

SPEAKING NOTES FOR RAYMOND CHRÉTIEN

Cross-Border Rail Meeting

Burlington, May 25, 2011

1. INTRODUCTION

As a brief introduction, I will provide you with some background on my being named as Quebec Emissary for High Speed Rail discussions between Quebec and the United States. I will then briefly discuss our priorities and what I view as being our biggest challenges.

Over a year ago, Quebec's Premier Jean Charest met with Secretary of Transport Ray LaHood to discuss the development of a task force to work on the Montreal to US corridors. I was named as Quebec Emissary in June 2010 shortly after this initial meeting. Anne Drost, a colleague of mine at the law firm of Fasken Martineau, was named as Deputy Emissary to assist me.

On the US side, Secretary LaHood named Mark Yachmetz as my vis-à-vis (who I am sure you know – Associate Administrator at the FRA).

At the State level, Quebec has become a member of the New England and New York Transportation Leaders Committee. This group includes the transportation commissioners from each State. This is a very effective group. It is useful to work together to move forward and there is strength in numbers. We are working on a Transportation Compact which is a document that confirms our respective commitments to work together to advance transportation initiatives, and for Quebec, we are particularly interested in working together to create viable and efficient passenger rail service between Quebec, New England and New York.

In terms of my mandate, as you may all know, there are 11 designated corridors in the US. Only 2 extend into Canada – one on the West Coast between Seattle and Vancouver, and the second in our North-eastern region.

The Northern New England Corridor extends from Boston, via Vermont to Montreal. Work to advance this corridor forms part of my mandate. A very important step in this direction is to re-instate the Vermonter service between St. Albans and Montreal. This service ceased in 1995 and we are working with Vermont and Amtrak to try TO bring it back in the short-term. I understand that this is a priority for many, including Governor (Peter) Shumlin and Secretary Brian Searles.

I am also working on the Montreal to New York link. This segment is not yet included in the Empire Corridor which runs from New York to Albany to Buffalo. We are working to make the dotted line between Albany and Montreal turn into a hard line.

As part of my mandate, I am also looking at means of improving existing service in order to make passenger rail more viable and as a building block to eventually introduce higher speed service. This includes trying to implement pre-clearance in Montreal to avoid the 1 ½ to 2 hour waits

at the border. This is the number one action item on my action plan.

Let me spend a few moments to discuss pre-clearance. It is a challenge and it is also a key to bringing back the Vermonter to Montreal and to maintaining and improving the Adirondack service which runs between New York City and Montreal.

Pre-clearance exists between the U.S. and Canada for air travel. So, in theory, pre-clearance is relatively simple – all we have to do is follow the precedent of the airport model. However, in practice, it is complex and there are several issues, many players involved and significant costs.

For rail, there is a partial model for pre-clearance in Vancouver for the Cascade service between Vancouver and Seattle which shows that where there is a will there is a way. There will likely be adjustments to be made to the Vancouver model and we hope that if we can formally bring pre-clearance to passenger rail service, this can benefit the whole country.

I have had many meetings with Customs and Border Protection (Department of Homeland Security) and other key stakeholders on the issue of pre-clearance. I have also been very well briefed by Ed Courtemanche of Amtrak who is here today and who deals with the issues of cross border customs on a daily basis.

We have prepared a blue print for the Quebec government on pre-clearance which identifies the main steps towards making this a reality.

Essentially, there are three main issues to address to bring about pre-clearance:

- (1) Identify the entity that will be responsible for pre-clearance in Montreal. This entity would be similar to the "host party" under the airport model. We understand that it is necessary for the host party to be a local entity. This could be an existing agency or a newly formed para-public or non-profit organization.
- (2) We must define the needs in terms of space and personnel. Questions such as how many trains per day

must be pre-cleared and how many CBP agents are needed. It should be noted that the facilities could also be used for Canadian Customs. This is the ideal position as both Canadian and US customs could take place in Montreal.

(3) Obtain all of the required authorizations. This is, of course, the most complex item. Rail pre-clearance is not currently authorized under a treaty between our countries. Only air pre-clearance with all of the legal authorities and responsibilities is currently envisaged. As such, it will be necessary to enter into an agreement or to amend the existing air pre-clearance agreement to include rail.

When I was Ambassador of Canada to the United States I was often called upon to address issues of border security and trade. This is a very sensitive and key subject between our two countries. Today, our respective governments are working towards a new vision for a security perimeter. The goal is to continue to maintain and increase security while improving the free flow of trade.

I think that it would be appropriate and strategic to include rail pre-clearance in the security perimeter discussions as the issue would be dealt with directly at the highest level of decision making.

I will end here as I think that a discussion would be useful. There are many people who would be able to add their views and expertise so that, collectively, we have a game plan.