

OPENING REMARKS – TRAN BILL C-33, OCTOBER 2023

Thank you, Mr. Chair.

I am pleased to appear alongside two Railway Association of Canada members:

Eric Harvey from CN, and

Nathan Cato from CPKC

You will also hear from Genesee & Wyoming on the second panel.

My colleagues will address the recommendations we provided in our written submission on Bill C-33.

Safety is job number one for every railway and every railroader.

Canadian railways are the safest in North America, among the safest in the world, and consistently getting safer.

In 2022, the average Canadian Class 1 train accident rate was approximately 40% lower than the average U.S. Class 1 accident rate.

Over the past decade, the Canadian Class 1 rate improved by over 20%.

The Canadian rail sector's dangerous goods accident rate improved by 49.1%.

While freight volumes increased over ten years, the number of accidents decreased.

Rail is the safest way to transport goods by land.

Between 2009 and 2018, road accidents involving dangerous goods were 17 times more frequent than rail, and releases were 14 times more frequent in trucking.

Canada's railways provide the highest safety performance in North America, industry leading environmental innovation, and strong service – and they do it at virtually the lowest cost anywhere in the world.

Canada's rail freight rates are the lowest on average among major market economies – 11 per cent lower than the U.S. and, in some cases, less than half the average rate of European freight railways.

Canadian railways are providing exceptional value to Canadian importers and exporters.

Railways are reliable links in complex supply chains.

For example, the transit time for containerized consumer goods transported from Shanghai to Ontario and Quebec increased by 13.8 days (or 52%) during the pandemic, from 2019 to 2022.

99% of this increase happened before the container had been loaded onto a railcar.

Meanwhile, the total transit time for Saskatchewan grain to reach Asian markets in 2022 was one day shorter than in 2019. Canada's railways were the biggest contributors to this reduction, despite the challenges of a global pandemic and public health restrictions.

Canadian rail is green and getting greener. Railways are three to four times more fuel efficient than trucks. Just one locomotive can haul a tonne of goods more than 220 kilometres on a single litre of fuel.

More than 34,000 women and men across Canada work around the clock to bring Canadian goods safely and sustainably to global markets and people to their destinations.

On top of railways' commitment to safety, the rail sector is one of – if not the most – highly regulated in Canada.

Any claim of “railway self-regulation” is simply and objectively false.

Railways are regulated by the *Canada Transportation Act*, the *Railway Safety Act*, and the *Transportation of Dangerous Goods Act*, among many others.

Railways comply with thousands of safety laws, regulations, rules, and requirements.

Under the *Railway Safety Act* alone, there are 22 sets of detailed, prescriptive regulations that govern railway operations.

One example is the Safety Management System Regulations (or SMS).

An SMS is a regulated system of safety processes developed in consultation with labour representatives.

SMS processes permeate every level of a railway company – every position, every function, across the network.

SMS regulations are an important additional layer of rail safety.

Transport Canada routinely conducts comprehensive audits of these systems to verify compliance and evaluate their effectiveness.

These many layers of safety, together with the commitment of railways and railroaders, combine to form a robust safety culture.

This culture of continuous improvement has helped produce undeniable safety enhancements.

Canada's railways have invested more than \$20 billion over the past decade back into the 43,000-kilometre Canadian rail network.

These investments include innovative, safety-enhancing technologies like wayside detectors, track geometrics, and machine visioning. Railways use sensors and algorithms to predict and prevent equipment failure.

Technology investments go hand-in-hand with training, awareness programs, and robust regulatory oversight.

Through the TRANSCAER program, the RAC and its members have provided world-class training at no cost to our community partners across Canada. We have trained over 28,000 first responders since 2000.

Safety is a shared responsibility.

Operation Lifesaver, funded by the RAC and Transport Canada, works to reduce crossing and trespassing incidents, and save lives.

The Proximity Initiative, with its Guidelines developed in partnership with the Federation of Canadian Municipalities, helps to increase safety and avoid unnecessary conflicts arising from railway-community proximity.

Safety is a journey, not a destination. Railways will continue to put safety first, 24/7/365.

The rail industry looks forward to working with this Committee to improve Bill C-33 in two important areas that will be covered by my colleagues.

Thank you.