



APAS Views Railways Performance as Inadequate

March 30, 2015 – For Immediate Release - The Agricultural Producers Association of Saskatchewan (APAS) is disappointed that the Federal Government has chosen to not renew and strengthen the Order in Council (OIC) regarding minimum grain movement by Canada's two primary railways.

APAS had asked the Federal Minister responsible, Honourable Lisa Raitt, to renew and expand the order to clear out the current backlog of grains on the prairies. More specific expectations are needed including targeted volumes to address the backlog of producer cars and small shipper cars, and requirements that provide minimum volumes for domestic movement of feed grains. Another key concern is north-south movement of grains such as oats into the United States market.

"Given the current industry structure, it is unrealistic to expect that competitive forces will improve railway performance. Producers continue to face incredibly reduced revenues at local elevators, unreliable service, and cash-flow constraints at a time when we are preparing for our most significant capital investment time of the growing year. On top of this, we are potentially losing our long-term customers overseas and competition for our Prairie produced grain is being eroded," says Arlynn Kurtz, APAS Vice-President.

Saskatchewan producers continue to report limited delivery opportunities, overdue delivery contracts and a plugged elevator system in many areas of the Province. The preference of the railways is to target service towards the high throughput inland elevators, often to the detriment of producer cars, small shippers and shortlines.

"The decision of the federal government to not renew the order and to avoiding specifying volume requirements by corridor or type of shipper, places producer car users, small grain handlers and shortlines at risk," says Kurtz. "Railways performance will continue to be under intense scrutiny and CN and CP need to ensure that grain movement provides service to all producers, corridors and grain end-use customers."

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APAS is Saskatchewan's general farm organization formed to provide farmers and ranchers with a democratically elected, grassroots, non-partisan, producer organization



based on rural municipal boundaries. As the united voice of thousands of agricultural producers in Saskatchewan, we strive to represent the views of a wide variety of agricultural stakeholders in order to form comprehensive policies that can benefit all sectors of society.