

POLICY AND ADVOCACY COMMITTEE
MEETING 2020-02

Teleconference
October 14, 2020 14:30-17:00 pm EST

MINUTES

ATTENDANCE:

PRESENT

Mr. Sean Finn, CN, Chair
Ms. Fiona Murray, CN
Mr. Rob McKinstry, CP
Mr. Louis-Alexandre Lanthier, CN
Mr. Marc Brazeau, RAC
Ms. Johanne Delaney, RAC
Ms. Brianna Bowman, RAC
Mr. Luc Bourdon, GWRR
Mr. Peter Bedrossian, RAC
Ms. Stéphanie Montreuil, RAC
Ms. Michelle Papas, Rocky Mountaineer

Mr. Jonathan Thibault, RAC
Mr. Robert Taylor, CP
Ms. Emily Mak, SRY
Ms. Sandra Kazaka, RAC
Ms. Janet Greene, RAC
Mr. Ben Chursinoff, RAC
Mr. Rajesh Khetarpal, Metrolinx
Ms. Salem Woodrow, CP
Ms. Caroline Healy
Mr. Gregory Kolz, RAC
Ms. Jenelle Saskiw, RAC

ABSENT

Mr. Jonathan Abecassis, CN
Mr. Mark Southern, Rocky Mountaineer
Mr. Drew Duquette, Ontario Northland

Mr. Jeremy Berry, CP
Mr. Tony De Thomas, Essex

1. WELCOME, CALL TO ORDER AND OPENING COMMENTS

Greg Kolz welcomed the previous Chair, Fiona Murray and those present. Fiona Murray noted that there was a quorum and declared the meeting to be properly constituted for the transaction of business. The Competition guidelines were included in the briefing book and as no additional items were brought to the agenda; the meeting was called to order at 14:35

2. MINUTES OF LAST MEETING

Resolution 2020-01: Adoption of the minutes of the last meeting

It was moved by Robert Taylor and seconded by Louis-Alexandre Lanthier, that the Minutes of the Policy and Advocacy Committee meeting held in Ottawa on Tuesday, May 12, 2020 be taken as read and approved.

3. ELECTION OF A NEW CHAIR

Adoption of the chair

It was moved by Louis-Alexandre Lanthier and seconded by Robert Taylor, that Sean Finn be elected the new chair of the Policy and Advocacy Committee.

4. **PRESIDENT'S REPORT & UPDATE ON BUSINESS PLAN**

Marc Brazeau thanked Fiona Murray for her guidance and support during her time as chair of the Policy and Advocacy Committee (PAC). He noted that he looks forward to continuing to work with her as the new Chair of the Board of Directors. He then welcomed Sean Finn as the new Chair of PAC.

Mr. Brazeau noted that the RAC has over 30 business priorities. These priorities can be found in the briefing book under tab 4.

Infrastructure investments remain a high priority for the RAC. Mr. Brazeau noted that the RAC submitted their pre-budget submission in August and continues to encourage the federal government to invest in rail and its infrastructure. Whether it be through the National Trade Corridors Fund, railway crossing upgrades, or any initiatives aimed at ensuring programs like RSIP and Operation Lifesaver get the support they need.

A new Program Manager, Jenelle Saskiw, has been hired to lead the Proximity Initiative. Outreach to provincial governments is underway, and meetings are being scheduled for October and November.

Greg Kolz is now leading all the RAC government relation efforts. Mr. Kolz has been busy meeting with Senator's and MP's from all political parties and continues to put forth the rail story and the importance of working in collaboration with our elected officials.

The RAC had several events planned for 2020 and Mr. Brazeau is happy to report that many of these events have still taken place virtually. A positive outcome of switching platforms, the RAC has been able to reach out to more people and attract a larger portion of our membership.

Shortlines continue to be a priority for the RAC. To help on that front, the RAC has hired a new Executive Vice President and General Counsel, Caroline Healey. Ms. Healey comes to us from a shortline company and her experience and expertise will be a great asset to the RAC and will help move the shortline priorities forward.

Mr. Brazeau stated building the RAC brand out in the regions is a high priority. The goal is to make sure to continuously engage key provinces on a number of the issues that is listed on our priority list. Ms. Healey will also be accelerating our engagement with the Québec government. Ms. Saskiw, Project Manager, FCM / RAC Proximity Initiative, will be liaising with the government in Western Canada. Mr. Ben Chursinoff, who joined the RAC last fall and is also originally from Western Canada will be working with his contacts out West. The plan is to increase the RAC's presence and engagement even with the challenges posed by the pandemic by using virtual opportunities moving forward in both of these key regions.

Mr. Brazeau discussed some of the significant wins, risks and hedges from the Business Plan:

Wins

- Coalition letter with a number of shippers to support shortline railway competitiveness
- Hired RAC Proximity Initiative Program Manager (Jenelle Saskiw)
- Operation Lifesaver received renewal of it's 3-year funding from RSIP

Risks

- COVID-19 continues to be a moving target
- Economic downturn due to the pandemic may impact the RAC and its members

Hedges

- Rail Safety Week digital strategy has resulted in an increase in consumer awareness and engagement. Very successful week in terms of social media exposure which generated new partnerships due to remote strategy

Mr. Brazeau provided an updated on Q3 of the RAC's performance dashboard:

- Communications and Media Relations on track
- Public and Corporate Affairs at a slight delay as a result of COVID-19
- Operations and Regulatory Affairs continues to be on track
- Operation Lifesaver renewal of funding program caused some delay
- Finance and Operations on track with original forecast

5. VICE PRESIDENT'S REPORT & POLICY AND REGULATORY AFFAIRS

Ms. Healey recently joined the RAC team as Executive Vice President and General Counsel. Prior to the RAC, she worked at Genesee Wyoming as Vice President Legal and External Affairs. Ms. Healey's role at the RAC is to oversee operations, regulatory affairs as well as its government relations activities and to act as general counsel when required.

Grade Crossing Regulations

- Railways are currently being forced to foot the bill on what should clearly be a shared management responsibility between railways, municipalities and private landowners
- Challenges include the current deadline of November 2021 and a lack of funding for municipalities
- TC reiterated the importance of reducing fatalities at railway crossings and emphasized that a proposed extension must be based on making a strong safety case and dealing with current economic realities faced by all stakeholders
- TC has the information needed from the railways to begin preparing a briefing to the Minister, however, they will need to have additional discussions internally to ensure that the proper risk assessment approach is properly developed and detailed
- There is general support to engage Mayors directly given inaction to date by FCM
- FCM is looking for RAC support on their request for more RSIP funding
- RAC must reinforce RSA recommendations to Transport Minister that the federal government should allocate more funds for railway safety in Canada
- RAC must also, in partnership with Mayors, promote opportunity for more federal government investments in grade crossing upgrades as part of overall post COVID-19 economic recovery plans

Key Trains and Key Route Rules / Speed Restrictions

- RAC working group continues to move the file forward with TC
- The 60-day consultation period on the draft revised Key Trains Rules will begin today (October 14) with labour groups
- TC appears to be supportive of progress to date, including suggested revisions to temperature-based speed restrictions vs calendar date speed restrictions
- November 15th is the start of the winter season (Nov 15 to Mar 14) speed restriction requirement of the current MO 20-05 that companies must abide by. Speed restrictions based on temperature, as proposed in the draft revised rules, will not be in place by then. However, TC has indicated in the interim that they are contemplating an amendment to MO 20-05 by considering industry's recommendation of a temperature-based speed restriction
- TC will be looking for industry to agree to a risk mitigation approach and plans to have it signed off by railway Professional Engineers

- There is general support for RAC to engage other influential stakeholders to help deliver the message to TC that speed restrictions may have unintended consequences on customers (i.e. Federation of Agriculture, Provincial Premiers, Provincial Ministers of Transport)
- RAC needs to carefully monitor TC progress and coordinate timing of outside stakeholder engagement with TC

Canada's Clean Fuel Standard (CFS) Regulations

The proposed *Clean Fuel Standard Regulations* aims to reduce carbon emissions by setting lifecycle-based carbon intensity requirements for fuels in transportation. Once the regulations come into effect, biodiesel and renewable diesel blend rates in locomotive diesel are expected to increase as fuel suppliers are required to lower the carbon intensity of their products. The *Liquid Class Regulations*, Phase I of the CFS, will be published in Gazette I sometime in the fall. They will grant industry 75 days to comment.

The RAC has engaged multiple experts to conduct a review of the regulations and to highlight the implications to industry. The outcome of their review will be brought forward to RAC's Environment Committee for further consideration and to feed into industries final review and submission of comments by the end of the consultation period. The Canadian Chamber of Commerce has launched a campaign, during the 75-day comment period, targeting MPs and Cabinet Ministers, is urging them to work with Environment and Climate Change Canada to address key competitiveness concerns. The Canadian Chamber of Commerce supports a clean fuel standard, but not in current format. They maintain the requirements will hurt economic recovery and undermine long-term competitiveness on the International stage.

Quebec Outreach

RAC has hosted a series of meetings with a wide range of stakeholders in Quebec, including individuals and organizations in both the private and public sectors. These meetings have helped raise the RAC's profile in the Province of Quebec, develop partnerships, and create opportunities for collaboration that will benefit RAC members and the rail industry as a whole.

6. MAIN ITEMS

6.1 RAC Communications Update

- 2020-2021 strategic objective is to leverage content marketing & KPI data to fully utilize social media platforms and expand reach to stakeholders and partners, while increasing RAC authority
- Some of the results we have achieved include increased attendance at events, meetings with key stakeholders leading to requests for guidance (QC Ministry of transport and their forum de concertation series) and having a Minister as a special guest on a webinar
- Social Media & Website metrics indicate that COVID-19 overall has led to a more captive audience. The RAC has increased its reach, engagement and number of users. Increased viewership means that our event audiences are also growing. Our website has seen a decreased bounce rate which means people are finding what they are looking for and we've seen an increased amount of time and number of pages visited
- What used to be formally known as the RAC newsletter has been renamed RAC Daily News Update. It is a daily news clipping service that is distributed on a daily basis. The Daily News Update still garners an above average open rate and is a useful service for members who do not have internal comms departments to keep them up to date

- The RAC launched a new monthly newsletter in September. The newsletter has an open rate of 43.1% and an 11.1% click through rate; which is significantly higher than the Association's average of 20 – 25%. The newsletter will also serve as an additional income stream for the RAC through advertisements.
- In the September newsletter, we presented the team members that have been added to the RAC roster in recent months. They represent an added depth and breadth of knowledge that the RAC previously did not have. An upcoming campaign will see us featuring the team members on our various platforms so our members and key stakeholders can get to know them better
- As Robert Taylor mentioned in a Lunch & Learn with RAC staff– COVID creates the added challenge of how to create trust with stakeholders and is changing how we communicate. Conversely, we are using this opportunity to take the opportunity to connect with as many stakeholders via videocalls – something we would have usually done in person. The RAC has engaged the services of Meltwater to better target our stakeholders and react in real time
- The RAC is always open to member-led initiatives and is happy to assist members in developing campaigns or materials to help support them such as the grain reports. The RAC worked with CP and CN to help create a 5-point plan to support record grain haul years
- In May, a key deliverable that was identified was “Building out the RAC Video inventory”. To date, we have completed the following videos: Resiliency of the Rail Industry during COVID, Right Track introduction and CBoC report companion video. The next video will be a companion piece to the pre-budget submission. And the final video for 2020 will be an Introduction to the RAC rail atlas. The rail atlas continues to be the most visited page on our website and is a resource that could be used by a broader audience
- The upcoming Campaign's primary objective is to raise awareness. The secondary objective is to position the rail industry as a modern, green sector that is a key part of meeting the demands of the Canadian supply chain and further contribute to the economy by creating high paying jobs. The third underlying message we want to convey is that the rail industry is able and standing at the ready to be a partner in rebuilding the economy post COVID. We want to dispel any myths or misconceptions that railways may not be able to ramp up quickly
- The RAC will be re-invigorating the Shortline Committee and the Passenger Rail Committee

6.2 2020 Events and Outreach

Business of Rail

- The RAC held its 1st virtual Business of Rail on September 29 for Quebec legislators and stakeholders. The theme was Economic Recovery and we had 5 members companies present and they each represented a different sector within the rail industry (Class 1, Shortline, Commuter and Tourist). The Quebec Minister of Transport, Francois Bonnardel was also in attendance and gave a keynote address. This event brought in almost 80 participants. Overall, it was a very successful event.
- The RAC will be holding two more Business of Rail sessions this year. The first session will take place on November 18, 2020 and will deal with Grade Crossings. The targeted audience for this session will be RAC members and Federal government officials. The second session will be on November 25, 2020 and will focus on Western economic recovery. The target audience is provincial governments from Alberta, Saskatchewan and Manitoba.

Lunch and Learns

- The RAC has held 3 Lunch and Learns to date:
 - First session featured Oliver Wyman
 - Second session featured Angus Reid and Transport Canada
 - Third session featured Dr. Kyle Mulligan, CP
- RAC will be hosting four more lunch and learns this year focused on:
 - Economic Forecasting
 - Manufacturing of Rail equipment (upon request from TC)
 - Sustainability and Right Track
 - Proximity initiative

RAC Training Sessions

- Railway Operations Live has been deferred to 2021 due to COVID
- Upon request from various TC departments, there is a need for training new hires within so RAC is working on a three-part series of **Rail 101 sessions**. Each session will be between and 1-1.5 hours and will focus on CROR (rules) and operations.

6.3 Federal Government Engagement

Current state of play on Parliament Hill

- Cabinet Shuffle & Prorogation
- New Opposition Leader & Shadow Cabinet
- Speech from the Throne
- Standing Committees
- Fall Economic Update

Post COVID-19 Go-forward plan

- Continue to engage with RAC members
- Maintain on-going dialogue with Parliamentarians
- Forge relationships with high-ranking ministerial and departmental staff
- Advocate to ensure rail's vital role in safely and efficiently moving Canada's goods, resources and people

Federal Outreach

RAC filed its 2021 Pre-budget Submission with the House of Commons Finance Committee in early August. Since then, the RAC has hosted one-on-one (virtual) meetings with more than 35 MPs and Senators, in order to increase RAC brand relevance, promote the recommendations included in our 2021 pre-budget submission, and advocate to ensure rail's ongoing role in safely and efficiently moving Canada's goods, resources and people.

Issues Management

RAC continues to engage with various ministers and departments on a wide variety of issues of importance to Canada's railway industry. Whether it's been highlighting the plight of our passenger rail operators during the COVID-19 pandemic, including tourism and commuter railways that are suffering unprecedented challenges, or promoting the vital importance of our freight carriers, including shortline railways, which are essential components of Canada's supply chain, the RAC has been resolute in its approach.

7. **STATUS REPORT -PAC STANDING COMMITTEES**

Status reports are there for people to read and if they have any questions or comments to reach out to the RAC.

- 7.1.1 **Environment**
- 7.1.2 **Workforce Development & Events**
- 7.1.3 **Proximity Initiative**
- 7.1.4 **Safety Culture Improvement Initiative**
- 7.1.5 **Membership**

8. **OTHER BUSINESS AND NEXT MEETING**

8.1 **Next PAC Meeting**

The next PAC meeting should take place on May 11, 2021 in Ottawa. Venue TBD.

9. **MEETING END**

There being no further business, the motion to adjourn the meeting was made, seconded and unanimously adopted. The meeting ended at 4:00 pm.

PAC Action Items	BY WHOM	BY WHEN
1. Meeting minutes – October 14, 2020	BB	Next Meeting – May 2021
2. Provide PAC slides to committee		
3. Provide Grain Campaign to committee	SM	
4. Special call for grain outreach campaign	SM	Next 2-3 weeks
5. Special call for Key Trains and Key Route Rules / Speed Restrictions	CH	Next 2-3 weeks