

Non-grain shippers back review this document web posted: 2008-04-03
By Adrian Ewins Saskatoon newsroom

Prairie grain shippers have backing from other shippers in their request for a full review of rail costing. "We certainly support them in that," said Ian May, chair of the Western Canadian Shippers' Coalition.

While the costing review would apply to grain, May said other members of the coalition have similar issues in their dealings with the two national railways. "It may not be to the same extent as the grain people have had to deal with, but it's fair to say that all of our groups, representing a broad range of commodities, feel they're paying more than the service is worth," he said.

The coalition represents companies and associations involved in the transportation of western Canadian natural resource-based products including grain and oilseeds, coal, cement, sulfur and forest products.

May said the big problem is that rail costing has become so complicated and unique. "It's difficult for shippers to quantify, except you know at the end of the year you're paying more to ship your freight even though the railways swear it's gone down," he said.

The coalition is also looking forward to the upcoming railway service review mandated under Bill C-8, passed by Parliament last month. However, there are concerns about how wide-ranging the review will be. The coalition wants the review to focus on geographic areas and commodity groups that have experienced problems with rail service, rather than looking at the entire rail network.

"Not everybody is a captive shipper, so not everybody has the same concerns as grain and other commodities in Western Canada," he said. "On balance it may come out with a 90 percent approval rating, but that won't help us. It should focus on groups with complaints."

Also, the reason the service review is happening is that when the legislation that resulted in Bill C-8 was being discussed in 2006, western shippers left a number of issues on the table in return for the promised review. "So that's who the review should deal with," said May.