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# DEBATES and PROCEEDINGS

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### **Bill No. 61 – *The Railway Amendment Act, 2012***

**Mr. Forbes:** Thank you very much, Mr. Deputy Speaker. And I'm glad...

[Applause]

**Mr. Forbes:** I'm glad . . . It must be the topic, Mr. Speaker. They're anxious to hear about *The Railway Act*. It's not because of me. I'm sure it's not me they're clapping for. It's *The Railway Act*, and it's a fine piece of legislation. I just have a few questions about it, though. But I do have a few comments to make, so I won't disappoint the crowd. I won't disappoint the crowd, because it is . . . As you know and I would know, we all appreciate how important the railways are in this province, this fine province. And so as I was looking through this, I thought I do have, I do have some things to say about this. And I know . . . I do appreciate the warm welcome, though, I must say. I must . . . [inaudible interjection] . . . That's right.

So, Mr. Deputy Speaker, as I often do, I like to refer and reflect on what the minister says because quite often it's helpful. Sometimes not as much as other times, but most often it is helpful. And I know that the minister really was quite quick to the point here, and he talks about how *The Railway Amendment Act, Bill 61, 2012*, outlines the railway abandonment process which requires railway owners to offer to sell their railway lines to interested parties before being allowed to permanently abandon their railway.

And I think this is an important thing, you know, Mr. Speaker. I think that as...And I don't know if this has much to do with downtown Saskatoon. My riding in the heart of Saskatoon is a very urban riding. We don't often think about abandoned rail lines, but we do, and in fact we wish that sometimes those rail lines were a little bit more abandoned, how busy they are, and what we can do about rail lines.

So this is an issue that I think . . . I can't think of a single person in Saskatchewan who may not have some comments to make about railway lines and what we should be doing about this. So I think this is an important topic.

And he talks about how the abandonment process requires that a railway owner first advertise their intentions to either sell or abandon the line and invite any expressions of interest from buyers. And so he talks about how currently the Highway Traffic Board doesn't have sufficient authority to remedy this situation when perhaps the buyer or the sellers are negotiating in bad faith.

So in this case they want to set the stage a little bit more constructively, so we can actually see these things dealt with appropriately. In the government purchase phase, the municipal government is required to either decline or accept the offer to purchase the net salvage value within 60 days. And that's an important thing. So what is net salvage value? Well that's the cost of the steel of the lines. And that's no small thing. That's no small thing, but it's important. And so they can go from there.

It's proposed that *The Railway Act* be amended to adopt the following provisions to address the bad faith negotiation allegations against the seller during the sell phase. They're proposing the Highway Traffic Board has a way to evaluate the dispute and if necessary issue an order to the parties to enter an agreement which the board believes is fair and reasonable. So in fact it sounds like a bit of arbitration and I think that's fair enough. And so I think that's good.

And he goes on to say:

In order to give municipal governments more comfort in their decision to accept the offer to purchase, we are proposing the amendment that will allow . . . [them] the opportunity to request a net salvage value cost estimate before accepting the offer.

I think that's only fair. They know how much the estimate is and how much it would take to reach a fair agreement. So that's straightforward and I think that's important.

But I just want to take a few minutes to talk about how important our railways are in Saskatchewan. And of course we often think about that, you know, particularly when it came to the pioneers and the settlement of Western Canada and how important the rail lines were in building our farming communities, but also our urban communities and what that meant, and interestingly actually in terms of building a healthy middle class in Western Canada.

Interestingly I was reading last night, as I was preparing for some other bills, how important the rail line was to establishing some income for both the local people but also bring tradespeople out here, and it was essentially our first major industrial projects. It was our first major capital investments, and it was significant. So our railway lines are important.

And as I understand and we've done some research on this actually, it's very interesting that we have now 13 short line railways. That's pretty . . . I would not have known that. I think that's impressive. Some own their own operating equipment, their units. Others do not. Some actually, it's interesting what they . . . we often think that they just ship grain.

But actually Long Creek Railway, it's a short line railroad that runs from Estevan to Tribune, about 41 miles, and they're starting with shipping oil and there will be grain traffic to haul once the harvest is on its way. So it's oil down in the South, the southeast corner, but I know up in the northern central part of the province it's wood, wood products that's on these lines. So it's very good. So I think that's interesting.

So we have Thunder Rail that's out of Arborfield; Carlton Trail Railway out of Prince Albert; the Red Coat Road & Rail out of Viceroy; Southern Rails Cooperative out of Avonlea; Great Western Railway, Westcan Rail out of Shaunavon; Fife Lake Railway out of Coronach; Torch River Rail out of Chociceland; Wheatland Railway out of Cudworth; Great Sandhills Railway, Leader; Last Mountain Railway out of Regina; Stewart Southern out of Fillmore; Big Sky out of Regina; Long Creek out of Tribune.

And so as well, most of these seem to be in the South. And of course this is a long process that many of us have been following for many years, the abandonment process, and what that meant in rural Saskatchewan. Of course we can remember those days when we were talking about the death of small communities, and of course in many ways they were because no longer would people be hauling grain to the local elevator. But also it was a major source of income for the local RMs, and when that kind of stuff went, it hurt in more than one way. And so when you see these things coming back and the initiative and ingenuity of local producers to do this, this is just great. This is absolutely excellent.

But we do worry about . . . Like yesterday we raised questions. Bill C-52 I imagine impacts this, the willingness of the major rail companies to do in good faith what they're obligated to do. And this is a worry because if people are investing in shortline railways that they want to make sure that they can actually work, that they can actually work. And quite often they're reluctant to do this, and we see that if there can be more profit in hauling out of other circumstances, out of other situations, then that's where the money will go. And so we have to make sure that legislation like C-52 — a federal bill but has huge implications provincially — has the teeth to do what it's supposed to do.

And so that's why we were asking questions about this yesterday. Well what started out to be a very good idea by the federal NDP has seemed to have taken a bit of a U-turn on the rail line, and you don't want to see them backing up on the rail line, and it seems to be a problem here with the major rail lines. And so we have some concerns about that, and we'll be asking those kind of questions when this bill goes to committee.

But it is interesting that it talks about 2000 kilometres of rail line. I'd be curious to know how that compares to how many kilometres of STC [Saskatchewan Transportation Company] line we have. How many kilometres does the STC actually travel? Now if I had an iPad, I would look that up. But I don't have an iPad, so I'm just, I'm thinking it would be a good question for a written question — STC, how many kilometres? It would be an interesting comparison.

Also on this information it talks about amusement parks, a Western Development Museum shortline 101 in Moose Jaw — now I don't think that's more than 1 kilometre — the Claybank Historical Society, what they operate. I haven't been. I have not been

there, so I don't know what kind of rail line they have. But also one at Hudson Bay Park. You know, I think this is interesting when you see the responsibility of government and the impact it has in different ways. I think this is important.

Also industrial railways, and apparently there are 20 industrial railways throughout the province. And where they would be, I'm not sure. I would think the old Weyerhaeuser plant, IPSCO definitely would have, you know. But 20, that's pretty significant. How many kilometres would be involved in that?

Now I think that clearly this is a straightforward piece of legislation, but we do have some questions about that and what the implications are.

You know, Mr. Deputy Speaker — and I know time is going — there's a couple points I did want to make on this. I was . . .

**An Hon. Member:** David, that's Mr. Speaker.

**Mr. Forbes:** Mr. Speaker. I'm sorry, Mr. Speaker. But there is a couple points in here. I was surprised about this: the cleanup of abandoned right-of-ways. And there is no specific federal or provincial legislation requiring cleanup, a reclamation of a railway right-of-way after the operations have been discontinued. However the municipal governments do have some authority to deal with the problems as they arise.

And so they talk about a couple of bills that they have, talking about refuse and waste control in relation to nuisances and untidy and unsightly premises, *The Noxious Weeds Act*. And they can also do some work under *The Planning and Development Act*. But I'm surprised that they're not regulated under some environmental legislation that they would have to do more. I'm surprised about that. And so that's an interesting thing, so we may want to explore that a little further.

The other one that I thought was interesting was working with the Trans Canada Trail Foundation. And as many of the folks here would know, the Trans Canada Trail Foundation is a non-profit organization with the goal of developing a multi-use trail system across the country. Now in 1999 the foundation received a donation from CPR [Canadian Pacific Railway] and CNR [Canadian National Railways] consisting of almost 900 kilometres of abandoned right-of-ways. Now it'd be interesting to know how much of this is being used to date, and it was being converted into trails for hiking, snowmobiling, or cycling.

So what has been . . . But it says a large portion of the right-of-way has been left undeveloped. And so what has been . . . What is the state of that? And again they talk about what can the Trans Canada Trail or TCT be forced . . . Can they be forced to clean up the donated right-of-way received from the federal railways? And of course it's the same three Acts that they talk about: *The Noxious Weeds Act*; *The Municipalities Act* under section 8(1)(b). And one part of it refers to waste and refuse and the other, nuisance — unsightly, untidy property.

But again it would be interesting in terms of . . . And we'll have questions about the legislation, whether or not the process could include the Trans Canada Trail folks and what's the plan to . . . I mean, because clearly, clearly when they have 900 kilometres of trail or old lines and we have 2,000 they have about one-third of the trails, of the abandoned lines. So they're a significant player I would think. They would have by far more than any one of the 13 shortline, but of course they're not operating in the same way. But I would think that they would have some questions about this.

And I think they're a very worthwhile group. I think it's a wonderful idea how we have developed a . . . You know, we want to have a more healthy lifestyle, and whether that's hiking, cycling, or snowmobiling, it's a good reuse of this land. But I'd be curious from the minister whether or not they have actually talked to the Trans Canada Trail folks and what's the implication of this for them. Do they have any questions about this or any comments, you know? I mean right away when I look at the first section of the bill, dismantling of the rail line, section 22.1(1) it says:

In this section, '**interested person**' means a person who, pursuant to subsection (4), makes known his or her interest in buying, leasing, or acquiring a railway line or part of a railway line.

I think the Trans Canada Trail would be part of that.

But I think this is important, and I think that we would have questions on this. I know many of my colleagues will want to speak at some point on this. And as I said, railways are a huge part of who we are in Saskatchewan. And I think that whenever we can debate issues like this, it's very important. And particularly in terms of the heritage aspect, particularly in terms of the industrial part of this, I think that there is much that we can be doing.

So, Mr. Speaker, I do want to say that I would like to adjourn Bill No. 61, *An Act to amend The Railway Act*. Thank you very much.