



The Future of Rail in Eastern Atlantic Canada

Towards a Renewed Atlantic Transportation Strategy

Prepared by Cape Breton Partnership

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Introduction

The past several years have seen an unprecedented level of cooperation among the Atlantic provinces through major initiatives like the Maritime Link power transmission project, the Atlantic Growth Strategy, and the Ocean Supercluster, among others, and most recently with the Atlantic Bubble COVID-19 response measures that have helped a struggling economy, particularly the tourism sector, while protecting against the further spread of the COVID-19 pandemic in the region.

Now, as Atlantic Canadians, their companies, communities, and all levels of government begin to grapple with the economic impact and of the COVID-19 pandemic and look towards the long road to recovery, there is an opportunity for strategic public investment in significant infrastructure upgrades in the region to help spur this recovery. This includes a much-needed regional transportation strategy, which would plan for, and invest in, the future of transportation of goods and people into, out of, and throughout Atlantic Canada in a manner that is well-integrated, multimodal, environmentally friendly, and helps to boost the economy throughout the region to provide true region-wide growth. An Atlantic Transportation Strategy that necessarily includes improved rail service throughout the region, particularly in re-establishing service east of Truro to better connect Cape Breton Island, the Cape Breton Regional Municipality, and Newfoundland to the broader regional, national, and international rail network.

Background

Over the past three decades, rail service in Atlantic Canada has been greatly reduced. This is especially the case in Newfoundland, where the island's entire railway was officially abandoned in 1988—having been replaced in the decades prior by truck and bus transport—and on Cape Breton Island, where service east of Port Hawkesbury has been gradually reduced until ending entirely in 2014. In both instances, these closures ended more than a century of continuous region-wide rail service in Atlantic Canada.

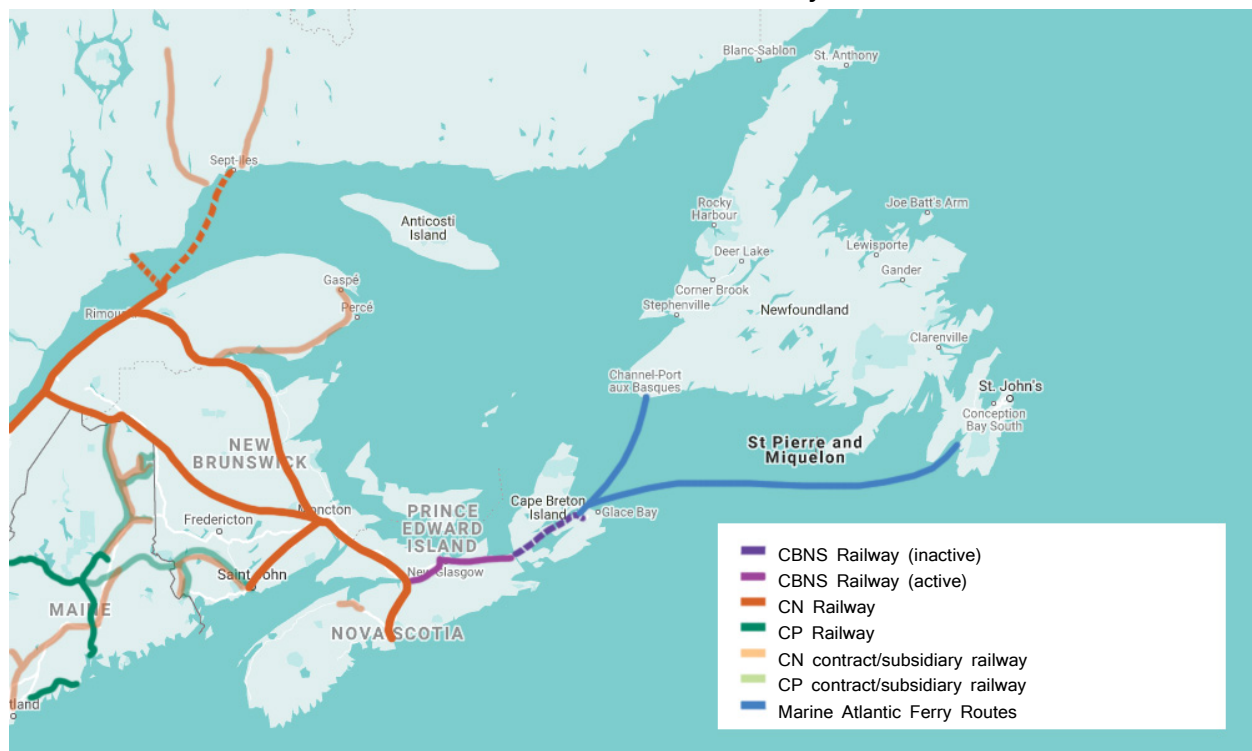
The gradual loss of service on Cape Breton Island was due to a number of factors including the reduction, and eventual cancellation of all passenger rail on the Island, changes in routes of goods being shipped to Newfoundland, and loss of significant freight

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traffic due to the closures of the Sydney Steel Mill and surrounding coal mining operations in 2001.

This has led to Cape Breton and Central Nova Scotia Railway (CBNS), the privately-owned (under three successive American holding companies since 1993) railway operator who owns the railway from Truro to Sydney, to apply to the Nova Scotia government to abandon the portion of the railway from Port Hawkesbury to Sydney (known as the Sydney Subdivision) in 2005. This request was denied and since that time the provincial government has subsidized its upkeep.

Atlantic Canadian Railways



Source: CN, CP, Marine Atlantic

Current status

Since the end of Sydney Subdivision service in 2014, a number of initiatives in Cape Breton have advocated for the resumption of rail service to the province's second largest urban centre. Mainly, the community-led advocacy group, the Scotia Rail Development Society, and the proposed Novaport container port facility—a major private sector-led infrastructure project for the region that depends upon reliable rail service across Cape Breton.

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A 2017 engineering study commissioned by the Port of Sydney Development Corporation estimated that it would cost roughly \$103 million to repair the Port Hawkesbury to Sydney portion of the CBNS to Track Class 3 (which would allow freight trains to travel at a maximum speed of 65 km/h, and passenger trains at a maximum 100 km/h).

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The future prosperity of Atlantic Canada is very much contingent upon ongoing cooperation amongst the four Atlantic provinces to improve policies and infrastructure that support and nourish companies in the region, including communities outside major population centres. A major part of this ongoing improvement includes a collaborative and strategic approach to transportation infrastructure to better connect communities within the region, better connect the region with the wider world, and better bring visitor and goods into the region. And a key part to improving transportation in the region is a renewed focus on rail.

Benefits of a resumption of rail on Cape Breton Island

Increased Trade Capacity

Resumption of reliable freight rail service across Cape Breton Island would be a tremendous boon to the expansion of the Port of Sydney. A container port in Sydney would open up another large-scale container port in Atlantic Canada (joining Halifax, Saint John, and St. John's), vastly increasing Canada's importing and export capability with trading international partners. This is of particular timely for two reasons: (1) Canada's recent signing and ongoing implementation of The Canada-European Union Comprehensive Economic and Trade Agreement (CETA), which removes 98 per cent of pre-existing tariffs between Canada and the European Union, promises to boost trade between the two parties; and (2) in recent years there has been a shift in manufacturing capacity in southern Asia, with countries like Malaysia, Vietnam, Indonesia and India becoming more significant exporters of goods to North America through the Suez Canal to port facilities along North America's Atlantic coast. A Sydney container port, with sufficient rail service, would be the first major port connected to the North American rail and highway network that could significantly scale up their capacity to meet this growing demand.

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True Region-wide Growth

CETA, and expanded shipping capacity in Atlantic Canada also meshes well with the Atlantic Growth Strategy—a federal and provincial initiative in Atlantic Canada to help revitalize the economies of the four Atlantic provinces. As part of the Atlantic Growth Strategy there is a focus on promoting the creation and growth of innovative, high-growth potential, export-oriented firms in the region, as well as pan-regional economic growth initiatives like the Ocean Super Cluster. In order for these sorts of companies and initiatives to be successful and have a truly transformative impact across the entire region, rather than just in a few major centres, the entire region must be well connected internally and to the wider world. Limited shipping options for companies on Cape Breton Island and Western Newfoundland in particular, put them at a disadvantage and has required some companies to relocate to be closer to more efficient and affordable shipping networks, including rail.

A boost to tourism

Tourism has become the lifeblood of much of Cape Breton Island and Western Newfoundland. However, many parts of these popular destinations are not easily accessible from the larger regional hubs like Halifax and St. John's—which require visitors to either take costly regional flights or lengthy car trips on busy roads. An efficient passenger rail service, coupled with regional bussing services, would provide a tremendous boost to the tourism sector across the region. Allowing visitors to take in more of the region during their stays, or to get to destinations they might not have otherwise.

Reduce the environmental impact of transportation

With the world facing a significant climate catastrophe, the need to greatly reduce greenhouse gas emissions is growing more urgent by the day. Transportation is among the leading contributors of climate change-causing greenhouse gas emissions,¹ so if we

¹ In 2018, transportation was the second most prevalent source of greenhouse gas emissions in Canada, slightly behind Oil and Gas production ([Environment Canada](#)). In the United States in the same year, transportation was the number one emitter of greenhouse gases ([Environmental Protection Agency](#)). In both countries, emissions from transportation are also growing year-over-

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hope to take the immediate and significant steps necessary to prevent the continued worsening of climate change, transportation-related emissions must be greatly reduced.

Moving cargo and people by rail is among the most efficient methods of transportation. Moving freight by rail produces roughly 8 times fewer CO₂ emissions per Ton-Mile than by shipping by air, and roughly 1.5 times fewer emissions than by truck (though, roughly 2.5 times more than by sea).² Likewise, passenger rail produces up to 2.3 times fewer emissions per passenger than travel by mid-sized car, and over 5.5 times fewer emissions than travel by air.³

Even a moderate shift of cargo from road and air to rail will provide a significant reduction in greenhouse gas emissions, help Canada meet its emission reduction targets, and, most importantly, help to avoid further negative impacts of climate change overall.

Reduce traffic on region highways

In addition to the environmental benefits of a shift towards increased rail traffic, there would also be a net benefit for both a reduction of traffic congestion on region highways, which improves highway travel efficiency and safety, as well as reducing the wear and tear on roads, which saves on the costs of maintaining our network of highways. In terms of cargo transport, a single freight train can replace up to 300 trucks on the road.⁴

Infrastructure renewal for economic recovery

Strategic public investment will likely be the key to economic recovery following the COVID-19 recession. These investments will help get people back to work, kickstart the economy, and contribute to the modernization of infrastructure in the region, and few upgrades are as needed, and pose such broad benefits as an upgraded rail system throughout the region as part as an Atlantic Transportation Strategy.

year, compared to other sectors where they are being reduced as parts of efforts to curb climate change.

² [Wikipedia](#).

³ These figures are per seat in the respective mode of transportation on a trip from Toronto to Montreal. ([Via Rail](#))

⁴ [Railway Association of Canada](#).

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Conclusion: Towards a Renewed Atlantic Canada Transportation Strategy

Strategic public investment in significant infrastructure upgrades in Atlantic Canada will help spur economic recovery from the COVID-19 pandemic, help modernize our communities, and protect our environment. This includes a much-needed regional transportation strategy, which would plan for, and invest in, the future of transportation of goods and people into, out of, and throughout the region in a manner that is well-integrated, multimodal, environmentally friendly, helps to boost the economy, and to provide true region-wide growth. This renewed regional transportation strategy would necessarily include improved rail service throughout the region, particularly in re-establishing service east of Truro to better connect Cape Breton Island, the Cape Breton Regional Municipality, and Newfoundland to the broader regional, national, and international rail network.