



“The Voice of Manitoba Farmers”

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KAP on Ruling Against Railways

Winnipeg – Keystone Agricultural Producers applauds the Federal Court of Appeal for rejecting the appeals from Canadian Pacific Railway (CPR) and Canadian National (CN) regarding the Canadian Transportation Agency’s (CTA) grain revenue cap adjustment.

KAP is pleased the CTA’s rate reduction was upheld by the appeal court decision as the retroactive cut to the revenue cap will provide farmers with a much-needed reduction in the cost of shipping grain.

“This is just the first step in ensuring farmers’ freight costs reflect true costs,” said Robert McLean, KAP vice president and transportation committee chair. “This measure along with the service review which is underway will hopefully improve our system to ensure it is competitive, accountable, modern, and reliable.”

The Farmer Rail Car Coalition, Canadian Federation of Agriculture, and KAP worked vigorously over a period of years to push for a review of hopper car maintenance costs, and in February 2008 the CTA announced the adjustment to the amount of revenue CPR and CN earn from shippers.

“It’s been a long and costly wait for prairie farmers, and we are pleased to see some accountability being brought back into grain transportation,” said McLean.

KAP will monitor railway levels of service to be sure producers get service in a reliable and timely manner. KAP continues to call on the federal government to launch a full costing review to reflect any efficiencies and how they have been shared with farmers.

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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.