

NEWS RELEASE

Saskatchewan coalition asks for legislation to be in place for 2017 crop

SASKATOON (May 18, 2017) – A Saskatchewan producer coalition is optimistic about the recent introduction of the comprehensive Bill C-49, which will amend the *Canada Transportation Act*, but has concerns about the amended act being passed in time to cover the transportation of crops in 2017.

The coalition, which includes the Saskatchewan Wheat Development Commission (Sask Wheat), the Saskatchewan Barley Development Commission (SaskBarley) and the Agricultural Producers Association of Saskatchewan (APAS), is asking Members of Parliament to pass Bill C-49 to avoid disruption in transporting crops in 2017. The extension of Bill C-30, *The Fair Rail for Grain Farmers Act*, should be considered if the new legislation is delayed.

“There were several pieces in the new legislation that will benefit farmers through fair and consistent access to rail transportation and potentially increased competition between railways for grain movement,” says Sask Wheat Chair Bill Gehl. “What farmers need now is for this legislation to be passed and the regulations enacted so we are able to get our grain to our customers in Canada and abroad. If the legislation is delayed or the regulations are not in place soon, Sask Wheat would like to see the government extend the provisions of Bill C-30 to cover the 2017 harvest.”

The new legislation includes new requirements for railways to disclose data and increase transparency on performance metrics, service and rates. The Maximum Revenue Entitlement was kept, but there will be changes to the methodology to reflect individual railway investment in capital. Interswitching was also overhauled, moving from cost-based rates to rates based on comparable traffic, applying to distances up to 1,200 km.

“We are encouraged that, overall the Federal Government has listened to our concerns and is committed to addressing the challenges that exist in the rail transportation system, which they have demonstrated through their commitment to maintain the MRE,” says Jason Skotheim, SaskBarley Chair.

“However, we still need further clarification on how the price protection currently provided by the MRE will be impacted by the removal of interswitching and containerized goods from the calculation and by the proposed methodology reforms. We also need further clarification on timelines for this legislation to take effect.”

“We are very pleased that the Federal Government has taken into account the input from our industry and the needs of producers in drafting these amendments,” said APAS President Todd Lewis, who attended a presentation on the Bill from Minister Garneau in Edmonton today. “This is a major step in the right direction, and now we need the measures implemented so we can get our products to market in a timely and cost effective manner.”

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