

# Moving Forward

## BC Rail Investment Partnership



### COMMUNITY BENEFITS

#### NORTH VANCOUVER

Communities and customers of BC Rail told the provincial government that a new investment partnership was needed to secure the long-term future of this vital transportation network.

The BC Rail Investment Partnership responds to their concerns by delivering significant benefits to communities like North Vancouver.

CN's billion-dollar investment in British Columbia will inject needed money into capital improvements, and free taxpayers from BC Rail's \$500 million debt. A focus on growing the business, lower freight rates, faster, more reliable service and improved infrastructure will be strong incentives for B.C.'s resource industries to move more of their products on rail. This will in turn create new jobs, both within the railway and within B.C. communities.

#### **New land for economic development and jobs**

BC Rail has a substantial real estate portfolio that is not required for railway purposes. The province will negotiate with First Nations, communities and tenants to transfer ownership of those properties, where appropriate. This land represents a significant potential benefit for communities for economic and commercial development.

#### **New passenger/tourism services**

CN will issue a request for proposals (RFP) for passenger-tourist train service providers. CN will provide access to the rail line on reasonable commercial terms to accommodate passenger services. New passenger-tourist train services are estimated to create hundreds of new jobs in B.C.'s tourism and hospitality industry.

Possible routes could include all or portions of BC Rail's line between North Vancouver and Prince George, and on all or portions of CN's network between Prince Rupert, Prince George and Jasper.

These new services will help offset job impacts on the North Shore.

#### **New tax revenues will help fund local services**

The BC Rail Investment Partnership will generate new local government revenues that will help both the City and District of North Vancouver reduce the tax burden on residents and businesses and fund municipal services. Because CN will be fully taxable at the municipal level, the

City of North Vancouver could receive an estimated \$256,000 in revenues, based on current assessment levels—almost 50 times more than they received from BC

Rail in 2003. Likewise, the District of North Vancouver could receive an estimated \$716,000, based on current assessment levels—a four-fold increase over 2003.

#### **Train noise to be reduced in neighbourhoods**

Run-through trains will also reduce the need for switching rail cars on the North Shore. This will reduce train noise and improve the quality of life for residents living near BC Rail's yard.

#### **New benefits for First Nations**

CN has extensive experience in working with First Nations and they support the BC treaty process. They will honour BC Rail's existing agreements and protocols with First Nations.

In addition, a \$15 million First Nations Trust will be established to support economic development, educational advancement and cultural renewal for the 25 First Nations along the BC Rail network. This may include funding to: build capacity and provide seed-capital for aboriginal enterprises and joint partnerships; protect and promote First Nations' languages; and support initiatives for aboriginal youth apprenticeship training.

The trust will be administered by a board to be established by future legislation.

#### **Fair treatment for BC Rail employees**

CN has prepared a comprehensive plan to minimize and mitigate job impacts. BC Rail employees have worked hard to build the company and all will be treated fairly, respectfully and generously. Employment impacts will be minimized considerably through early retirement, attrition, relocation, and severance payments where no alternative exists. Throughout the entire BC Rail network of 1,380 employees, there will be only 180 involuntary job reductions over the next three years.

#### **Local suppliers protected**

CN will honour all current BC Rail contracts, including those with local suppliers in North Vancouver.