



NEWS RELEASE

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KAP Welcomes Release of Federal Rail Freight Service Review Report

Winnipeg – Keystone Agricultural Producers (KAP) President Doug Chorney and KAP Vice President Rob Brunel attended a Government of Canada announcement today regarding the long awaited Federal Rail Freight Service Review Final Report. The Hon. Rob Merrifield, Minister of State (Transport) and Hon. Gerry Ritz, Minister of Agriculture and Agri-Food Canada met with stakeholders to discuss the report.

"We're pleased the government has released the report and has shown a willingness to take some decisive action on the recommendations it contains," said Doug Chorney, KAP President. "We hope the commercial agreements will help foster improved service and limit the operational damage to shippers caused by poor rail service."

KAP appreciates that the panel and government recognize that railways do need to be held accountable.

The most contentious issue addressed by the final report compared to an interim report issued in 2010 is the inclusion of a recommendation to draft regulations to force railways to enter into binding commercial agreements with shippers that would include penalties for service failures. KAP and other stakeholders submitted to the panel that recommendations will largely be ignored without this legal framework to help correct the market power imbalance caused by the railways' monopoly.

"The final report followed through on the interim report recommendations for improved communications between railways and shippers, better performance review and analysis systems to be in place, and improved dispute resolution processes to be developed," said Rob Brunel, KAP Vice President.

KAP hopes railway companies, government and shippers from all commodities will be able to continue to make improvements to Canada's rail freight network. Prairie farmers are dependent on an efficient and reliable transportation network to get high quality Canadian products to export markets to continue our position as a globally preferred food supplier.

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Keystone Agricultural Producers is Manitoba's largest general farm policy organization, representing over 7,000 farm families and 22 commodity groups throughout the province. Our strength is our democratic structure, and our mission is to represent and promote the interests of the province's farm families.