



**KEYSTONE
AGRICULTURAL
PRODUCERS**
1984 - 2024

August 20, 2024

Minister Ron Kostyshyn
Minister of Agriculture
dmagr@manitoba.ca

Dear Minister Kostyshyn:

We are writing to express our concerns about a potential railway strike and the need for the department to meet with federal Minister Steven MacKinnon.

Canadian National Railway and Canadian Pacific Kansas City play an important role in movement of farm product across Canada. Nearly all agricultural product and inputs shipped by railway in Canada are either handled by CPKC or CN. The prospect of over 9000 conductors, locomotive engineers, rail traffic controllers, and yard workers striking on August 22 is very concerning for Manitoba producers. Producers in the province rely on both railways to deliver farm inputs (e.g., fertilizer) along with using the rail network, offered by the two largest class one railways, to move their commodities to buyers.

We are concerned that a strike could affect the value of Canadian grain considering that harvest is well underway. A reduction in cash flow would harm a farmer's ability to pay bills and purchase inputs. Moreover, demurrage costs and delays on both the west and east coasts created by a strike would ultimately be passed onto the farmer. All these factors influence the reputation of the Canadian brand with our customers: reliability is a key component of the Canadian brand. The inability to meet the expectation of international buyers—such as in 2013/14—continue to resonate with customers.

The possibility of a strike involving railway workers would shock and harm an already fragile supply chain system. The effects are already being noticed—railcars are being stopped, grain deliveries are being rationed, and vessels are limiting cargo to Canada. We have been working with other agricultural organizations on a potential strike and fully support the advocacy efforts on stopthestrike.ca. But our advocacy efforts can only go so far; therefore, we are requesting that your department meet with federal Minister Steven MacKinnon and emphasize the need for binding arbitration.

Sincerely,

Brenna Mahoney
General Manager, Keystone Agricultural Producers Inc.

CC: Deputy Minister Brenda DeSerranno
Christopher Sanderson

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