

## News Release

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### **TRANSPORT MINISTER ANNOUNCES WINNING PROPOSAL FOR TORONTO AIR-RAIL LINK**

TORONTO -- Transport Minister David Collenette today announced that Union Pearson AirLink Group has been selected as the successful respondent to finance, design, construct, operate and maintain the air-rail link connecting Toronto's Lester B. Pearson International Airport and Union Station.

"This is an important step forward in taking Toronto's air-rail link project from concept to reality," said Mr. Collenette. "Residents of the Greater Toronto Area can now look forward to the day when this dynamic, new transportation service will supplement existing public transit options in the region."

The selection of Union Pearson AirLink Group is the result of a thorough and fair evaluation process, which included public and private sector evaluators such as representatives of Transport Canada, the Canadian Transportation Agency, the Railway Association of Canada, the City of Toronto, the Greater Toronto Airports Authority, Canadian National Railway, GO Transit, and Deloitte & Touche, who acted as advisors to Transport Canada on this project.

In May 2003, four pre-qualified private consortia were invited to submit business cases for the project, following a request for expressions of interest issued in April 2001. Union Pearson AirLink Group was selected as the successful respondent to the request for business cases. UPAG is owned by SNC-Lavalin Engineers & Constructors Inc., a member of the SNC-Lavalin Group of Companies.

A number of studies completed by Transport Canada have confirmed that the air-rail link would be technically and financially viable. Transport Canada has also worked with key stakeholders including GO Transit, the Canadian National Railway Company, the Greater Toronto Airports Authority and the Ontario Ministry of Transportation to advance the project.

The air-rail link will be a safe, secure, efficient, accessible and environmentally responsible service providing a fast, direct trip between Lester B. Pearson International Airport and Union Station. The service will be called *Blue22* and is designed specifically to complement the existing transit systems in the Greater Toronto Area.

"The federal government is committed to helping address the congestion problems around Pearson Airport and throughout the Greater Toronto Area," said Mr. Collenette. "We have demonstrated this commitment by making strategic investments, totaling nearly \$500 million, in key transportation facilities and public transit services for the GTA."

The Lester B. Pearson International Airport currently handles 80,000 people daily and more than 200,000 people use Union Station each day. The air-rail link could eliminate up to 1.5 million car trips annually in its first full year of operation.

Backgrounders on the [air-rail link](#) and the proposed [Blue22 service](#) are attached.

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Contact:

Amy Butcher  
Director of Communications  
Office of the Minister, Ottawa  
(613) 991-0700

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## **BACKGROUNDER 1**

### **UNION PEARSON AIRLINK GROUP NAMED SUCCESSFUL RESPONDENT TO FINANCE, DESIGN, CONSTRUCT, OPERATE AND MAINTAIN THE AIR-RAIL LINK FROM TORONTO - LESTER B. PEARSON INTERNATIONAL AIRPORT TO TORONTO UNION STATION**

As a leading city in both North America and the world, Toronto is experiencing dynamic growth and development. It is therefore critical to ensure that the city's transportation infrastructure and public transit systems keep pace with the continued expansion. The increasing pressures on transportation infrastructure, particularly the major road networks, highlight the importance of making smart planning decisions today to guarantee that the Toronto of tomorrow continues to be a vibrant and livable "City that Works".

In June 2000, Transport Minister David Collenette announced that Transport Canada would initiate a request for expressions of interest to determine private-sector interest in the development of the air-rail link between Toronto's Lester B. Pearson International Airport and Toronto's Union Station. In April 2001, Transport Canada issued a request for expressions of interest, following which four respondents were found to have met the qualification requirements. On May 23, 2003, Transport Canada issued a Request for business cases (RFBC) to these four qualified consortia. They were:

- GTA LRT Consortium (Aecon Group Inc. and Alstom Canada Inc.),
- Macquarie North America Ltd. and Arup Canada Inc.,
- Pearl Consortium (Bombardier Inc., AMEC E&C Services Inc., in collaboration with strategic partners Hatch Mott MacDonald Ltd. and IBI Group) and
- Union Pearson Group Inc. (SNC-Lavalin Engineers & Constructors Inc., PCL Constructors Canada Inc., Kilmer Van Nostrand Company Ltd., OMERS Realty Corporation, Jones Lang LaSalle Real Estate Services Inc., O&Y Properties Corporation).

This RFBC contained the requirements for each respondent to prepare a business case; outlined the scope of work that will need to be undertaken by the successful respondent to finance, design, construct,

operate and maintain the air-rail link; and set out the terms and conditions stipulated by the eleven stakeholders for their involvement in the project.

The deadline for the submission of business cases was August 28, 2003. Over the following two months, Transport Canada conducted a transparent and fair evaluation process to select the successful respondent. Evaluators included public and private sector individuals, including, among others, representatives of Transport Canada, the Canadian Transportation Agency, the Railway Association of Canada, the City of Toronto, Greater Toronto Airports Authority, Canadian National Railway, GO Transit, and Deloitte & Touche, advisors to Transport Canada on this project.

Pursuant to this evaluation process, the Union Pearson AirLink Group, owned by SNC-Lavalin Engineers & Constructors Inc. (SLE&C), has been named as the successful respondent to design, construct, operate and maintain the air-rail link. SLE&C is a member of the SNC-Lavalin Group of Companies.

The air-rail link will connect the biggest airport in Canada with the busiest surface transportation station in the country, handling approximately 80,000 and 200,000 passengers respectively on any day. It is estimated the air-rail link service will eliminate over 1.5 million car trips annually in the first full year of operation. The air-rail link service will be expected to meet the following objectives:

- increase mobility by providing a transportation service that is safe, accessible, convenient, comfortable and that meets the needs of the public;
- provide a direct, seamless and rapid passenger rail service between Union Station and Lester B. Pearson International Airport;
- reduce road congestion by enhancing the movement of passengers and freight while taking advantage of existing rail corridors;
- provide an efficient and environmentally responsible passenger rail service and improve health by reducing greenhouse gas and other emissions;
- complement existing public transit systems and support intermodal transportation options within the Greater Toronto Area;
- contribute to the economic development and well-being of the Greater Toronto Area;
- promote the use of Intelligent Transportation Systems; and
- employ a public-private partnership approach to avoid the use of public funds.

The main stakeholders that have collaborated in this project and are expected to execute final stakeholder agreements, are GO Transit, the Canadian National Railway Company (CN) and the Greater Toronto Airports Authority. Other important stakeholders include the Ontario Ministry of Transportation, the Region of Peel, the cities of Toronto and Mississauga, the Toronto and Region Conservation Authority, Orlando Corporation, Woodbine Entertainment Group and VIA Rail Canada.

Modern infrastructure and smart transportation choices are key to the prosperity of our cities and the health of our communities. In the September 2002 Speech from the Throne, the Government of Canada committed to providing a safe, efficient and environmentally responsible transportation system that will help reduce congestion in our cities and help meet Canada's commitments under the Kyoto Protocol. Also, as part of the Government of Canada's Climate Change Plan, the federal government has committed to emphasizing partnerships with provinces, territories, communities, the private sector and non-governmental organizations to further reduce greenhouse gas emissions through a variety of means. Further, in February 2003 Minister Collenette released the document [\*Straight Ahead: A Vision for Transportation in Canada\*](#), which emphasizes the importance of an integrated transportation system that places a high priority on intermodalism.

## BACKGROUND 2

### UNION PEARSON AIRLINK GROUP'S *BLUE22* SERVICE

In response to the Request for Business Cases issued on May 23, 2003, Union Pearson AirLink Group (UPAG) has designed an effective approach to implementing the air-rail link service between Toronto Union Station and Lester B. Pearson International Airport. The proposed service will be named *Blue22* and, subject to environmental assessment approvals, final agreement with all stakeholders and the on-time delivery of the Weston Subdivision improvements, the service could begin operating as early as 2008.

*Blue22* will deliver an efficient 22-minute ride between Union Station and Lester B. Pearson International Airport with an intermediate stop at Toronto Transit Commission's Dundas West / GO's Bloor Station. The seven-day-a-week service between Pearson International Airport and Union Station will start early each morning and operate for 19 hours, with departures every 15 minutes for most of the day. This will be a premium quality of service with a one-way fare expected to cost \$20.

It is estimated that the air-rail link will remove between 5,000 and 10,000 cars from Toronto's road system each day. This will make the Greater Toronto Area's road system more efficient for the movement of goods, services and people. As *Blue22* is a service with a distinct market, it will not compete with public transit. It is designed to complement existing transit services by attracting additional ridership to both the Toronto Transit Commission's and GO Transit's services.

This project is an excellent example of how the public and private sectors can work together to deliver a product that best serves the needs of the travelling public.

#### **Highlights of the service**

*Blue22* will provide a new, efficient, environmentally friendly and reliable transportation option between the city's two busiest traffic hubs. Climate controlled lounges will welcome customers prior to boarding their train and train access platforms will be set level with the height of the train doors so that boarding is quick and easy for customers with roll-on, roll-off luggage.

Travel by passenger rail offers a very safe method of transportation. UPAG will use only qualified railway operating and maintenance staff, and will maintain effective quality and safety programs. Uniformed crewmembers and station hosts will not only ensure physical safety and security on the trains and at the stations, but will also assist passengers with ticketing and travel information.

The primary clientele for *Blue22* is expected to be tourists and business people travelling to and from Toronto's downtown area centred on Union Station, the city's soon to be modernized transportation hub. By means of transfers at either Union Station or at the Dundas West/ Bloor Station, travellers on *Blue22* will also be able to access most of the City of Toronto through north, east and west subway, commuter rail, bus and taxi connections. *Blue22* will be designed without barriers to ensure full access for travellers with disabilities. Station hosts will also provide assistance whenever required

*Blue22* will be convenient for many reasons, beginning with its 15-minute service frequency at most

times of the day. Automatic fare vending machines will be installed at key locations within the stations and ticket purchasing kiosks will be located at both airport terminals close to the arrivals level so that they are immediately available as passengers exit from the baggage claim or customs clearance halls. Tickets can also be purchased in advance through travel agents, a dedicated web site and at Blue 22 offices. At Union Station, it is anticipated that boarding passes will be available for domestic passengers, permitting them to go directly to their departure gate upon arrival at Lester B. Pearson International Airport.

Comfort will be a priority for *Blue22*. The air-rail link will provide a high level of service to the business customer, regular commuter or visiting tourist. At Union Station, passengers will be able to wait for the next train in *Blue22*'s separate and distinct lounge. This lounge will provide ready access to a range of information including next train departures, status of airport flight departures and general news from around the world via video and newspapers. The interior of the train will incorporate plush, high-back seating, panoramic tinted windows, and air conditioning.

### **Construction, Operation and Maintenance**

This project is well suited for a public-private partnership, where the private sector will finance, design, construct, operate and maintain the air-rail link service, while the public sector contributes to infrastructure upgrades, such as upgrades along GO's Georgetown Corridor/CN's Weston Subdivision, and the Union Station Rail Corridor, both of which are part of the \$385 million federal funding package for GO Transit announced on March 26, 2003. Infrastructure upgrades will facilitate the operation of the air-rail link and benefit GO Transit, VIA Rail and Amtrak's passenger services and CN's freight service.

Additionally, Transport Canada has committed \$25 million from the Toronto Waterfront Revitalization Initiative to facilitate access for the air-rail link into Pearson International Airport's new terminal building, and to allow sharing of joint station facilities with the airport's people mover system.

Following environmental approvals, UPAG will construct a 3.2 kilometre spur line linking CN's Weston Subdivision and Lester B. Pearson International Airport. Concurrently, GO and CN will complete the capital improvements along GO's Georgetown Corridor/CN's Weston Subdivision and the Union Station Rail Corridor. *Blue22* will have a staff of approximately 120 to perform operations and maintenance functions. Direct and indirect job creation is expected to reach in excess of 1,000 jobs to construct and operate *Blue22*, as well as in related areas. A customer support centre will provide support services to customers as well as operations and maintenance functions.

As a federally regulated railway company, *Blue22* will comply with all regulations, rules, standards and orders made under the Railway Safety Act, once it is incorporated and has received its Certificate of Fitness.

### **Train Technology**

UPAG has developed a Preliminary Technical Requirements Specification for the design, manufacturing and commissioning of Diesel Multiple Units (DMU) cars. UPAG intends to use refurbished Budd Rail Diesel Cars, which will be rebuilt in Canada. These vehicles will have new engines, systems and interiors that incorporate the latest advances that have been made in DMU and other technologies.

Four trains are required to provide the basic service. However, to support the commitment of reliability, UPAG will provide a fully serviced and crewed spare operational train ready to insert into service.

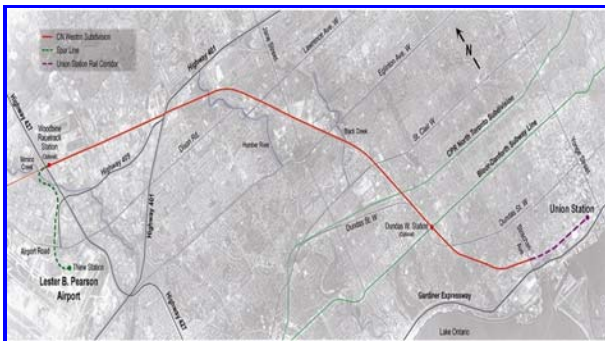
## Conceptual Routing

A conceptual route for the air-rail link, which may change according to the requisite environmental assessments, leads from Union Station to Lester B. Pearson International Airport, generally following the CN Weston Subdivision, also known as GO Transit's Georgetown Corridor.

More specifically, this route:

- begins at Union Station and continues along the Union Station Rail Corridor to the CN Weston Subdivision;
- follows the CN Weston Subdivision to the Highway 427 overpass; then
- follows a connecting (spur) line yet to be constructed to the new terminal currently under construction at Lester B. Pearson International Airport.

## Map showing conceptual route of air-rail link



## Next Steps

Over the next six months, UPAG will need to execute final agreements with the stakeholders. UPAG and GO Transit will work together to conduct the necessary environmental assessments for this project and construction should begin shortly after receiving the requisite environmental approvals. It is expected that the air-rail link service will be operational between 2008 and 2010, depending on the outcome of the necessary approvals.

November 2003

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