

Moving Forward

BC Rail Investment Partnership



COMMUNITY BENEFITS

WHISTLER

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 Whistler.

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 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—through Whistler—and on all or portions of CN's network between Prince Rupert, Prince George and Jasper.

In addition, CN will work with the province to facilitate the upgrading of the Sea-to-Sky Highway and ensure rail alternatives for a successful 2010 Olympics.

New tax revenues will help fund local services

The BC Rail Investment Partnership will generate new local government revenues that will help the Resort Municipality of Whistler reduce the tax burden on residents and businesses and fund municipal services. Because CN will be fully taxable at the municipal level, Whistler could receive an estimated \$56,000 in revenues, based on current assessment levels—more than double what it received from BC Rail in 2003.

In addition, Whistler will benefit as a result of significant new tax revenues payable by CN each year to the Squamish-Lillooet Regional District. The regional district could receive approximately \$497,000 in municipal tax revenues from CN—a nine-fold increase over what BC Rail paid in 2003.

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.

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.

Local suppliers protected

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