

2014 Annual Public Meeting - Question and Answers

The below document contains all questions sent to VIA Rail leading up to and during the 2014 Annual Public Meeting (APM) webcast. Thank you to everyone who participated in the meeting and sent us their questions.

Please note that grammar and syntax have been corrected.

TRAIN ROUTES

The *Ocean*

1. Q: What is the future for the *Ocean*?

A: This question was answered during the APM, which can be watched on [VIA Rail's YouTube Channel](#).

Thanks to an investment of \$10.2 million for the rehabilitation of a portion of the railway, the route will remain open. This will allow VIA Rail's *Ocean* service to continue its operation.

The *Ocean* offers an unforgettable and unique experience, and is one of the best ways to travel in Eastern Canada. We are very proud to offer this service to Canadians. We are working on improving this service and, in collaboration with the provinces and local municipalities, on promoting it, in order to increase ridership.

2. Q: What are the plans for saving, enhancing, or speeding up the *Ocean* train in Eastern Canada?

A: VIA Rail is planning to work with the provinces and municipalities along the subdivision to find ways to increase the number of passengers using this service. Our objective is to increase ridership to 125,000 passengers per year. To attract customers, we will continue to improve the service. Recently, the *Ocean* train was equipped with onboard Wi-Fi, and dome cars have been added to the train consist. We are also looking into reducing trip time from 23 hours to 20 hours. Finally, we will seek a marketing strategy, with the support of the provinces and municipalities, to promote using this service to travel to central Canada and vice versa.

3. Q: Does VIA Rail intend on cancelling service between Halifax and Québec City if a buyer cannot be found for the CN-owned stretch of rail between Miramichi and Bathurst?

A: This question was answered during the APM, which can be watched on [VIA Rail's YouTube Channel](#).

Thanks to an investment of \$10.2 million for the rehabilitation of a portion of the railway, the route will remain open. This will allow VIA Rail's *Ocean* service to continue its operation.

- 4. Q: Does VIA Rail intend to keep the transportation of passengers in the Atlantic regions within its mandate, for the well-being of municipalities as well as to preserve affordable and environmentally-friendly transportation?**

A: This question was answered during the APM, which can be watched on [VIA Rail's YouTube Channel](#).

Thanks to an investment of \$10.2 million for the rehabilitation of a portion of the railway, the route will remain open. This will allow VIA Rail's *Ocean* service to continue its operation.

The *Ocean* offers an unforgettable and unique experience, and is one of the best ways to travel in Eastern Canada. We are very proud to offer this service to Canadians.

- 5. Q: Is VIA Rail planning to restore HEP stainless steel equipment to its *Ocean* service during the coldest months so as to capitalize on rail's traditional reputation for winter reliability?**

A: The HEP stainless steel is currently allocated for use on other train routes.

This winter, despite harsher than usual weather conditions, VIA Rail trains still operated reliably and safely across its network. Though we do experience delays due to extreme weather, it is very rare that a train is cancelled, and this past winter was no exception. Every train car is maintained according to industry standards, and in winter the maintenance is more frequent, to improve the reliability of our equipment.

Furthermore, following consultations with the Canadian Transportation Agency and the Council of Canadians with Disabilities, VIA Rail made major improvements to its Renaissance fleet used on the *Ocean*. Coach cars have been reconfigured as accessible coaches and sleeping cars have been reconfigured so that each train assigned to the *Ocean* now has an accessible sleeping cabin for persons with disabilities.

- 6. Q: Maritime rail travel includes three winter peak demand times: the Christmas holiday season, the university/college February breaks, and the March school break. Is VIA Rail planning to respond to these winter peak demand periods by increasing the frequency and length of its trains rather than turning potential passengers away?**

A: VIA Rail bases train frequency on customer demand. These decisions are made following careful analysis of ridership results from previous years. We are receptive and responsive to client feedback and continually adjust our service to meet our clients' changing needs.

For the 2014 holiday season and University / School breaks in 2015 we will plan and promote the VIA Rail service earlier in order to generate earlier bookings. This will make planning capacity to meet demand easier.

7. Q: Was the reduction of opening hours of the stations in the Québec-Maritime region financially profitable for VIA Rail? Did the clientele increase or decrease?

A: Last year, VIA Rail announced a series of measures adjusting services in 60 stations across its network, mainly in Québec and Ontario. We based these adjustments on three key criteria to determine the level of service needed at each location: passenger volume, station sales and proximity of the next nearest station.

It is important to note that VIA Rail is a commercial, non-agent Crown corporation. Our first objective is to offer safe and comfortable train service, and we deploy resources according to demand in order to meet this objective. As a Crown corporation we must use public funds responsibly, and in a way that respects the taxpayers from which it ultimately comes. Our goal is to increase ticket sale revenue in order to minimize our dependency on Government funding. VIA Rail has therefore made several strategic choices over the past few years based on customer needs and market demand.

VIA Rail's challenge is to increase ticket revenue in order to limit our reliance on the federal grant that ultimately is paid for by taxpayers. In recent years, VIA Rail has made many strategic choices that are more focused on the needs of our customers and the market as a whole.

8. Q: VIA Rail's 2010 Annual Report shows a shortfall on the Montréal-Halifax *Ocean* with six day a week service of \$35.35 million. In 2013, with only three days a week service the shortfall was \$35.36 million. Since there was no savings in reducing train frequencies, and VIA Rail has stated it would like to double ridership on the *Ocean*, will you return this train to daily from its current three day a week schedule?

A: This question was answered during the APM, which can be watched on [VIA Rail's YouTube Channel](#).

The total operating expenses for the *Ocean* service include considerable fixed costs such as pension plans and overhead, which are not affected by the adjustment of frequencies. The operating expenses, not including those fixed costs, do show a significant decrease following frequencies adjustment. Operating expenses reduced from \$38 million in 2012 to \$31 million in 2013.

For the time being, VIA Rail's service between Montréal and Halifax will remain at three departures a week in both directions. We base the frequencies on customer demand. If demand increases, we will increase the frequencies to accommodate more passengers.

9. Q : What were the annual operating costs of the *Ocean* in 2013, compared with 2012 and 2011?

A: The total operating costs, which include the pension and the overhead costs, are as follows:

2011: \$51,237,000

2012: \$51,678,000

2013: \$49,930,000

Operating costs, not including the pension and the overhead costs, are as follows:

2011: \$39,017,000

2012: \$38,044,000

2013: \$31,000,000

10. Q: Are there plans to end the *Ocean* train route from Montréal to Halifax?

A: This question was answered during the APM, which can be watched on [VIA Rail's YouTube Channel](#).

Thanks to an investment of \$10.2 million for the rehabilitation of a portion of the railway, the route will remain open. This will allow VIA Rail's *Ocean* service to continue its operation.

11. Q: VIA Rail saved very little in reducing the *Ocean* service to three times a week. Will we return to six day a week service?

A: This question was answered during the APM, which can be watched on [VIA Rail's YouTube Channel](#).

For the time being, VIA Rail's service between Montréal and Halifax will remain at three departures a week in both directions. We base the frequencies on customer demand. If demand increases, we will increase the frequencies to accommodate more passengers.

12. Q: What were the direct costs per passenger mile for the *Ocean* in 2013?

A: For key operating statistics by service groups, please consult the 2013 Annual Report available at viarail.ca/en/about-via-rail/our-company/annual-reports/annual-report-2013.

13. Q: Where do negotiations stand for the train between Campbellton and Moncton?

A: This question was answered during the APM, which can be watched on [VIA Rail's YouTube Channel](#).

Thanks to an investment of \$10.2 million for the rehabilitation of a portion of the railway, the route will remain open. This will allow VIA Rail's *Ocean* service to continue its operation.

14. Q: Why does VIA Rail no longer travel directly to the East Coast beyond Halifax? I remember when it used to travel to Sydney, Nova Scotia.

A: VIA Rail had to re-evaluate certain routes according to their ridership. Following this assessment, a decision was made to stop serving certain communities where ridership was insufficient to justify the level of service it was offered. However, please note that we adjust our services according to market demand and the changing needs of our clients.

15. Q: In the UK, the Association of Community Rail Partnerships (ACORP) has done much to boost ridership and recruit volunteers to staff small rural stations on non-corridor passenger rail services. Is VIA Rail planning to use this approach to improve service and ridership in the Maritimes and on the Prairies?

A: Unlike the ACORP, a large portion of VIA Rail's employees is represented by a union. Having volunteers would be a violation of the collective agreement with the unions.

16. Q : For clients in the Bas-Saint-Laurent area, could you offer train trips during the day (as opposed to current middle-of-the-night times?)

Could the train be more punctual and reduce its lateness to a half hour?

A: The service that passes through Bas-Saint-Laurent links Montréal to Halifax. Therefore, stops at certain stations happen during the night. On-time performance is key to our commercial success. We know that our passengers expect to arrive at their destinations on schedule; it is one of the most important variables of travel choice, and the one over which VIA Rail has the least amount of control, because for the most part, our trains operate on railways that we do not own. We appreciate the suggestion and will consider it in our schedule review. VIA Rail will continue to work hard with its business partners and local communities towards improving its on-time performance.

17. Q: A feeder RDC between Saint John and Moncton would allow for Saint John – Nova Scotia and Saint John - northeastern New-Brunswick connections in Moncton. Could a cost analysis be done to confirm that this link might be cost neutral?

A: VIA Rail appreciates the suggestion. We will consider it in our schedule review. It is important to note that this service was abandoned over 20 years ago due to a lack of popularity.

18. Q: Would VIA Rail be willing to help form and take part in consultation working groups with politicians and local interested groups to help VIA Rail reach its ridership goals on the *Ocean* and Gaspé Services?

A: VIA Rail is planning to work with the provinces and municipalities along the subdivision to find ways to increase the number of passengers using the service. To attract customers, we are also continually improving the service. The *Ocean* was recently equipped with onboard Wi-Fi, and dome cars have been added to the train consist. We are also looking into reducing trip times. Finally, we will seek a marketing strategy, with the support of the provinces and municipalities, which will promote taking the train to central Canada and vice versa.

In celebration of the *Ocean* train's 110th anniversary, the President and CEO of VIA Rail, along with several regional elected officials, travelled on the historic train. The trip was a great opportunity for them to discuss how to promote ridership and create a prosperous future for the *Ocean*.

19. Q: When will VIA Rail provide consistent daily service on trains such as the *Ocean* that will be able to build a dedicated ridership base?

A: This question was answered during the APM, which can be watched on [VIA Rail's YouTube Channel](#).

VIA Rail bases its service on market demand. We are receptive and responsive to client feedback and continually adjust our service to meet our clients' changing needs. We would consider increasing the frequency of this train if ridership improves enough to justify the change.

20. Q: Why reduce the opening hours of stations to three days a week instead of six?

A: VIA Rail bases the opening hours of its stations on its train schedule. The adjustments made to frequencies in 2012 were a conscious decision following careful analysis of VIA Rail's train ridership. This type of decision is never easy to make. Certain markets, such as in the Maritimes, showed a ridership decline of 50% over the past 15 years. VIA Rail needed to align its services with market demand and client needs, and optimize the use of its resources.

21. Q: How can we ensure that our suggestions about marketing VIA Rail service on the *Ocean* get into the hands of the decision makers at VIA Rail?

A: We consider all suggestions and comments received through VIA Rail's customer relations and social media accounts. All information received is forwarded to the appropriate department.

The Montréal – Halifax route is an integral part of our network and we are very proud to offer this service to Canadians. VIA Rail decided to invest in this route, with the hope that ridership would stabilize and eventually increase over time. We are working on improving this service and, in

collaboration with the provinces and local municipalities, on promoting it, in order to increase reach this goal. To attract customers, we are continually improving the service. The *Ocean* was recently equipped with onboard Wi-Fi, and dome cars have been added to the train consist. We are also looking into reducing trip time from 23 to 20 hours. Finally, we will seek a marketing strategy, with the support of the provinces and municipalities, which will promote taking the train to central Canada and vice versa.

Québec City – Windsor corridor

22. Q: How Does VIA Rail foresee linking up with GO Transit to provide service to places only accessible by car, for example St Thomas, Ontario?

A: We cannot speak on behalf of GO Transit, but VIA Rail has no plans to offer service to St Thomas, Ontario at this time.

23. Q: Does Via have any plans in running public commuter service east of Ottawa for people working in Ottawa. Examples Alexandria, Maxville, Casselman. There are several bus lines now providing shuttles that are running at capacity. I know VIA Rail offers such services in the Montréal area for outside communities as far away as Québec City.

A: VIA Rail currently offers up to six trains a day (on weekdays) between Montréal – Fallowfield, up to five of which make stops in Alexandria and two of which stop in Casselman.

24. Q: When "special fares" are announced, one cannot avail of these fares from Cobourg unless you go from and return to Toronto. Also, why can't VIA Rail increase the service between Cobourg and Toronto and also Cobourg and Kingston?

A: When our online Escape Fare was introduced a couple years ago, it was only available between larger city pairs. As of last year, however, the Escape Fare was opened up to our whole network. These "special fares" are now available for travel to and from Cobourg. The Escape Fare is available year-round online.

As well, other seat sales (such as our 50% off sale) for travel within the Québec City – Windsor corridor almost always include all stops located within the Corridor, such as Cobourg. Seat sales are offered periodically throughout the year. To keep informed about sales, please follow us on [Facebook](#) or [Twitter](#) and subscribe to our e-newsletter here: <http://www.viarail.ca/en/informative-e-letters-profile>.

With regard to your second question, VIA Rail bases its frequencies on market demand. With increased demand, we would consider increasing the frequency of these trains.

25. Q: I would like to see more trains to and from Cobourg to Ottawa and Toronto. Also additional trains from Cobourg to and from Oshawa, Whitby and Belleville.

A: Thank you for your suggestions, we will take them into consideration. VIA Rail continually adjusts its frequencies based on market demand, in order to best serve its clientele.

26. Q: When will VIA Rail provide overnight train services from Toronto to Montréal?

A: VIA Rail bases its services on market demand. The night service between Montréal and Toronto was cancelled over 20 years ago due to a lack of popularity.

27. Q: When will VIA Rail provide express train services from Toronto to Ottawa?

A: At this time, VIA Rail operates four express trains between Toronto and Ottawa: trains 42, 43, 56 and 57, whose total trip time is 3 hours 50 minutes, with one or two stops along the way. Note that as Canada's national passenger rail service, we are committed to serving communities between major urban centers.

28. Q: Why does VIA discourage commuter traffic (i.e. between Coteau and Montréal during all the construction chaos on the bridges and around Turcotte) and one day return travel between Cornwall and Toronto?

A: No changes have been made to the morning trains between Coteau and Montréal. Because of operational issues, the afternoon train was pushed from 6 p.m. to 7:15 p.m.

With regard to our service in Cornwall, we re-introduced train no 69 on Fridays and Sundays in 2012, but demand was not strong enough to justify a weekday service.

29. Q: Why are VIA Rail services so unbalanced in the Ottawa - Alexandria – Montréal area? The new service from Québec City to Alexandria has no corresponding return service or connection in Montréal.

A: We are continuously looking at improving our schedules, including connecting trains, to meet our customers' needs. VIA Rail operates five trains a day to and from Alexandria, with departure times spread throughout during the day. In order to reduce the trip time, train #28 does not stop in Alexandria. However, passengers can choose to take train #52 and connect to train #28 in Montréal.

30. Q: When will normal connection service between Windsor and Kitchener through London be resumed (on trains 70/84 and 87/79)?

A: Due to a change in speed at which VIA Rail is allowed to operate on the track, this connection can no longer be made. However, VIA Rail is continuously looking at improving our schedules, including connecting trains, to meet our customers' needs.

31. Q: Would Via Rail consider aligning their fares with GO Transit here in the Greater Toronto and Hamilton Area?

The commuters in places like Port Hope could use VIA Rail early morning/evening trains to get into Toronto. Your refurbished RDC'S (BUDD'S) would be perfect for these runs.

A: VIA Rail has a limited number of RDC cars. These RDCs have already been allocated for use on other routes.

Gaspé Route

32. Q: Will plans for 2014 include putting the rail service that serves the Gaspésie to New Carlisle, trains #16 and #17, back into operation?

A: This question was answered during the APM, which can be watched on [VIA Rail's YouTube Channel](#).

It is important to note that the railway VIA Rail operates on in the Gaspésie area is under provincial jurisdiction. Following receipt of an inspection report for 19 structures on the Cascapédia subdivision (where this line is located), the ministère des Transports du Québec (MTQ) judged the safety of the infrastructure on this route to be poor. The MTQ recommended that VIA Rail postpone the resumption of its passenger rail service. VIA Rail agreed with and followed the MTQ's recommendation. We continue to collaborate with the MTQ and with the Société du chemin de fer de la Gaspésie with the objective of resuming passenger service on this route once conditions are safe for passenger trains.

33. Q: When is the service between Matapedia and Gaspe going to resume?

A: This question was answered during the APM, which can be watched on [VIA Rail's YouTube Channel](#).

It is important to note that the railway VIA Rail operates on in the Gaspésie area is under provincial jurisdiction. Following receipt of an inspection report for 19 structures on the Cascapédia subdivision (where this line is located), the ministère des Transports du Québec (MTQ) judged the safety of the infrastructure on this route to be poor. The MTQ recommended that VIA Rail postpone the resumption of its passenger rail service. VIA Rail agreed with and followed the MTQ's

recommendation. We continue to collaborate with the MTQ and with the Société du chemin de fer de la Gaspésie with the objective of resuming passenger service on this route once conditions are safe.

34. Q: Will VIA Rail provide a grant to the Gaspé similar to the one in New Brunswick to help repair the tracks and resume service in the region?

A: It is important to note that the railway VIA Rail operates on in the Gaspésie area is under provincial jurisdiction. Furthermore, VIA Rail does not have the financial resources to maintain this track. As a non-agent Crown Corporation with a commercial mandate, we already rely on substantial financing from the Federal Government in order to operate.

Toronto – Niagara Falls

35. Q: Will VIA Rail be looking at expanding its market in southern Ontario? Such as returning service to Niagara Falls, additional trains to London and Windsor, as well as the early train out of Aldershot in order to connect to train 60-50 from Toronto?

A: This question was answered during the APM, which can be watched on [VIA Rail's YouTube Channel](#).

VIA Rail currently offers one return trip per day from Toronto to Niagara Falls. Due to GO Transit's service already offered in this region, VIA Rail considerably reduced its service between Toronto and Niagara Falls. The adjustments made to this route were done to eliminate duplicate services, and in order to reallocate VIA Rail's resources to markets where demand was high and growing. This decision was the result of conscious consideration regarding ridership over the last few years.

We will be re-evaluating the possibility of adding frequencies to this route, based on market demand.

36. Q: When will VIA be correcting its cancellation of the Toronto - Niagara Falls, ON corridor? Why hasn't VIA made arrangements with the GO Train to take over the Toronto - Niagara Falls, ON corridor?

A: This question was answered during the APM, which can be watched on [VIA Rail's YouTube Channel](#).

VIA Rail currently offers one daily two-way trip from Toronto to Niagara Falls. We understand that all changes we make have an impact on our passengers.

Certain services in Southwestern Ontario, like on the Toronto-Niagara Falls line, duplicated existing and planned commuter services of our intermodal partner, GO Transit. Due to the service already offered by GO Transit in this region, VIA Rail considerably reduced its service between Toronto and Niagara Falls. This decision was the result of conscious consideration regarding ridership over the last few years.

We will be re-evaluating the possibility of adding frequencies to this route, based on market demand.

The Canadian

37. Q: What are VIA Rail’s intentions to ensure that the *Canadian* train adheres to the published schedule?

A: We sincerely apologize for any inconvenience this situation may cause our passengers. On-time performance is a major priority for us. VIA Rail has been working hard to improve our on-time performance for the *Canadian* train. We regularly hold conference calls with CN to discuss issues and suggest solutions. When a train is late, we communicate with CN’s control center in order to develop an action plan that would allow us to recover time. We are happy to report that we have improved the situation over the past month.

VIA Rail will continue to work with its business partner towards the objective of further improving the on-time performance of this service.

38. Q: Will VIA Rail continue with three transcontinental trains in the summer months and two in the winter months?

A: VIA Rail bases its service on market demand. We are receptive and responsive to client feedback and continually adjust our service to meet our clients’ changing needs. We would consider increasing the frequency of this train if ridership improves enough to justify the change.

39. Q: Like the Québec City - Windsor corridor, has there been any thoughts of implementing VIA Rail service between the Cities of Regina?

A: For the time being, VIA Rail is not planning to expand its service to other communities.

Vancouver Island

40. Q: Has the VIA Rail Board been presented with a proposal from negotiations (i.e. a tentative agreement) with the Southern Railway of Vancouver Island?

A: Information about these negotiations are part of the President's regular updates to the VIA Rail Board.

41. Q: Has the VIA Rail Board approved and signed a service agreement with Southern Railway of Vancouver Island or the ICF, or can it say when that will take place?

A: This question was answered during the APM, which can be watched on [VIA Rail's YouTube Channel](#).

VIA Rail will resume the service on the Vancouver Island as soon as the track is deemed safe for operation. The train service agreement that has been in negotiations between VIA Rail and Southern Railway of Vancouver Island (SVI) for the operation of the Vancouver Island service is close to being finalized. The agreement needs to be ratified by each organization, including the Island Corridor Foundation (ICF), the owners of the track. The agreement should be signed within the next few weeks, which will allow ICF and SVI to receive the funding necessary to execute the work required to bring the track back to safe operating condition. If all goes according to schedule, the service should be resumed in the next year.

Update: As of July 17th, the agreement has been signed.

42. Q: If an agreement has not been signed, is VIA Rail committed to reaching an agreement and would it be willing to go to arbitration as is provided for in the previous Service Agreement?

A: This question was answered during the APM, which can be watched on [VIA Rail's YouTube Channel](#).

VIA Rail will resume the service on the Vancouver Island as soon as the track is deemed safe for operation. The train service agreement that has been in negotiations between VIA Rail and Southern Railway of Vancouver Island (SVI) for the operation of the Vancouver Island service is close to being finalized. The agreement needs to be ratified by each organization, including the Island Corridor Foundation (ICF), the owners of the track. The agreement should be signed within the next few weeks, which will allow ICF and SVI to receive the funding necessary to execute the work required to bring the track back to safe operating condition. If all goes according to schedule, the service should be resumed in the next year.

Update: As of July 17th, the agreement has been signed.

43. Q: Is the Board meeting in May, 2014 the venue where the tentative agreement for Vancouver Island will be finalized and signed off, as the ICF / SVI are reporting?

A: Information about these negotiations are part of the President's regular updates to the VIA Rail Board.

Remote Services

44. Q: What are VIA Rail's plans to service more remote communities?

A: For the time being, VIA Rail is not planning to expand its service to other communities.

45. Q: Would it be beneficial to extend the Senneterre train route to La Sarre Abitibi, in order to monetize the line and improve services in the Abitibi region? A feasibility study could be done, as this could bring new life to the region, and improve VIA Rail's visibility.

A: VIA Rail bases its service on market demand. According to our most recent Annual Report, the subsidy between Montréal and Senneterre was \$425 per passenger, and the route saw a loss of \$4.7 million in 2013. Therefore, we have no intention to extend this service to La Sarre at this time.

46. Q: How about new services such as in Northern Ontario to replace the train service removed by the Ontario Northland Railway from Toronto to Cochrane, ON?

A: For the time being, VIA Rail is not planning to expand its service to other communities. We continue to adjust our service according to demand, and as client needs change.

TICKET SALES

47. Q: Why can't seat allocation be done as on airplanes, with a diagram of the railcar showing seats available for selection?

A: This service feature is part of many enhancements included in VIA Rail's Reservation System Modernisation (RSM) project, currently under review.

48. Q: When VIA Rail has a seat sale, can you have your seat sale when Canadians have a little cash, like when they get paid?

A: VIA Rail's seat sales are based on market demand. To keep informed about sales, please follow us on [Facebook](#) or [Twitter](#) and subscribe to our e-newsletter here: <http://www.viarail.ca/en/informative-e-letters-profile>.

49. Q: When comparing the number of unique visitors searching for trips between station pairs on your website, which station pairs have the greatest potential for growth in conversion rates?

A: Unfortunately, it is impossible for us to provide this exact information since VIA Rail's ReserVIA system cannot compile station-pair search data.

50. Q: One of the key competitive advantages of rail over air travel is that the same seat may be sold several times over for different segments of the train's journey. However, the current fare structure often results in short segment prices being equal to end-to-end prices, deterring ridership. Would you consider reviewing the minimum fare policy at least for shorter journey segments that make up part of a longer distance booking?

A: VIA Rail would be very happy to see the seats freed-up by passengers de-training at intermediate stations then occupied by new passengers entraining at the same station, but unfortunately, this is not usually the case. Typically, passenger demand tends to build over the trajectory of the train as it approaches a larger city, and the reverse occurs when leaving a larger city, much like a city bus or subway heading downtown from a suburban location. This pattern of demand is more often a function of natural traffic patterns and not an issue of pricing. In order to get the highest possible utilization of the seats available throughout a train journey, we try to balance the demand for short distance journeys with long distance journeys. Pricing is one of the tools we use to do this. However, we have also started to open up lower price fares for intermediate locations.

51. Q: Does VIA Rail's marketing team have a specific plan to monetize the train service between Montréal and New Carlisle, and eventually to Gaspé?

A: In light of the current situation in the Gaspé region, VIA Rail is concentrating its efforts on the resumption of the service on this line. Following this, we would consider the development of commercial strategies to promote the route.

52. Q: When will VIA Rail offer a discount to students who are not studying full-time?

A: VIA Rail currently offers a youth discount for people between the ages of 12 and 25, regardless of their student status. We also offer this rate to all people holding a valid ISIC (International Student Identity Card) card, which can be obtained by full-time students. Through this offer, we are able to reach the majority of students, whether they are full or part time. Individuals over the age of 25 cannot benefit from this offer, but VIA Rail announces sales regularly (including Discount Tuesdays, offered every week). To keep informed about sales, please follow us on [Facebook](#) or [Twitter](#) and subscribe to our e-newsletter here: <http://www.viarail.ca/en/informative-e-letters-profile>.

53. Q: For some time now VIA have implemented airline style revenue management pricing and deep discounts on the Montréal / Toronto departures. Is this revenue management program simply giving deep discounts to passengers who would have taken the train already? Can Revenue

Management programs even work when VIA have passenger load factors around 50%? Isn't the purpose of revenue management to increase revenue per passenger rather than decrease it?

A: Viewed strictly as a science, the ultimate goal of traditional Revenue Management is to maximise total revenues through proper segmentation of demand. As a Crown corporation, however, VIA Rail has an additional mandate, which is to maximise the utilisation of our fleet so that we continually carry more Canadians across greater distances. The challenge of VIA Rail's Revenue Management team is thus to maximise both revenues and ridership, while maintaining a reasonable average fare that reflects the true value of our products and services.

The introduction of Escape fares to our fare structure has produced strong growth in ridership since the fourth quarter of 2012, with increasing numbers of Canadians choosing rail travel as a comfortable, viable and competitive mode of transportation. Canadians have come to realise that VIA Rail is indeed the more human way to travel.

With more competitive rail fares now available, a general decline in revenue per passenger is expected; nevertheless, Revenue Management has been successful at ensuring that revenue dilution is minimised, and that each passenger purchases a fare which reflects the value that he accords to his trip. It is true that the magic of Revenue Management shines its brightest when passenger load factors are high, and the strategy we have taken as a corporation has been successful at ensuring that this occurs more frequently.

54. Q: Is VIA Rail planning to offer any ancillary services in order to generate ancillary revenues like the airlines depend on today?

A: Currently, VIA Rail generates ancillary revenues from baggage fees, food sales, etc. However, we do intend to expand the types and amount of ancillary revenues we already generate.

55. Q: Why is Amtrak passenger rail in the United States growing while VIA Rail Canada is cutting rail passenger services?

A: There are differences in the way passenger rail is managed in the United States vs. in Canada. For example, in the United States, each State invests in its own passenger rail service. In Canada, track owners invest in their own infrastructure. VIA Rail does not own much of the railway that it operates on. In fact, 98% of the track is owned by other rail companies. It is also important to note that in parts of the USA, there are tracks dedicated to passenger trains, while in Canada all tracks are shared between passenger and freight trains, which makes it more difficult to control on-time performance and trip times.

56. Q: Why is VIA Rail not more flexible when it comes to running extra or longer trains over holiday weekends where service has been reduced, or just taking advantage of holiday weekends?

A: VIA Rail adjusts its availability based on ridership and market demand. Every Holiday weekend, we review our schedule, analyze the demand and make adjustments to offer more availability to our passengers on busier trains. As far as the *Ocean* service is concerned, extra capacity was added over the last Easter long weekend to accommodate all passengers wishing to travel by train. We make sure to equip the train with maximum number of recommended cars.

EQUIPMENT

57. Q: Why can a webcam not be added in the drivers cab and a feed sent back for viewing in either the sleeper cabins or in the various public lounges for the passengers to see the actual route?

A: This initiative would be quite complicated, from a technical standpoint, and would require a great deal of funding. VIA Rail has no plan to move forward with this initiative at this time.

58. Q: Is there enough spare HEP1 spare equipment to replace the aging Renaissance equipment from mid-October to early April?

A: Our Renaissance fleet was refurbished in 2012 following consultations with the Canadian Transportation Agency and the Council of Canadians with Disabilities. VIA Rail made major improvements to this fleet. Coach cars have been reconfigured as accessible coaches and sleeping cars have been reconfigured so that each train assigned to the *Ocean* now has an accessible sleeping cabin for travellers with reduced mobility.

59. Q: When is the new Prestige Line expected to be up and running and what routes will it be used on?

A: VIA Rail's new Prestige Sleeper class combines superior elegance and comfort. It will be available on the western *Canadian* train and should be launched within the next year.

60. Q: Several years ago VIA Rail invested in purchasing European equipment to run on Canadian tracks. What are VIA Rail's intentions concerning this equipment now -- given the fact that it cost major money to convert / modify this equipment to Canadian requirements?

A: The Renaissance (European) equipment continues to be used on the *Ocean* service. Depending on demand, we may also use this equipment in the Québec City – Windsor corridor, if needed.

61. Q: What is the status of the newly renovated RDC'S cars or Budd Cars as they are known?

A: The overhaul to VIA Rail's Rail Diesel Cars (RDC) was completed in 2013. Three of the RDCs are currently in service on the Sudbury – White River line.

OPERATIONS

62. Q: How does VIA Rail select the surrounding lands on their line for maintenance e.g., fencing, signage, shrub, installing lighting for better vehicle visibility, etc.?

A: At VIA Rail, safety is our top priority. We do regular inspections of our land to ensure the safety of motorists, pedestrians, as well as employees and passengers on the train. It is important to note that VIA Rail owns very little (about 2%) of the infrastructure on which it operates, and each track owner is responsible for the maintenance of their own infrastructure.

We have been undergoing extensive fencing projects (adding fence) over the last few years, as part of major upgrades of our tracks and signalling system. For example, VIA Rail's Smiths Falls and Chatham subdivisions had extensive fencing added throughout the municipalities it crosses as part of the Centralized Traffic Control (CTC) projects.

63. Q: The porter service at Montréal's Central Station has been eliminated. How does VIA Rail intend to compensate for this service, especially for the aging clientele, without people having to use the lockers, which generate costs for the client?

A: As part of VIA Rail's goal to respond to passenger needs and travel industry trends, porter duties were reviewed in Toronto and Montréal (the only two stations where porters remained). It was decided that at these two stations, assistance to people with disabilities or customers requiring physical assistance such as luggage handling would be provided by agents with a multifunctional role, as is already the case in other full service stations. This is a more efficient distribution of tasks with the same level of service. These changes create station teams with more flexibility, to efficiently meet the needs of the fluctuating volume of daily passengers.

64. Q: When will the Guelph Subdivision signal installation work be completed?

A: VIA Rail expects to complete the field work by the end of 2014, and commissioning of the new Centralized Traffic Control (CTC) system will be done by early 2015.

65. Q : Could there be 7 or 8 a.m. departures for stations in Eastern Québec, with arrival at about 4 p.m. in Montréal?

A: The *Ocean* train service schedule is based on Maritime market demand. Stops at certain intermediary stations, such as those in the Bas-St-Laurent, happen during the night. VIA Rail is

working with provincial and municipal representatives along the train route in order to find a way to increase ridership, and improve its service. Among other measures, modifications to the schedule will be considered.

66. Q: Is there a national measurement system for measuring ridership or is it done regionally?

A: Ridership is calculated daily for every train, and is based on the number of passengers travelling onboard the train (i.e., the number of tickets sold). This calculation is made in a central database at our headquarters in Montréal.

67. Q: Why does VIA Rail not publish annual passenger load factor per train or station, as Amtrak does?

A: Load factor per service is available upon request. Below you will find the load factor information for 2013:

Train Services	Average Passenger Load Factor (%)
Montréal-Ottawa-Toronto	63
Québec City-Montréal-Ottawa	58
Corridor East	62
Toronto-London-Sarnia-Windsor	47
Toronto-Niagara	26
Southwestern Ontario	46
Corridor	59
Montréal-Halifax	72
Toronto-Vancouver	63
Long Distance Travel	65

68. Q: Why does Via Rail not try to expand its service network elsewhere in Canada on an experimental basis?

A: For the time being, VIA Rail is not planning to expand its service to other communities. We continue to adjust our service according to demand, and as client needs change. One of our main priorities is to develop solutions to facilitate travel for Canadians.

69. Q: Page 17 of your 2013 Annual Report says, “Improvements were designed following customer input, and include: meal selection priority for VIA Préférence members...” Is this offer limited to Premier members? Why not also offer this benefit to Privilege members?

A: This benefit was intended to encourage and thank Premier VIA Préférence members for their loyalty. More information about the different levels in the VIA Préférence program can be found here: <https://www.viapreference.com/en/program/preference-privilege-and-premier-levels>

70. Q: Are electric rails or non-electric railways more profitable?

A: VIA Rail does not own or use electric railways. We are therefore not in the position to respond to this question.

TECHNOLOGY

71. Q: According to a very recent article in the railroad trade journal "Eurail Mag", railroads are discovering that after spending millions to install WiFi on their trains, passengers are consuming all of the available bandwidth thus requiring significant improvements to the WiFi capacity at additional cost. Has VIA Rail been experiencing the same "WiFi Capacity Crunch" as the European railroads?

A: VIA Rail's second generation Wi-Fi system has a built-in metering and throttling feature that certifies usage fairness among passengers and limits downloads to a pre-determined threshold to make sure that heavy bandwidth users don't penalise others. Although VIA Rail has built-in capacity control mechanisms, we will still have to increase our network capacity, but at a much lower rate. It should also be pointed out that European telecom networks have much less capacity than in Canada due to the population density, thus enabling VIA Rail to offer one of the fastest train WiFi systems in the world.

THE FUTURE / MANAGEMENT

72. Q: I believe there is no representation of the Atlantic Provinces on your board. Our interests have therefore not been addressed. Will this change in the future with a chance of more frequent service, better rates for single travellers, and seat sales?

A: The appointment of members to our Board of Directors is done by the Government of Canada, who ensures that each region served by VIA Rail is represented. The most recent representative for the Atlantic region was Elizabeth Van Den Eynden. Following her appointment to the Bench in Nova Scotia, Ms. Van Den Eynden stepped down from the Board.

It is expected that a future appointment will be made to represent this region.

Regarding your question about the *Ocean* services, thanks to an investment of \$10.2 million for the rehabilitation of a portion of the railway, the route will remain open. This will allow VIA Rail's *Ocean* service to continue its operation. Frequencies and seat sales for the *Ocean* are based on customer demand.

VIA Rail is planning to work with the provinces and municipalities along the subdivision to find ways to increase the number of passengers using this service. In fact, this work has already begun. In celebration of the *Ocean* train's 110th anniversary, the President and CEO of VIA Rail, along with several regional elected officials, travelled on the historic train. The trip was a great opportunity for them to discuss how to promote ridership and create a prosperous future for the *Ocean*.

73. Q: How close are we to creating a National Rail Policy in Canada... one that will protect VIA Rail and create a climate where train and track companies will work together to protect a passenger rail service Canadians want and deserve?

A: Transport Canada would be the governing party responsible for creating a National Policy on passenger rail service in Canada. Once established, VIA Rail would expect to be asked to implement the policy.

74. Q: What is the future for Via Rail? Investment on new cars, High speed trains, new routes?

A: This question is answered in a [video](#) introducing our new President and CEO, Yves Desjardins-Siciliano, which is available on VIA Rail's YouTube Channel.

With regard to High Speed Trains, VIA Rail's focus will remain on how to improve the services and infrastructure that we already own. For example, using the locomotives to their full potential (at maximum speed), would reduce trip times considerably. However, it would take a dedicated passenger rail infrastructure to achieve this in select areas.

In the meantime, VIA Rail will work to improve the current situation. At this time, approximately 98% of VIA Rail traffic operates on rails owned by infrastructure providers other than VIA Rail, mostly by CN and CP, with who VIA Rail continues to work to improve the On Time Performance of its trains and reduce their time to destination.

75. Q: Why is Yves Desjardins not on Facebook; Canadians should be able to contact him directly.

A: Within one day of his nomination, VIA Rail's new President and CEO opened a Twitter account. You can reach him at [@VIARailPrez](#). Mr. Desjardins-Siciliano is very interested to hear Canadians' opinions about VIA Rail. In fact, whenever he boards a train he makes sure to announce his presence onboard, and invites passengers to chat with him to share their comments and ideas. In his first month, he met over 60 passengers on VIA Rail trains.

76. Q: Will VIA Rail see any additional government funding for track expansion or infrastructure improvement within its service network?

A: Since 2007, VIA Rail has been granted over \$1 Billion by the Government of Canada in capital funding to ensure its operation. VIA Rail's capital requirements are outlined in the 2013-2017 Corporate Plan, which can be found at www.viarail.ca/en/about-via-rail/our-company/corporate-plan. The approved capital funding will be spent on major capital projects, including infrastructure projects to enhance safety, improve reliability, increase capacity and effectively reduce trip time. VIA Rail will continue to work with Transport Canada to address these funding requirements.

77. Q: What will Yves Desjardins-Siciliano be doing during his first 100 days?

A: This question was answered during the APM, which can be watched on [VIA Rail's YouTube Channel](#).

During his first 100 days, Mr. Desjardins-Siciliano intends to:

- (1) Meet as many VIA Rail employees and passengers as possible across the country. In his first 5 weeks, he met close to 1,350 of the total 2,500 employees and over 60 passengers (while riding the train).
- (2) Meet customers across the country before making decisions to increase or reduce frequencies in those markets, through their elected representatives or their Board of Trades
- (3) Consider the reintroduction of services and frequencies as early as this fall.
- (4) Meet key industry / business partners to reinforce and evolve our partnerships
- (5) Set us up for success in 2015.