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“The Next Rail-Volution”

SPEAKING NOTES

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Calgary Chamber of Commerce

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***“The Next Rail-Volution” – Speaking Notes for Lecia Stewart
Vice-President, High Speed Rail, North America, Bombardier Transportation
Calgary Chamber of Commerce, Tuesday, April 27, 2004***

THANK YOU _____ FOR THOSE KIND WORDS OF INTRODUCTION...

HIGH SPEED RAIL HAS BEEN AROUND FOR MORE THAN 30 YEARS BUT WHEN IT WAS FIRST PROPOSED FOR THE CALGARY-EDMONTON CORRIDOR IN THE EARLY 1980'S, IT WAS STILL RELATIVELY NEW AND UNPROVEN. NOT SO TODAY.

THE FIRST EUROPEAN HIGH SPEED RAIL LINE, LINKING PARIS AND LYON, OPENED IN 1981. SINCE THEN, HIGH SPEED RAIL HAS BEEN EXPANDED THROUGHOUT EUROPE AS WELL AS JAPAN WHERE IT WAS FIRST INTRODUCED.

TODAY, MORE THAN 3,300 KM OF HIGH SPEED RAIL LINES HAVE BEEN BUILT IN EUROPE, AND HIGH SPEED RAIL OPERATES IN 10 EUROPEAN COUNTRIES, JAPAN, KOREA AND CHINA. IT HAS BEEN LOOKED AT BY NORTH AMERICANS FOR OVER TWO DECADES, BUT ONLY RECENTLY HAS BEGUN TO GET MORE SERIOUS ATTENTION IN THE NORTH AMERICAN MARKET.

IN FRANCE, HIGH SPEED RAIL TRAFFIC HAS TRIPLED IN THE LAST TEN YEARS - IN SHARP CONTRAST TO DECLINES IN CONVENTIONAL RAIL USE OVER THE SAME PERIOD.

FOR JOURNEY TIMES OF UP TO 2 AND HALF HOURS, HIGH SPEED RAIL COMMANDS 75 PERCENT OF TODAY'S COMBINED RAIL/AIR MARKET, AND AIRLINES HAVE BECOME PARTNERS IN PROVIDING HIGH SPEED RAIL SERVICES.

THE RIDERSHIP SUCCESS OF THE FIRST PARIS TO LYON LINE WAS SUCH THAT IT PAID FOR ITSELF IN JUST 10 YEARS.

EQUALLY IMPORTANT, THE PARIS – LYON, AND NOW PARIS – LYON – MARSEILLES TGV LINE - HAS SHAPED DEVELOPMENT, ATTRACTING PEOPLE TO THE SMALL CITIES AND TOWNS IT SERVES AND INCREASING LAND VALUES.

IT HAS EXTENDED THE COMMUTER SHED FROM THE LARGE CENTRES, BY MAKING IT POSSIBLE TO COMMUTE FROM SMALLER COMMUNITIES AT A DISTANCE, AND PUT MORE AFFORDABLE HOUSING AND COUNTRY OR SMALL TOWN LIVING IN REACH OF URBAN WORKERS.

IT HAS ALSO EXPANDED THE TRADE AREA AND LABOUR POOL FOR THE LARGE CENTRES, WHILE STIMULATING ECONOMIC DEVELOPMENT AND INCREASED TOURISM IN THE SMALLER COMMUNITIES.

SO, GIVEN THE SUCCESS AND INCREASED WORLD INTEREST IN HIGH SPEED RAIL, WHY HAS NORTH AMERICA LAGGED BEHIND?

THERE IS NO QUESTION THAT THE NORTH AMERICAN ENVIRONMENT HAS PRESENTED MORE CHALLENGES FOR HIGH SPEED RAIL THAN EUROPE OR ASIA.

OVERALL, NORTH AMERICAN URBAN DEVELOPMENT, POPULATION DENSITIES AND GEOGRAPHIC DISTANCES ARE DIFFERENT FROM THOSE FOUND IN EUROPE.

BUT NOT IN ALL MARKETS, AND IN MANY PARTS OF NORTH AMERICA POPULATION DENSITY IS INCREASING. MOREOVER, TOTAL TRAVEL IS MUCH HIGHER IN NORTH AMERICA.

AIR SERVICE IS LESS REGULATED AND THEREFORE COSTS LESS IN NORTH AMERICA THAN IN EUROPE, BUT INCREASINGLY SUFFERS FROM AIRPORT CONGESTION AND HAS BECOME LESS ATTRACTIVE FROM A TIME AND CONVENIENCE PERSPECTIVE BECAUSE OF SECURITY AND FLIGHT DELAYS.

DRIVING IS ALSO LESS EXPENSIVE HERE THAN IN EUROPE. NEVERTHELESS, 80 PERCENT OF ALL INTERCITY TRAVEL IN EUROPE IS BY CAR, COMPARED TO 87 PERCENT IN NORTH AMERICA, WHICH IS NOT SO TRULY DIFFERENT.

UNTIL VERY RECENTLY, A MAJOR OBSTACLE TO INTRODUCING HIGH SPEED RAIL INTO NORTH AMERICA HAS BEEN ITS NEED FOR ELECTRIFIED TRACK AND ITS ASSOCIATED HIGH COST.

THIS OBSTACLE HAS NOW BEEN OVERCOME WITH THE RECENT DEVELOPMENT OF BOMBARDIER'S JETTRAIN, A JET TURBINE POWERED LOCOMOTIVE BUILT TO NORTH AMERICAN STANDARDS THAT IS CAPABLE OF HIGH SPEED RAIL ACCELERATION AND SPEED, YET CAN OPERATE ALONG WITH FREIGHT TRAFFIC ON CERTAIN MIXED-USE ROUTES.

SO WHERE DOES HIGH SPEED RAIL STAND IN NORTH AMERICA TODAY? WHAT CHALLENGES HAS IT FACED?

THE ACELA – THE ELECTRIC VERSION OF JETTRAIN – LINKING BOSTON, NEW YORK AND WASHINGTON, IS THE ONLY NORTH AMERICAN HIGH SPEED RAIL LINE IN OPERATION TODAY.

ACELA WAS BUILT IN RESPONSE TO HIGH TRAVEL DEMAND IN THIS CORRIDOR COUPLED WITH CONGESTION AND DIMINISHING CAPACITY TO MEET DEMAND SOLELY THROUGH HIGHWAY AND AIRPORT EXPANSION.

SINCE IT STARTED REVENUE SERVICE IN 1999, ACELA HAS LOGGED OVER 7 MILLION TRACK MILES.

IT NOW CARRIES ABOUT 3 MILLION PASSENGERS ANNUALLY, AND CAPTURES 47 PERCENT OF THE NEW YORK-WASHINGTON AIR/RAIL TRAVEL MARKET, SURPASSING ALL PREVIOUS EXPECTATIONS. IT IS AMTRAK'S MOST SUCCESSFUL AND MOST PROFITABLE ROUTE.

ACELA CONFIRMS THE ABILITY OF HIGH SPEED RAIL TO ATTRACT NORTH AMERICAN CAR AND AIR USERS - EVEN IN ONE OF OUR CONTINENT'S MOST HIGHLY-COMPETITIVE ENVIRONMENTS.

THIS SUCCESS IS ALL THE MORE IMPRESSIVE IN THAT ACELA HAS NOT ACHIEVED ITS FULL HIGH SPEED POTENTIAL DUE TO ALIGNMENT AND INFRASTRUCTURE CONSTRAINTS RELATED MAINLY TO AMTRAK'S UNRESOLVED FINANCIAL AND POLICY CHALLENGES.

ALTHOUGH ACELA MORE THAN COVERS ITS OPERATING COSTS, THE CAPITAL COST OF ELECTRIFICATION TOGETHER WITH EXTENSIVE AND STILL NEEDED TRACK IMPROVEMENTS ARE CONSIDERABLE AND PRESENT THE MAIN CHALLENGE FOR ITS IMPROVEMENT AND FURTHER DEVELOPMENT.

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AMERICA NOW HAS SEVERAL PROMISING HIGH SPEED RAIL CORRIDORS UNDER DEVELOPMENT, INCLUDING FLORIDA, THE MIDWEST, CALIFORNIA AND THE SOUTHEAST. THE TWO MOST ADVANCED PROJECTS ARE PROBABLY FLORIDA AND CHICAGO-ST LOUIS, WHERE PROJECTS ARE ALMOST READY TO COMMENCE. HERE, POLITICS AND MONEY ARE THE MAIN CHALLENGES.

FLORIDA'S HIGH SPEED RAIL PROJECT IS THE MOST READY-TO-GO IN AMERICA. SINCE VOTERS MANDATED ITS CONSTRUCTION IN 2000< THE STATE LEGISLATURE HAS CREATED THE FLORIDA HIGH SPEED RAUIL AUTHORITY, WHICH DEVELOPED A FIVE-STAGE PLAN OF DEVELOPMENT, DECIDED UPON A PUBLIC-PRIVATE PARTNERSHIP MODEL TO BRING IN PRIVATE RISK INVESTMENT AND REDUCE TAXPAYER COST, INVITED PUBLIC TENDERS, AND LAST FALL SELECTED OUR FLUOR-BOMBARDIER PSARTNERSHIP TO DESIGN, BUILD, OPERATE, MAINTAIN AND FINANCE THE FIRST LEG, IN THE HIGHLY-TRAVELLED TAMPA-ORLANDO CORRIDOR. THE NEXT LEG WILL BE TO LINK IN MIAMI. WE ARE NOW IN THE FINAL STAGES OF CONTRACT NEGOTIATIONS WITH THE STATE, WHICH ARE GOING WELL AND SHOULD BE COMPLETED BY JUNE OR JULY.

THE FLORIDA PROJECT WAS INITIATED TO HELP DEAL WITH FLORIDA'S EXTRAORDINARY RATE OF GROWTH (FIFTH LARGEST AND FASTEST-GROWING LARGE STATE) AND ITS EQUALLY-AMAZING RATE OF TRAVEL GROWTH. DESPITE YEARS OF AN UNPARRALLED RATE OF HIGHWAY CONSTRUCTION, FLORIDA'S HIGHWAYS ARE STILL FREQUENTLY CONGESTED. FLORIDA'S POPULATION DENSITY, CITY-PAIR DISTANCES, TRAVEL FREQUENCY ARE IDEAL FOR HIGH SPEED RAIL, AND MOST FLORIDIANS WANT HIGH SPEED RAIL TO COMPLEMENT OTHER TRAVEL MODES BY SPREADING DEMAND AND REDUCING CONGESTION, FUEL CONSUMPTION AND ENVIRONMENTAL EMISSIONS. FLORIDA'S HGH SPEED RAIL PROJECT IS FORECAST TO SUPPORT ECONOMIC GROWTH AND STRENGTHEN COMMUNITIES ALONG THE ROUTE BY CREATING SOME 6,500 NEW JOBS AND ADDING ABOUT \$8 BILLION TO THE STATE ECONOMY.

HOWEVER, AS YOU MAY KNOW, THE FLORIDA PROJECT HAS HAD A COLOURFUL POLITICAL HISTORY. AFTER YEARS OF PLANNING, THE ORIGINAL PROJECT WAS CANCELLED BY NEWLY ELECTED GOVERNOR JEB BUSH IN 1999, WHO FAVOURS HIGHWAY CONSTRUCTION OVER HIGH SPEED RAIL.

NONETHELESS, FLORIDA'S RAIL PROJECT WAS IMMEDIATELY RESURRECTED BY A GRASS ROOTS CAMPAIGN LED BY AN INDIVIDUAL CITIZEN, A LOCAL INSURANCE ENTREPRENEUR WHO BELIEVES SO DEEPLY IN THE POTENTIAL OF HIGH SPEED RAIL FOR FLORIDA THAT HE FUNDED MOST OF THE GRASROOTS CAMPAIGN PERSONALLY

DESPITE THE GOVERNOR'S OPPOSITION TO RAIL, THAT BALLOT INITIATIVE – WHICH SHARED THE NOVEMBER 2000 BALLOT WITH THE FAMOUS "HANGING CHARD" VIRTUALLY-TIED PRESIDENTIAL ELECTION - CARRIED THE SUPPORT OF A MAJORITY OF FLORIDIANS, WHO AMENDED THE STATE CONSTITUTION REQUIRING THE STATE TO BUILD HIGH SPEED RAIL. THIS LED TO THE STATE LEGISLATURE CREATING THE AFOREMENTINED RAIL AUTHORITY AND LAUNING THE CONTRACTING PROCESS I OUTLINED A MOMENT AGO.

FOUR YEARS, LATER, THE GOVERNOR IS BACKING YET ANOTHER ATTEMPT TO DERAIL THE PROJECT, THIS TIME IN THE FORM OF A DRIVE TO ACQUIRE HALF A MILLION SIGNATURES AND THEREBY FORCE THE MATTER BACK ONTO THIS YEAR'S BALLOT WITH THE EVER POPULAR QUESTION – YOU DIDN'T REALLY MEAN IT, DID YOU?

AS THE STATE'S HOPEFUL PARTNERS IN THIS PUBLIC-PRIVATE ENDEAVOUR, WE CAN ONLY CARRY ON WITH THE PROJECT AS MANDATED BY THE VOTERS, THE LEGISLATURE AND THE STATE AUTHORITY, AND HOPE THAT THE POLITICAL DYNAMICS RESOLVE THEMSELVES SOON. RECENT POLLS TAKEN LAST MONTH SHOW STRONG MAJORITY AND BIPARTISAN SUPPORT – 53 PERCENT TO 31 PERCENT - AMONGST VOTERS, SO WE REMAIN OPTIMISTIC THAT FLORIDA WILL PROCEED AS PLANNED.

THE MIDWEST REGIONAL RAIL INITIATIVE (MWRRI) IS AN IMPLEMENTATION PLAN FOR A 3,000 MILE HIGH-SPEED RAIL SYSTEM HUBBED IN CHICAGO. THE MOST ACTIVE CORRIDOR IN THIS NETWORK IS CHICAGO-ST.LOUIS, WHERE THE STATE OF ILLINOIS HAS ALREADY INVESTED \$66 MILLION ON THE LINE TO BRING THE TRACKS BETWEEN JOLIET AND SPRINGFIELD UP TO CLASS 6 STANDARDS TO ALLOW SPEEDS OF UP TO 110 MPH. LIKE ALL STATES PLANNING INVESTMENTS IN THEIR TRANSPORTATION INFRASTRUCTURE, ILLINOIS AND THE REST OF THE MWRRI STATES ARE LOOKING FOR STRONGER FEDERAL SUPPORT TO CARRY ON WITH THIS AMBITIOUS DEVELOPMENT.

IN THE CASE OF THE SAN FRANCISCO TO SAN DIEGO CORRIDOR, HIGH SPEED RAIL IS AGAIN PROPOSED BECAUSE OF HIGH TRAVEL DEMAND AND LIMITED AIR AND HIGHWAY CAPACITY BUT ALSO AS A MEANS TO REINVIGORATE THE CORRIDOR'S ECONOMY.

BY IMPROVING ACCESS AND EFFECTIVELY SHORTENING THE DISTANCE BETWEEN COMMUNITIES, THE LINE IS EXPECTED TO BOTH EXPAND TRADE AREAS AND ACCESS TO LABOUR, RESULTING IN OVER 240,000 NEW JOBS IN ADDITION TO THOSE IN CONSTRUCTION AND OPERATION AND INCREASED LAND VALUES.

HIGH SPEED RAIL IS ALSO EXPECTED TO COMPLEMENT AIR AND ROAD TRAVEL BY SIPHONING OFF A PORTION OF INTER-CITY TRAVEL DEMAND, THUS REDUCING CONGESTION AND DELAYS THAT WILL ACTUALLY RESULT IN OPERATING COST SAVINGS TO AIRLINES AND HIGHWAY USERS.

UNFORTUNATELY, THE STATE IS DEEPLY IN DEBT, MAKING FUNDING OF THE \$25 BILLION US INVESTMENT TO CONSTRUCT AN ENTIRELY NEW 700 MILE DEDICATED RAIL LINE – CHALLENGING, TO SAY THE LEAST, FOR THE NEXT COUPLE OF YEARS WHILE THE STATE WORKS ITSELF OUT OF ITS FINANCIAL BLACK HOLE. CALIFORNIA MAY BE ABOUT TO RETHINK THE PROJECT SOMEWHAT, PERHAPS TO TAKE A MORE PHASED APPROACH. OR TO CONSIDER HERETOFORE UNCONSIDERED PRIVATE-PUBLIC PARTNERSHIPS, OR PERHAPS BY STARTING WITH LESS EXPENSIVE NON-ELECTRIFIED SERVICES.

SO WHAT PARALLELS OR LESSONS ARE THERE FOR THE CALGARY-RED DEER-EDMONTON CORRIDOR?

FIRST, THE GEOGRAPHIC DISTANCES ALONG THE ROUTE ARE IDEAL FOR HIGH SPEED RAIL, A LITTLE LONG FOR CONVENIENT HIGHWAY TRAVEL, AND A LITTLE SHORT FOR EFFICIENT AIR TRAVEL.

SECOND THE POPULATION DENSITY AND GROWTH RATES ARE GOOD, AND STRENGTHENING. THIS CORRIDOR ENJOYS ONE OF NORTH AMERICA'S MORE ROBUST GROWTH RATES.

OVER THE PAST TEN YEARS, CALGARY'S POPULATION AND ECONOMIC GROWTH OUTPACED THAT OF BOTH ALBERTA AND CANADA AS A WHOLE - AND THIS STRONG GROWTH IS EXPECTED TO CONTINUE. OVER THE NEXT FIVE YEARS, THE POPULATION OF CALGARY AND EDMONTON ARE EXPECTED TO INCREASE BY OVER 8 PERCENT.

THIRD, WHILE CALGARY, RED DEER AND EDMONTON CORRIDOR MAY NOT YET BE QUITE SO DENSELY POPULATED AS SOME OF THESE AMERICAN CORRIDORS, THEY DO HAVE ONE OF THE HIGHEST PER CAPITA TRIPS RATES IN CANADA AND THE US. YOU FOLKS TRAVEL MORE FREQUENTLY THAN DO MOST NORTH AMERICANS.

LAST YEAR, AN ESTIMATED 5 TO 6 MILLION TRIPS OCCURRED BETWEEN THE TWO CENTRES.

FOURTH, THE GEOGRAPHY HERE LENDS ITSELF WELL TO HIGHER SPEED RAIL DEVELOPMENT. THERE ARE ALWAYS ENGINEERING AND ENVIRONMENTAL CHALLENGES IN ANY SUCH PROJECT, BUT THEY ARE RELATIVELY MORE STRAIGHTFORWARD IN THIS SITUATION THAN IN HIGHLY-URBANIZED AREAS SUCH AS THE WASHINGTON-NEW-YORK-BOSTON CORRIDOR, OR ENVIRONMENTALLY DIFFICULT PARTS OF FLORIDA AND CALIFORNIA.

FIFTH, UNLIKE MANY OF THE OTHER JURISDICTIONS EXAMINING HIGH SPEED RAIL, ALBERTA POSSESSES EXTRAORDINARY INVESTMENT STRENGTH IN BOTH THE PUBLIC AND PRIVATE SECTORS. YOUR ENTREPRENEURIAL AND RISK-TAKING CULTURE ARE A MODEL FOR MANY, AND YOUR PUBLIC FISCAL POSITION IS ONE THAT OTHERS CAN ONLY MARVEL ABOUT. A PROVINCE ABOUT TO EXTINGUISH ITS DEBT ENJOYS THE FREEDOM TO CONTEMPLATE INFRASTRUCTURE INVESTMENTS THAT ENABLE FUTURE ECONOMIC DEVELOPMENT AND SHAPE COMMUNITY DEVELOPMENT. AND, YOU HAVE

AN INVESTMENT CLIMATE THAT FACILITATES DOING SO THROUGH PUBLIC-PRIVATE PARTNERSHIPS SHOULD YOU DECIDE TO PROCEED THAT WAY.

IMAGINE HAVING HIGH SPEED TRAINS THAT RUN EVERY HOUR OR TWO BETWEEN CALGARY AND EDMONTON

WOULD YOU LIKE TO SAVE 30% OF YOUR TRAVEL TIME, AN HOUR EACH WAY, TWO HOURS ON A ROUND TRIP? WOULD YOU LIKE TO USE YOUR TRAVEL TIME MORE PRODUCTIVELY - TO WORK, READ, WINE AND DINE, OR SIMPLY RELAX WHILE YOU ARE CARRIED QUICKLY, SAFELY AND COMFORTABLY TO YOUR DESTINATION, UNPERTURBED BY TRAFFIC CONGESTION, FATIGUE OR BAD WEATHER?

WOULD YOU LIKE TO SPEED BETWEEN CALGARY AND EDMONTON FOR ABOUT \$60 EACH WAY, SAVING HALF THE COST OF AIR TRAVEL, ABOUT HALF THE ALL-IN COST OF CAR TRAVEL?

WOULD SAVING TIME, STRESS AND MONEY BE ATTRACTIVE ENOUGH TO GET YOU TO USE A HIGH SPEED TRAIN SERVICE FOR SOME OF YOUR TRIPS?

WHILE 82 PERCENT OF BUSINESS TRAVELERS NOW DRIVE BETWEEN THE TWO CITIES AND 14 PERCENT FLY, IN SUCH A LARGE TRAVEL MARKET IT ONLY TAKES A SHIFT OF A COUPLE OF POINTS TO MAKE A BIG IMPACT, AND TO MAKE HIGH SPEED RAIL VIABLE.

BY TAKING EVEN A SMALL PORTION OF CAR TRIPS, THE TRAIN WOULD RELIEVE CONGESTION AT THE MAIN CHOKE POINTS AT HIGHWAY 2 AND _____ IN CALGARY AND _____ IN EDMONTON, BENEFITTING CAR USERS AND PROVIDING ESSENTIALLY A EXPRESS BYPASS FOR CALGARY-EDMONTON TRAVELERS.

WITH LINKS TO ALBERTA'S TWO MAJOR AIRPORTS, HIGH SPEED RAIL COULD ALSO PROVIDE A FEEDER SERVICE TO AIRLINES LOWERING COSTS WHILE INCREASING CUSTOMER SERVICE.

FROM A BUSINESS PERSPECTIVE, THE TRAIN WOULD EFFECTIVELY BRING THE TWO CITIES – AND RED DEER - CLOSER TOGETHER PROVIDING NEW BUSINESS OPPORTUNITIES AND DRAWING EMPLOYEES AND CUSTOMERS FROM A LARGER AREA.

IF THE HIGH SPEED RAIL SERVICE WAS TO USE THE EXISTING CPR LINE, NEEDED UPGRADES COULD ALSO BENEFIT FREIGHT TRANSPORTATION AND THOSE INDUSTRIES RELIANT ON RAIL. BY STRAIGHTENING AND IMPROVING THE TRACK BETWEEN CALGARY AND EDMONTON, CPR COULD OPERATE FREIGHTS AT SPEEDS COMPARABLE TO HIGHWAY TRAFFIC, OPENING THE POSSIBILITY FOR SHORT-HAUL, HIGH PERFORMANCE INTER-MODAL SERVICES LIKE THOSE THEY PROVIDE IN CENTRAL CANADA.

LIKE OTHER PROJECTS ACROSS NORTH AMERICA, A KEY CHALLENGE FOR HIGH SPEED RAIL IN THIS CORRIDOR CALGARY-EDMONTON WILL BE TO CONTINUE BUILDING THE BUSINESS CASE FOR THIS SERVICE AND DETERMINING THE RIGHT INVESTMENT APPROACH AND THE RIGHT MIX-OF PUBLIC AND PRIVATE INVOLVEMENT.

BUILDING BUSINESS CASES AND INNOVATIVE PUBLIC-PRIVATE INVESTMENT - THESE TOO ARE AREAS IN WHICH ALBERTA IS A RECOGNIZED NORTH AMERICAN LEADER.

OVER THE LAST YEAR, BOMBARDIER TOGETHER WITH CP RAIL, VIA RAIL, SNC LAVALIN AND CANAC HAVE PARTICIPATED WITH THE PROVINCE OF ALBERTA AND THE FEDERAL GOVERNMENT IN A STUDY BY THE VAN HORNE INSTITUTE TO EXAMINE THE FEASIBILITY OF HIGH SPEED RAIL IN THIS CORRIDOR.

THE RESULTS OF THIS STUDY ARE EXPECTED SHORTLY (NEXT MONTH OR SO) AND WILL ANSWER MANY OF THE NECESSARY QUESTIONS ABOUT THE SERVICE AND ITS POTENTIAL BENEFITS FOR AS WELL AS POSSIBLE NEXT STEPS.

UNDOUBTEDLY – INDEED, HOPEFULLY - THE STUDY WILL ALSO FOSTER DEBATE, SUGGESTIONS OF OTHER APPROACHES OR PRIORITIES. AND IF PEOPLE DECIDE THE BENEFITS ARE DESIRED, HOPEFULLY, THE STUDY WILL ALSO HELP INFORM AND CRYSTALLIZE THE EQUALLY-IMPORTANT DISCUSSION ABOUT HOW TO SECURE THE RIGHT INVESTMENT MIX TO MAKE THE PROJECT A SUCCESS.

IN SOME JURISDICTIONS YOU HEAR THE ARGUMENT THAT MAJOR TRANSPORTATION PROJECTS LIKE THIS SHOULD BE PUBLIC SECTOR ONLY, THAT PUBLIC SERVICES ARE NOT THE PLACE FOR PRIVATE INVESTMENT.

IN OTHERS, YOU HEAR THE OPPOSITE VIEW, THAT THE PRIVATE SECTOR ALONE SHOULD PAY FOR SUCH PROJECTS, THAT THERE IS NO INVESTMENT ROLE FOR GOVERNMENT.

THE FACT IS THAT THERE ARE TWO SETS OF BENEFITS IN SUCH PROJECTS. THERE ARE POTENTIAL INVESTMENT BENEFITS FOR PROJECTS THAT ARE WELL-CONCEIVED AND WELL EXECUTED; THERE ARE ALSO BROADER SOCIAL BENEFITS, GENERAL ECONOMIC DEVELOPMENT, COMMUNITY DEVELOPMENT, HIGHWAY CONSTRUCTION SAVINGS, GOVERNMENT TAX REVENUE, INCREASED PRODUCTIVITY, AND REDUCED ENVIRONMENTAL EMISSIONS. THESE ARE HARDER TO PUT A PRICE ON, AND AREAS WHICH BENEFIT THE PUBLIC MORE SO THAN ANY PARTICULAR PRIVATE INVESTORS.

INCREASINGLY ACROSS NORTH AMERICA, THE TREND IN MAJOR TRANSPORTATION PROJECTS IS TO FIND THE RIGHT BLEND OF PUBLIC AND PRIVATE ENTERPRISE FOR THE CIRCUMSTANCES. IF ALBERTANS DECIDE HIGHER SPEED RAIL IS NEEDED AND DESIRED HERE, THAT MAY WELL BE THE WAY TO GO HERE AS WELL.

THE PRIVATE SECTOR CAN - AND LIKELY WOULD - PROVIDE RISK CAPITAL, INVESTMENT AND KNOW-HOW COMMENSURATE WITH THE COMMERCIAL OPPORTUNITY WHICH SURELY EXISTS WITH HIGH SPEED RAIL IN ALBERTA.

GOVERNMENTS ON THEIR PART WILL NEED TO CONSIDER THE POTENTIAL BROADER ECONOMIC AND SOCIAL BENEFITS, AND JUDGE THE MERITS OF THEIR OWN POTENTIAL INVESTMENT IN HIGH SPEED RAIL, JUST AS THEY MUST DO WITH ANY OTHER INFRASTRUCTURE PROJECT.

IF EITHER THE PUBLIC OR PRIVATE SECTOR DECIDES NOT TO PLAY, I WOULD VENTURE A PREDICTION THAT HIGH SPEED RAIL WILL BE DEFERRED IN ALBERTA TO A FUTURE TIME.

BUT IF THE MARKET STUDIES CONTINUE TO SUPPORT THE BUSINESS CASE, AND BOTH PUBLIC AND PRIVATE ENTREPRENEURS DECIDE TO PROCEED, YOU COULD BE RIDING THOSE HIGH SPEED TRAINS IN NO TIME AT ALL.

TO SUCCEED, THIS PROJECT REQUIRES:

- A SOLID BUSINESS CASE
- BELIEF IN THE BENEFITS THAT THIS PROJECT CAN DELIVER
- A VISION FOR THE FUTURE, AND
- ENTREPRENEURIAL AND POLITICAL AND LEADERSHIP.

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IF THOSE SOUND FAMILIAR TO YOU, WELL YOU SHOULD KNOW THAT THE REST OF US IN CANADA HAVE COME TO REGARD THESE AS ALBERTA TRADEMARKS.

AND IF THESE INGREDIENTS FALL INTO PLACE ON THIS HIGH SPEED RAIL PROJECT, ALBERTA WILL SHOW THE REST OF CANADA, ONCE AGAIN, WHAT A CAN-DO PLACE THIS REALLY IS.

THANKS FOR YOUR TIME.