

August 22, 2024

The Honourable Steven MacKinnon Minister of Labour and Seniors Steven.MacKinnon@parl.gc.ca

Dear Minister MacKinnon:

We are writing to express our concerns about the current railway lockout and the need for an immediate solution.

Canadian National Railway and Canadian Pacific Kansas City play an important role in movement of agricultural product across Canada. Nearly all agricultural product and inputs shipped by railway in Canada are either handled by CPKC or CN. The lockout involving over 9000 conductors, locomotive engineers, rail traffic controllers, and yard workers striking is very concerning for Manitoba producers. Farmers in Manitoba rely on both railways to receive farm inputs, along with using the railways to move their commodities to buyers, both of which are essential to their operations.

We are quite concerned how this lockout will affect the value of Canadian product, considering that harvest is well underway. Moreover, a reduction in cash flow—due to the lockout—would harm a farmer's ability to pay bills and purchase inputs. Demurrage costs and delays on both the west and east coasts created by the lockout 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 effects of the lockout are already being noticed—railcar movement has stopped; grain deliveries to elevators are being rationed or have stopped; vessels are limiting cargo to Canada; and disruption has occurred at Canada's ports. As the lockout progresses, the negative effects associated with it will be exacerbated. To prevent additional harm to Manitoba farmers, we are requesting that you apply binding arbitration or enact back-to-work legislation.

Sincerely,

Jill Verwey

President, Keystone Agricultural Producers Inc.

Sellerweg

CC: The Honourable Lawrence MacAulay, Minister of Agriculture and Agri-Food