that I don't have much time. I'll let Claude Gravelle ask questions.

Mr. Jim Vena: I've been told I'm a little wordy. I apologize; I'm sorry about that.

The Chair: Mr. Gravelle, you have two minutes and a half.

Mr. Claude Gravelle (Nickel Belt, NDP): Thank you, Mr. Chair.

Thank you for being here.

You mentioned Capreol, and Gogama has been mentioned. Both of those communities are in my riding. We were very fortunate in Gogama that the accident didn't happen two and a half kilometres to the west, because then we would have had a great human disaster. But we have an environmental disaster in Gogama. The train derailment happened right in the river in a fish habitat. Can you tell us what CN is going to do to make sure that the crude oil, which is heavier than water and has sunk to the bottom of the river, is cleaned up? How long is it going to take? How can you assure us that it's going to be 100% environmentally friendly after the cleanup?

•(1655)

Mr. Jim Vena: Let me back up just a little bit. The accident did happen and we responded with everything we could, with multiple lines of defence to keep the crude or the product contained close to the derailment site. We have cleaned up the site and we're operating trains again, but we are not leaving there until we return the site to as good a state as we can, with everything possible done to put the site back as close to normal as possible.

We have environmental engineers up there. I flew up there myself and spent time looking at the site. I'll tell you, I really appreciate all the help we got from everybody in Gogama. I think the whole community helped us, and the people from that area. It was great being up there and being received in a difficult situation. But we will not leave the site until we have done everything we can to return the site to the way it was before.

Mr. Claude Gravelle: I was up there also, and the people there are very concerned about what happened. Your crew did great work; I can attest to that. But you just said you're going to bring it back to as good a state as you can. Can you define "as good as you can" for me?

Mr. Jim Vena: Any time you have an incident, you do everything that is physically possible. It's not a question about money; it's not a

question about bringing in the right people to do it. We're going to do everything we can to return it as close as possible.

The worst thing I could say here is, "Don't worry about it; it's going to look exactly the same as it did at 100%." If we can return it to 99.9%, that's what I am shooting for. If I can get to 100%, that's what we'll do.

The Chair: Thank you. Your time is up.

Mr. McGuinty, you have seven minutes.

Mr. David McGuinty: Thanks, Chair.

Gentlemen, thanks for being here.

I want to begin with a couple of quick fact checks. When the minister came to committee here some time ago, she suggested not once but twice that she wanted CN here to testify. In fact, today in the House of Commons she reiterated it for a third time.

I just want to get this on the record. I wanted to have the regulator here side by side with you—not just CN but the regulator—because I don't really appreciate the minister's trying to deflect blame. This is a partnership between the regulated sector and the regulator through Transport Canada.

I want to get that on the record, Mr. Chair, very clearly.

My first question is this. Are your gross revenues still "just north of \$10 billion", Mr. Vena?

Mr. Jim Vena: The figure is \$12 billion.

Mr. David McGuinty: So you're up \$2 billion from the last time you were at committee.

Mr. Jim Vena: You remember that question.

Mr. David McGuinty: I do.

Mr. Finn, are you as well the chief compliance officer for the corporation?

Mr. Sean Finn (Executive Vice-President, Corporate Services, and Chief Legal Officer, Canadian National Railway Company): Yes, absolutely.

Mr. David McGuinty: Your job is to make sure that CN is in full compliance with standards, regulations, etc. Is this not right?

Mr. Sean Finn: With the laws across Canada and North America.

Mr. David McGuinty: It's a pretty important job, isn't it?

Mr. Sean Finn: It's a pretty demanding job.

Mr. David McGuinty: Right.

There is a pretty big thrust in the corporate sector towards compliance, isn't there?

Mr. Sean Finn: That is very much so.

Mr. David McGuinty: Right. So you would say, would you not, that the chief compliance officer is pretty much involved in risk management for the company and for Canadian citizens?

Mr. Sean Finn: That officer is not alone, but yes. There is a series of other executives also.

Mr. David McGuinty: All right. In the last three years we've had a 1,600% increase in the transportation of oil by rail. Is that right?

Mr. Sean Finn: For the industry as a whole, yes, there has been, probably.

Mr. Jim Vena: I don't have the number sitting right in front of me.

Mr. David McGuinty: You don't know that? Okay.

We had the minister here, and I asked her why she was cutting \$202 million—11%—of Transport Canada's budget. She said she wasn't. We looked at the Parliamentary Budget Officer's numbers and the Library of Parliament's numbers, and those are in fact the cuts: \$202 million.

Your company sits on the minister's rail safety advisory committee. Is that right?

Mr. Jim Vena: Yes.

Mr. David McGuinty: Okay. Have you advised the minister to hire more systems auditors and more inspectors?

Mr. Jim Vena: Well, that's a great question. We're not here to dictate to the government or to any government how to do that. We think it's important. Safety is a collaboration of everybody who is involved in it. We work with the regulators. We are open about what we're doing. We are internally focused ourselves. We go outside—

Mr. David McGuinty: The last time you were here, Mr. Vena, I asked you about a number of reports, one of which was the Auditor General's report. Since then we've had the TSB report from Lac-Mégantic. We've had this committee's report tabled two weeks ago. We got the investigation progress update from Gogama. I asked you at the time.... When we talked about Transport Canada, the regulator, you said, "It's not my job to worry that the regulator is given enough money to regulate."

Do you still stand by that statement? Do you subscribe to that view? Does CN subscribe to that view?

• (1700)

Mr. Jim Vena: I do.

Listen, it's not up to me to decide, and I don't think it's up to CN or any company to decide. It's the House of Commons. It's the government. It's all the parties. You guys get to decide that, not me.

Mr. David McGuinty: Is the SMS a partnership between the regulated party and the regulator?

Mr. Jim Vena: Well, SMS.... I could go on for about an hour.

Mr. David McGuinty: Is it a partnership between the government, the regulator, and the regulated railway company?

Mr. Jim Vena: Absolutely. They review our SMS.

Mr. David McGuinty: Wouldn't it be in the interest of CN to be more seized of some of the shortfalls at the regulator level?

Mr. Finn, as the chief compliance officer for a \$12-billion corporation with six executive members and 23 vice-presidents,

would you not say it is in the interest of CN and its shareholders to make sure that your partnership with the regulator is properly being fulfilled by the regulator?

Mr. Sean Finn: Yes, and I think that with Mike Farkouh's presence on the minister's committee and our involvement through the RAC, the Railway Association of Canada's industry panel, we're very much focused on that.

If you look at the last 12 or 18 months since Lac-Mégantic, the amount of regulation that has been put in place is substantial. We make sure that we comply with every regulation, but we also have views. When a regulation is out for consultation, we're very much present and we make sure our views are heard. If we think the regulation doesn't go far enough, we'll be the first to say so.

Mr. David McGuinty: Has your company, as part of the rail safety advisory committee, put pressure on this government to ensure that the shortfalls that have been pointed out by, first, the Auditor General, second, the Transportation Safety Board, third, this committee, and fourth, the Transportation Safety Board's investigation progress update for the Gogama derailment...? Is your company not putting pressure on the regulator to make sure that they have the capacity to do their job? We've now had two, three, four independent voices saying that they're not.

Mr. Jim Vena: We look at it that we work very well with Transport Canada, the regulators, and the TSB, who do a great job of looking, giving trend lines, and understanding. We have a great relationship with them in the sense that they push us. We give them information and they ask for information.

Mr. David McGuinty: Are you pushing them back?

Mr. Jim Vena: I don't need to push them back.

Mr. David McGuinty: You don't need to push them back.

Mr. Jim Vena: I'll tell you what I'm focused on. What I'm focused on—this is very important—is that we do—

Mr. David McGuinty: You're focused on running a railway and keeping it safe. I understand that, but do your shareholders agree with that statement?

Mr. Jim Vena: I would love to answer that question. You asked me a key question.

Mr. David McGuinty: Weave it into your answer. Does your shareholder in California agree with that statement?

Mr. Jim Vena: Every shareholder does. I'm a shareholder and it's very important for me as a shareholder—it doesn't matter the size of the shareholder—that you have a company that's responsible, that understands what's happening, that reacts properly, has the right amount of funding, and does everything they possibly can to run a safe railroad. That's what's important.

Mr. David McGuinty: Has your board of directors been seized with the findings of the successive reports that have pointed out the shortcomings of the regulator and the job it's doing?

Mr. Finn, you're the chief compliance officer. I'm going to ask you this. Has your board been seized with these reports and what action is it taking to ensure that your partnership with the regulator...? You partner with them. You sit on safety committees.

You say you're pushed, Mr. Vena. Can you tell us—

Mr. Sean Finn: We obviously have an environment safety committee of the board that is chaired by Maureen Kempston Darkes. I can tell you that ultimately in every board meeting, every committee, we update on regulatory matters, and they would see in those matters changes in regulations, proposed regulations. I can tell you that our CN board is very much seized of these issues. They're discussed at every board meeting, so rest assured that they're very much aware of it. They make sure that we adhere to the regulations, but also adhere to our own safety practices to the utmost.

The Chair: Thank you, Mr. Finn.

Mr. Watson, you have seven minutes.

Mr. Jim Vena: I guess you won't let me answer that question.

Mr. Jeff Watson: Thank you, Mr. Chair.

Mr. Vena, thank you for being here at committee again. You participated, of course, in SCOTIC's hearings into safety management systems and the transportation of dangerous goods last year. I appreciate your return today for this briefing.

I have a couple of very brief questions related to the slide presentation you gave us, and then I want to turn to the TSB's interim report on Gogama.

I'll start with page 8, CN investment in track infrastructure. You mentioned your 2015 capital budget of \$2.6 billion, with \$1.3 billion for safety and integrity of the network, particularly track infrastructure. You say, particularly track infrastructure but not exclusively. How much of the \$1.3 billion is actually for track infrastructure?

• (1705)

Mr. Jim Vena: The majority of the \$1.3 billion is rail and ties. I don't have the exact—

Mr. Jeff Watson: Is it a billion? Is it \$800 million?

Mr. Jim Vena: I would say that it's more than a billion dollars.

Mr. Jeff Watson: More than a billion, okay. So it's not \$1.3 billion in track infrastructure, it's something under that.

I understand that the thrust of your presentation today, if I understood it correctly, was that effectively CN, in terms of its spending on safety and its accident ratios, is in line with the rest of the industry. I appreciate that you're measuring against your competitors, but it begs the question of why you're not measuring against the standard.

Mr. Vena, I imagine some are wondering how many derailments CN is prepared to accept because its spending and its accident ratios are in line with its competitors.

Mr. Jim Vena: That is not the way we look at it at all. The nature of the business that we're in is that we're moving railcars, and with rail and weather, it's an outdoor sport. Every accident for us is important. It's every accident that we'd like to deal with and see if there's a way for us to get down to zero.

Mr. Jeff Watson: I'm just not sure if you have the right metric if you're measuring against the rest of the industry, instead of the responsibility itself.

I'd like to turn to the TSB's news release related to the derailment and fire of a second CN crude oil train near Gogama, Ontario. I have a few questions about that. In it they mention that there are a number of permanent slow orders in the Ruel subdivision. Are those exclusive to the three separate incidents—that being mile 88, mile 111.2, and mile 243.5—or are there other permanent slow-speed orders in Ruel at different locations, and if so, how many more?

Mr. Jim Vena: There are permanent slow orders set up because of the configuration or the curvature of the track. We have track speed, class of track, and we have permanent slow orders. Those are there permanently across the whole network, all 22,000 miles. It's not all at 60 miles per hour.

Then there are some temporary slow orders that are put in place because of the infrastructure. If we run a geometry test car over the track and it tells us that the frost is coming out or there is a heave, it automatically tells us we have to put them in place.

So yes, we do have a number of locations, and at this time of the year it would be normal for us to have a number of temporary slow orders—

Mr. Jeff Watson: How many additional temporary slow orders do you have?

Mr. Jim Vena: I do not have that number with me. I apologize.

Mr. Jeff Watson: Can you provide that number to the clerk of the committee for the committee's benefit?

Mr. Jim Vena: Sure.

Mr. Jeff Watson: Okay.

Obviously the concern, as stated in this committee's report, which was tabled not long ago, is that we want to ensure that slower speed is not a replacement for track improvement or track maintenance. I think that was made clear in the committee's expressed will.

The TSB does suggest that track condition or track failure is a likely similarity in all three northern Ontario derailments within the Ruel subdivision. Briefly, what is your response to that?

Mr. Jim Vena: Listen, we do our own investigation. I think it's preliminary but we do have a number of experts internally on the railroad, and we are more than willing to send things out. The first indication is that we had a rail break. It's more important, though, to look at—

Mr. Jeff Watson: In all of them, or are we talking about the March 7 derailment?

Mr. Jim Vena: The last one was a rail break. They were different, and that's why you have to examine each one of them. You have to step back and not look solely at the cause.

We also look at whether people were doing the right thing and whether the inspections were done properly. We look at all the things that are important to see if we were missing something. That's still ongoing and we await the findings of the TSB final report.

Mr. Jeff Watson: There were three derailments within 30 days in the same geographic area. The TSB mentions in its interim report that crude oil unit trains may cause different forces on track infrastructure, making potential defects or weaknesses in the track more problematic.

Has CN done any risk assessment of the impact of unit trains of crude oil on track infrastructure?

• (1710)

Mr. Jim Vena: We have done risk assessments. We have not done a specific risk assessment for a liquid of that volume. We do operate unit trains of ethanol in different parts of our railroad. We do operate trains that are as—

Mr. Jeff Watson: But not for petroleum crude oil?

Mr. Jim Vena: No, and that's something that we are going to look at. We've already looked outside at TPCI, and we'll hire some experts to see if there's something we're missing. We don't think so, but it's not a question of not thinking so; it's a question of opening the book and looking at everything we can do. That's where we are.

Mr. Jeff Watson: How many inspections of track did CN do in the Ruel subdivision in 2014? How many did you do outside of Ruel, across your network?

Mr. Jim Vena: Every week, we do a minimum of two, plus we have employees on the trains who tell us what's going on. There are hundreds of thousands of inspections of the railroad and cars, plus automated sensors and ultrasound. I would say that it's in the hundreds of thousands in each area. It truly is. We have a lot of inspections going on using a wide variety of technologies and people.

The Chair: Okay, thank you.

We'll now move to Mr. Komarnicki. You have seven minutes.

Mr. Ed Komarnicki: Thank you very much for that.

As you mentioned, the public's confidence in safe transportation and rail products is certainly important to employees, communities, and customers. There are many communities you go through. As you said, when you have three accidents in close proximity, both in place and time, you need to ask yourself what is going on, and you definitely need to get to the bottom of that.

A couple of my constituents wrote to me with respect to the derailment. One said that one of her concerns was the length of the trains, and that when she were younger she saw far fewer cars connected together than she sees now. Some are over a mile long. She wondered if there was an issue with the length of the trains themselves, perhaps related to negligence with respect to the repair and infrastructure of the tracks. She may be on to something.

Of course, we read comments like, "the trains are normally too long", "they go too fast", and "they're too heavy and it goes too fast".

I believe you've said you reduced the speed when you're looking to see what the cause may be, so speed obviously is a factor. When you assess the unit trains relating to crude, of course you're talking about a different configuration than you may otherwise have, so that is a difference in factors.

Can you comment on the length of the trains for my constituent who says that trains seem to be longer, that they seem to be going faster, that they're more frequent, and of course that the loads are heavy? What do you say to all that?

Mr. Jim Vena: We haven't changed the speed that we operate at as a maximum speed. We operate our freight trains at a maximum speed of 60 miles an hour, as long as the configuration of the track is such that it can handle it. We have never changed that. It's limited by curvature, the type of track, the area, visibility. We take in a lot of factors when we look at it, so there's no change there.

The trains we've been operating are the normal crude trains, the 100 cars. If it's a unit train, it's somewhere in the 90 to 100 range. We operate trains that are 150 cars. We run grain trains to the west coast from Alberta, Saskatchewan, and Manitoba that are about 150 to 175 cars. The technology has changed. The airbrake system has changed. When I was hired on the railroad, if you tried to handle a train over 100 cars with the airbrake system that was in place there, you just would not be able to release the brakes, you would not be able to handle it that way. It wasn't the issue.

We also have DP locomotives that we can put on the train in two or three locations, front and back, operated by one person in the front. The technology has come to the point that we operate our intermodal trains most days at 8,000 to 10,000 feet—I apologize, we're still using miles and feet. But we operate them every day at that length. We run coal trains going to Prince Rupert as big as 220 cars. It's a safe way to do it. We've been doing it for a number of years. They're heavy cars, but that's what the infrastructure is built for. It makes us efficient.

Mr. Ed Komarnicki: I understand in western Canada, one of the reasons for not hauling the volume of grain that could be hauled normally was because of the cold weather and the reduction in the length of trains.

• (1715)

Mr. Jim Vena: That's correct. That's what we had last winter. I'm glad you asked me about grain; it's nice to report. I looked at it this morning. The fact is, our outstanding orders are less than 2,000 cars of grain, on the books that we have today. The weekly amount that we moved last week was 4,861 cars. It is less than a half a week of backlog.

There is no area that has a backlog of grain going to the U.S. The small producers, people going to the west coast, we are not picking.... The total orders outstanding are around 2,000—it's actually less than 2,000, but let me just say 2,000—and we're handling close to 5,000 a week. We want to bump it up because the orders went up this week. We're going to do over 5,000 cars. It's all about business and money—

Mr. Ed Komarnicki: It's a good plug for what you're doing in western Canada for sure.

When you have these accidents occurring in close proximity, in such a short space of time, you have to say it must be something to do with the infrastructure. You need to test the tracks more. Maybe it's the technology you're using. I know when the first accident occurred, I think you received an order to look at what the cause may have been and take some measures as a result of that. When we talked about Gogama and the first accident, what did you do differently after you investigated the first accident that may have been a positive, proactive step that you engaged in that regard?

Mr. Jim Vena: I think it's a great question, sir.

The first accident happened. The trend line, if you look on the slide with NOD, did not give us any outlier that we had an issue in infrastructure, and we'll see what we find out at the end. The normal reaction is to find out. We send in our own experts to find out exactly what happened. If we need to slow down a piece of track because we don't understand it, we look at the type of rail, we look at who manufactured the rail. Do we have other issues? If it was a railcar, we look at who loaded it, how it was loaded, and we do a lot of homework. These happened so quickly to us that we didn't get a clear answer on the first derailment, but after the third derailment there was no question that we had to react even without knowing the cause. That's why we slowed the speed down, did even more inspections than we had before. We wanted to make sure we understood it. That's what we've done.

Mr. Ed Komarnicki: Did you take any physical maintenance and repair actions anywhere along those lines?

Mr. Jim Vena: We did. We lowered our standards. We think that on the first accident we had a joint failure at a place where the signal system works. We did drop the standard and made sure that we're going out there way ahead of it to clean that up even faster than we normally would.

Mr. Ed Komarnicki: You said you take some time to step back and say, "We don't understand why this is happening."

Sometimes having a third party look at it objectively, which is totally unrelated to your operation, is a second set of eyes. You mentioned something about that. Can you maybe amplify that and say what you've done in that regard?

Mr. Jim Vena: I think the TSB is great. They showed up on site. They came out there to take a look at it and they're more than willing to always tell us, "Listen, we see something here that you should take a look at." I think they are a nice, clear conscience to look at. They're professional. They know what they're doing.

Transport Canada shows up and looks at it to see if there's anything and they give us feedback. If we don't understand something, we're willing to hire anybody, whether it's the transportation centre in Pueblo, Colorado, which every railroad in North America works with; scientists who look at the infrastructure and at what we can do on the railcars; or we do it ourselves, by going to universities that we partner with. It's very important that we get to the bottom of it.

Mr. Ed Komarnicki: I have a short quick question. Your emergency response plan, as planned compared with how it was effectively carried out, how did it work?

The Chair: You're out of time.

You can answer that briefly, Mr. Vena.

Mr. Jim Vena: I think it worked well. We reacted very quickly and had the right people there to respond.

The Chair: Thank you.

Mr. Sullivan, you have four and a half or five minutes.

Mr. Mike Sullivan: Thank you, Mr. Chair.

One of the things you said at the beginning of your presentation was that in spite of our best efforts we're still going to have derailments.

When we have derailments with tank cars full of crude oil, they're going to burn and explode. We learned that the DOT-111s weren't safe at 12 miles an hour in Lac-Mégantic. Now we've learned that the CPC-1232s aren't safe at 43 miles an hour at Gogama.

At what speed is CN prepared to run these trains so they can be viewed by the public as safe?

Mr. Jim Vena: I don't want to correct you, but I think you said 12.5 miles an hour for Lac-Mégantic.

● (1720)

Mr. Mike Sullivan: That was the speed at which the last car broke, according to the Transportation Safety Board.

Mr. Jim Vena: I think the speed when it derailed was—

Mr. Mike Sullivan: The speed when it derailed was 60, but the speed at the last car was 12.

Mr. Jim Vena: It's a moot point because the bottom line is that we operate on a daily basis, and have for years...all sorts of products that are used by everyone in North America and in Canada. We handle products that are poisonous by inhalation, which are used in everyday plastics, and we handle them in a safe manner.

Mr. Mike Sullivan: Clearly you can handle them in a safe manner, but if the cars they are in aren't capable of withstanding a collision or a derailment at 43 miles an hour, then they have to go slower than that. That's very clearly what the public is going to demand.

What will happen to CN if the public says and the government says that 20 miles an hour is as fast as you can run the 1232s until 10 years from now when we get the TC-117s? That's going to have to be the response, I suspect.

You promised the last time you were here to give us a copy of the corridor risk assessments. We didn't get them. What we got instead was a manual on how you do a risk assessment. Can you please provide those risk assessments?

Mr. Jim Vena: As I said, we're more than willing. We've given them to Transport Canada already.

Mr. Mike Sullivan: Transport Canada has told us they will not give them to us without your permission.

Do you give them permission to give them to us?

Mr. Jim Vena: I would not withhold permission on the risk assessment.

Mr. Mike Sullivan: Thank you so much.

We've heard that you intend to clean up the Gogama situation. You did leave a tank car burning as part of your ERAP. In other words, we understand that part of the process of cleaning up the site is to just let it burn.

Is that clearly what we understand the ERAP to be? If that's in a residential neighbourhood in downtown Toronto, that's not an acceptable solution.

Mr. Jim Vena: You look at the situation where you are. It's very difficult. If it's contained and in one spot, it makes a lot of sense for us to not try to put it out. You have to make sure that the danger in trying to put it out is more than the danger of letting it burn. In that situation, that's what we did.

Mr. Mike Sullivan: You said that your trains are now 8,000 feet to 9,000 feet long. They're too long for most of your sidings across the country.

Mr. Jim Vena: No, they're not. We've built the railroad to have sidings long enough to—

Mr. Mike Sullivan: So if you have to run these trains at 20 miles an hour, or at 15, or whatever the safe speed is for these 1232 cars, you can in fact move them onto a siding and let other trains go past, including VIA.

Mr. Jim Vena: I don't know where you're getting the 15 miles or 20 miles an hour—

Mr. Mike Sullivan: I don't know what the safe speed is, but 43 isn't.

Mr. Jim Vena: —but any time you start slowing down the speed of trains...

It's just as difficult the other way. We operate VIA trains. I came over by VIA this morning, and we were going at 90 miles an hour on our railroad on the Kingston subdivision. That gives you a different challenge on how you operate the railroad. If you slow something down, it gives you challenge of capacity and it gives you a challenge of how you operate, so that's very important.

I came over here safely. I wasn't worried about it, running at 95 miles and close to 100 miles an hour. I looked out the window to see how fast we were going and I was comfortable with how we operate.

Capacity is very important to the railroad.

Mr. Mike Sullivan: I understand that capacity and profit are very important, but if the 1232 cars can't be run safely at 43 miles an hour...

We clearly have had yet another extreme railroad disaster, and there but for the grace of God it wasn't in an inhabited area.

The Chair: If you have a question, I need you to ask it because you're out of time.

Mr. Mike Sullivan: I do.

To operate these cars safely, they will need to slow down, will they not?

Mr. Jim Vena: I think we're clear on the tank cars. We accept what the government has said. We support the changes that we think have to happen in the industry and the type of car that has to be built.

The 1232 car is safer than the DOT-111 car. Is it as safe as the new car that is going to be put in place? No. The reinforcement, the steel, the bottom outlet valves, the top valves, the end caps, the amount of insulation in there, the amount of heat it can take, we're on record saying that's what we want and it's important for us to do that.

We have performed risk assessments. We've decided we are going to include the speed of not just crude trains, because people want it to go only on crude trains, but any train that carries more than what the key train facility is and the number of cars. We're slowing them down and they are going into census metropolitan areas at 35 mph.

We already have a PIH/TIH restriction at 35, at gateways, and we've included any dangerous goods at that speed. We do our own risk assessments to take a look and make sure that we're smart about what we're doing.

• (1725)

The Chair: Mr. Braid.

Mr. Peter Braid: Thank you very much, Mr. Chair, and thank you to the representatives for being here today.

I have just a couple of questions, in my remaining time, surrounding the derailment in Gogama on March 7.

Can you tell us how recently before the March 7 derailment you had conducted track inspections in that area?

Mr. Jim Vena: Michael, do you remember? It was just a couple of days before or the day before.

Mr. Michael Farkouh (Vice-President, Safety and Sustainability, Canadian National Railway Company): That is correct. Just a couple of days before, we had some inspections that had taken place to review the integrity of the track.

Mr. Peter Braid: What were the results of that inspection?

Mr. Michael Farkouh: The resulting inspection showed no anomaly with the track at the given time.

Mr. Peter Braid: Is a track inspection and a risk assessment the same thing, or are those two different things?

Mr. Jim Vena: No. A track inspection and a risk assessment are two different things. The track inspection information you get will feed into what you do with the risk assessment, but they are separate.

Mr. Peter Braid: When was the most recent risk assessment done then for that section of track in that area?

Mr. Jim Vena: Michael, was it last year that we looked at the risk assessment over that course?

Mr. Michael Farkouh: Yes. That is correct.

In reference to our risk assessments, we have essentially gone through the complete network where we did our main routes and we completed that last year. Now we're looking at some of the smaller routes where we have lower densities and looking at the risk assessment.

When we talk about our risk assessments, it's all encompassing. It incorporates elements with regard to sensitive habitats from an environment standpoint and the density of populations. It looks at various factors as opposed to just one, for example, looking at dangerous goods. It's fairly comprehensive in terms of an overview of the corridors.

Mr. Peter Braid: When the incident occurred on March 7, how quickly after the accident did the emergency response plan go into effect and what were the steps you followed?

Mr. Jim Vena: It's as quick as possible. The train crew finds out that their train went into an emergency. They call the RTC centre by radio, which is located in Toronto. They tell them they have an incident and it is started right there.

Mr. Peter Braid: Through the course of your emergency response plan, the steps you followed, the ensuing days, can you explain how you kept the residents of Gogama up-to-date, how you communicated, and were they kept properly informed from your perspective?

Mr. Jim Vena: I'm going to ask Sean to answer that even though I was there because a lot of his people did a lot of work to make sure we did that.

Mr. Sean Finn: In the minutes following the derailment, we reached out immediately to the mayor as well as the federal and provincial MP and MPP to inform them that there had been a derailment. We then, very quickly, deployed a communication group up there to work with the operating people. We're still there today, as we're speaking. We have daily information sessions with the citizens of Gogama to inform them of what we're doing on the cleanup side.

There has been a very intense outreach to make sure the citizens were in the know and not just relying on the local elected officials including the first nations community that is up there, as you know, a very active community. We informed them what we were doing on the derailment itself and how we were cleaning up.

Regarding the environmental impact, fish and wildlife, as we go toward the future, we ensure that they are part of our decisions as we go forward to make sure we do leave the site in a very pristine state in light of what's going on. There is a full outreach to the community and a lot of information back and forth.

Mr. Peter Braid: What was the role of CANUTEC through this process?

Mr. Jim Vena: Well, you report any time you have an incident and if you need some information, it's a two-way discussion. That's

how we do it. We have to understand what's on the train, which we do. The conductor carries the information of what's on the train. We also have it in the computer system. If we need more information, reporting, everything else, that's how we work with the different parties.

In fact, the first reporting regulation that we have is going through the TSB, advising them that we've had an incident and then they disperse it to a number of different groups.

Mr. Peter Braid: You've put new temporary measures in place as a result of this particular derailment and others in the area. How long will these measures be in place?

Mr. Jim Vena: We'll keep them on until we understand better what happened there and what we need to do differently.

• (1730)

Mr. Peter Braid: Based on what you know now, what would you do differently?

Mr. Jim Vena: It's a little early to give you a full breakdown on it. There are a number of things we have in place. Do I have a black and white clear answer? That's the difficulty about these things; we don't have a black and white. We're working through it and we'll see what....

We have implemented the speed reduction, more inspections, looking at different areas that have the same rail types, making sure we have senior presence, and making sure we don't have a people person problem where they weren't inspecting them the way they should.

We've implemented all that and we're not going to change that until we understand better what happened.

The Chair: We're out of time. I'd like to thank the gentlemen for being here.

Mr. Sullivan.

Mr. Mike Sullivan: I want to make one quick point, Mr. Chairman. It's not directed to these witnesses.

They have now suggested that Transport Canada is free to give us the risk assessments. Would you and/or the clerk please ask Transport Canada to provide those to us as they denied them the last time they were here?

The Chair: Very well.

The meeting is adjourned.

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