

CRAA April Monthly Roundup

With the election now concluded and the Liberals securing a fourth mandate, we're looking forward to reigniting CRAA's federal advocacy work. Over the coming weeks, we'll be watching closely to see who is appointed to the new cabinet in key files associated with CRAA's mandate.

We are monitoring rail car statistics and have noticed issues throughout April regarding the delay and supply of ordered rail cars. In some instances, this has resulted in a less than 50% supply rate for those in the agricultural industry. As we head into the warmer months, we're watching for wildfire and drought risks and how this may impact rail car supply and demand.

Our hope is to host an all-member meeting in late May or early June, once the dust has settled postelection, to discuss our objectives for the coming months.

Thank you,
Your CRAA Executive Team

Advocacy Round-Up

Earlier this month, we drafted a position statement to participate in an adjudication process between the Government of the Northwest Territories and CN regarding CN's decision not to complete repairs and maintain operations on the link between Enterprise and Hay River. Our statement outlined how our members see rail as a vital economic link that brings good-paying jobs, business activity, and community prosperity to our region. This statement was submitted on April 15 on behalf of CRAA's membership. We will keep you all updated as this adjudication process proceeds.

As we've witnessed challenges with train supply and demand over the last several weeks, we have also drafted letters to Minister of Agriculture and Irrigation, RJ Sigurdson, and Minister of Transportation and Economic Corridors, Devin Dreeshen, requesting meetings to discuss this issue. We believe that given the continuous uncertain economic landscape, it is critically important that our transportation systems meet the moment to keep our products travelling to market.

With the Liberals securing 169 seats, including two in Alberta, we reviewed the previously tabled Liberal platform for indications of areas where we may work together to advance CRAA's objectives. Areas of alignment include:

- Help Canadian farmers get their goods to market at low cost, particularly in Alberta,
 Manitoba, and Saskatchewan. We will do this by extending the Extended Railway Interswitching pilot by three years. As part of our commitment to support Canadian workers, we will explore all options to exclude non-Canadian railways from being included in this project.
- Build new trade infrastructure that connects Canada through the new \$5 billion Trade
 Diversification Corridors Fund, including ports, railways, airports, highways, and other trade
 enabling infrastructure. This will develop economic corridors that can make the greatest
 contribution to interprovincial and international trade, prioritizing areas where jobs and growth are
 held back by infrastructure capacity constraints. We will work in partnership with provinces,
 territories, and Indigenous Peoples to advance this work.

Once the cabinet is announced, we will begin reaching out to relevant departments for meetings to begin building relationships with newly elected and appointed officials.

News, Data, and Insights

Below is a sampling of updates related to the rail sector and its implications. Please let us know if you have any insight from your community or industry's experience with rail.

<u>Canadian Transportation Agency announces railway price indices for 2025-2026 crop year</u> - The Western Producer (May 1)

• The VRCPI for the Canadian National Railway is set at 1.9734, an increase of 1.72 per cent over last crop year. For Canadian Pacific Kansas City Railway, the VRCPI is set to 1.9349, an increase of 3.11 per cent from the previous crop year, the CTA said in a news release on Wednesday.

Railways eliminate carbon surcharge - The Western Producer (April 11)

 On April 1, CN and CPKC eliminated their carbon tax surcharges after the federal government ended consumer carbon pricing. The move will save farmers an estimated \$80 million in 2025 in Saskatchewan alone.

GNWT seeks to resolve rail repair dispute by adjudication - Cabin Radio (April 7)

The Northwest Territories government is looking to adjudication to resolve its dispute with CN Rail
over a section of damaged rail line between Enterprise and Hay River. The 2023 wildfires severely
damaged the section of track in question. While CN repaired the track from Alberta to Enterprise,
the company is seeking funding from the Northwest Territories government or another source to
repair the stretch between Enterprise and Hay River.

<u>CN railroaders get 3% wage increase per year in ruling after shutdown last summer</u> - City News (April 7)

• Engineers and conductors will receive a three per cent annual raise under binding arbitration with Canadian National Railway Co. (CN). The new agreement was reached on April 7 after six days of arbitration hearings throughout the previous month. A work stoppage at the country's two main railways shut down freight and commuter traffic on August 21, leading to a binding arbitration directive from the federal government 17 hours later.

Calgary Region Hydrogen Hub Opens - Railway Age (March 25)

On March 21, Canadian Pacific Kansas City (CPKC) unveiled the Calgary Region Hydrogen Hub.
The hub will initially focus on airports, heat and power, hydrogen corridors, industrial and
municipal fleets, and trains, with CPKC currently testing hydrogen-powered locomotives as part
of its Hydrogen Locomotive Program. The hub aims to create more than 100 jobs and is a key
component of Calgary's climate strategy.

TSB Releases Final Report on 2024 CPKC Collision - Railway Age (April 1)

 The Transportation Safety Board of Canada is calling for additional backup safety defences in signalled territory in its final report into the 2024 main-track collision of two CPKC trains near Greely, British Columbia. The report determined that one of the trains involved in the accident missed a Clear to Stop indication because the crew was distracted by a call from the rail traffic controller.

Prime Minister Carney meets with premiers and shares his plan to build one strong Canadian economy - Prime Minister of Canada (March 21)

On March 21, Prime Minister Mark Carney met with provincial and territorial leaders to share his
plan to build one strong Canadian economy. His plan includes the creation of a First Mile Fund,
which would build transportation networks to connect energy extraction sites to rail lines and
roads. It also includes a \$175 million investment in the Hudson Bay Railway and at the Port of
Churchill to expand and open new transportation corridors, bolster economic growth in the North,
and help get Canadian products to global markets.



