

# Municipalities want to avoid paying for transport accidents

BY JIM BRONSKILL AND BRUCE CHEADLE, THE CANADIAN PRESS JANUARY 23, 2014



The downtown core of Lac-Mégantic, Que., lies in ruins in July 2013 after a train carrying crude oil derailed and exploded.

**Photograph by:** Ryan Remiorz, The Canadian Press Files, The Canadian Press

Municipal leaders emerged from a meeting with federal Transport Minister Lisa Raitt on Wednesday determined to see railways, shippers and producers of dangerous goods assume full liability for accidents and spills.

Ensuring rail companies are properly insured for even catastrophic events like last summer's devastating crash in Lac-Mégantic, Que., is the next major hurdle in fixing the system, Claude Dauphin, president of the Federation of Canadian Municipalities, said in an interview.

"It's on the table. That's our third key area - to make sure that any accident, incident or catastrophe won't be downloaded to our taxpayers." That could include a fund that spreads the liability for major disasters - currently shouldered largely by railways - across the full supply chain, from producers to consumers.

Dauphin and others are quick to praise Transport Canada and the minister for regulatory changes made since the July 6 derailment, explosions and fire in Lac-Mégantic that claimed 47 lives, Canada's worst rail disaster in more than 100 years.

Municipalities are now being notified about the types of freight shipped through their precincts.

Increasingly common oil shipments are to be classified as dangerous goods, which will require railways to develop emergency assistance response plans.

Raitt met for more than an hour Wednesday with the federation's rail safety working group, where she was told the FCM wants all flammable liquids, including ethanol, classified as dangerous.

It was the third such meeting since the municipal working group was formed after Lac-Mégantic, and it came the day after the Canadian Transportation Agency wrapped up a consultation on revamping insurance for rail carriers.

Dauphin said current rules gauge each railway's "adequate" liability coverage on a case-by-case basis.

"We want more meat around the bone," said Dauphin, mayor of Laval, Que. "What does 'adequate' insurance mean? We had a lot of discussion with the minister about that, not only today but in the past."

Raitt issued a news release following Wednesday's meeting that called rail safety a "shared responsibility amongst international partners, provinces, territories, municipalities and industry."

On Thursday, the Transportation Safety Board will issue three new recommendations from its preliminary report on the accident.

But more needs to be done, say municipal officials - even those who are pleased with the federal government response to date.

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