

Chairman's Message



As Canada enters the last year of this century, VIA Rail Canada is ready to move into the new millennium and into a new era for passenger rail in this country.

In 1998, VIA met the challenge taken on in 1990, following the government's announcement of a series of permanent funding reductions as part of the overall drive to reduce the federal deficit. VIA has maintained and improved Canada's national passenger rail service, while eliminating \$263 million from its annual funding level – a reduction of 60 percent over eight years. It did so without any cutbacks to train services. In fact, VIA is running more trains now than in 1990 with a quality of service that is significantly improved.

VIA achieved these remarkable results by focusing on the fundamentals of operating passenger rail as a business. Sound financial management, productivity initiatives, and operating economies reduced costs. Improved service, and a clear focus on customer satisfaction, generated solid revenue growth. Strategic partnerships with the private sector have helped VIA to provide innovative, high quality products that respond to the needs of Canadian travellers and the imperatives of public funding.

In the process, VIA has transformed itself into a lean, efficient corporation, profoundly insightful about the business of passenger rail and able to apply that knowledge quickly and creatively in a fast-changing marketplace.

Our track record is clear. The people of VIA Rail Canada can be proud of the financial and operational results they have achieved.

Perhaps their greatest achievement is that they have demonstrated the potential of passenger rail when it is managed well. It is now possible for Canada to seriously consider the role that passenger rail may play in the future.

VIA's shareholder, the Government of Canada, has recognized VIA's excellent performance, and the expertise at VIA that drives such excellence. It has responded with a commitment to passenger rail, and the stable, long-term funding that will help take passenger rail into the next century. It has acknowledged the barriers to passenger rail's growth and has confirmed its resolve to develop solutions to overcome them.

To this end, VIA is working in concert with the government to develop a long-term strategic plan for Canada's national passenger rail service. The support and encouragement of our Board of Directors, which has contributed so much to the transformation of VIA Rail during the nineties, will be invaluable during the process of charting passenger rail's future.

Let there be no doubt. Passenger rail has a place in Canada's future. And there can be no question about the solid management expertise at VIA Rail that has made this possible.

Once the barriers holding back growth are removed – once the tremendous potential of passenger rail can flourish freely – that expertise is capable of carrying Canadians into the new century with one of the most modern, most efficient and most innovative passenger rail services in the world.

A handwritten signature in black ink, reading "Marc LeFrançois".

MARC LEFRANÇOIS
Chairman of the Board