

Transportation Policy

RAILWAY MONITORING

APAS supports the creation of a third-party oversight body to assess ongoing operations within the grain handling and transportation system. This oversight body must include representation from agricultural producers who ultimately bear the cost associated with inadequate planning and capacity shortfalls.

RAILWAY PENALTIES AND PERFORMANCE

APAS supports the use of government mandated performance targets when rail service is found to be damaging producer incomes and undermining Canada's reputation as a reliable grain exporter. Volume requirements must be set in accordance with corridor demand and regional stocks. The commercial needs of small shippers, including producer cars and shortlines, must also be accommodated. Penalties for non-performance must be enforced and of a sufficient amount to serve as an effective deterrence

MAXIMUM REVENUE ENTITLEMENT

APAS supports the Maximum Revenue Entitlement (MRE) to ensure the railways are compensated fairly and producers are protected from excessive freight rates in a monopoly commercial environment.

RAILWAY COSTING REVIEW

Railway costs for grain movement have not been fully reviewed since 1992. Since then, elevator consolidation, siding closures and the trend towards multi-car blocks have created efficiencies that would, under effective competition, translate into lower freight costs for producers. APAS believes a costing review is necessary to update the railway costing used to calculate the Maximum Revenue Entitlement.

RAILWAY COMPETITION

APAS believes that competition is the best approach to dealing with rail service and cost issues. APAS supports legislative measures to increase competition, including expanded interswitching limits and the application of open running rights provisions in the Canada Transportation Act.

SERVICE LEVEL AGREEMENTS

APAS believes shippers, including producer car shippers, must have access to a responsive and meaningful dispute resolution processes to resolve rate and service issues. Service level agreements must also clarify mutual service obligations and include reciprocal penalties for nonperformance.

PORTS

APAS believes the Port of Churchill and Hudson Bay Rail Line should be maintained as a cost-effective shipping alternative for Saskatchewan producers.

RAIL LINE ABANDONMENT

APAS believes that interested parties must be provided legitimate and meaningful opportunities to purchase unused rail lines and sidings. APAS believes the Canada Transportation Agency should be empowered to investigate and rule on a railway's true operational interest in rail lines to ensure that unused track can quickly move through the discontinuance process and be put up for commercial sale.

PRODUCER CARS LOADING

APAS believes the right to order and load producer cars must be maintained in the Canada Grains Act. Government transportation policy should encourage and support producer car loading as a cost effective and environmentally sound shipping alternative.