

October 26, 2020

Canadian Transportation Agency
15 Eddy Street
Gatineau, Quebec
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Re: Consultation on Regulated Interswitching: Proposed Changes to Rate-Setting and Billing

CCGA represents 43,000 canola farmers from Ontario to British Columbia on national and international issues, policies and programs that affect farm profitability. The canola sector contributes \$26.7 billion to the Canadian economy annually and supports 250,000 jobs across the country. In 2019, canola exports were valued at \$9.3 billion.

Rail transportation is critical to farmers and the industry as we export 90% of Canadian canola production annually to over 50 countries. These exports keep farms successful and help ensure strong rural communities, employment and value-added activities.

Although farmers are typically not the legal shippers of grain, we take a keen interest in the regulatory framework that governs both the operations and regulatory affairs associated with the Class 1 railways in Canada, as they are a critical component to the end-to-end grain supply chain. In addition, through the structure and commercial relations of the grain industry, transport costs are reflected in the price farmers receive for their product from their buyers, one of many external cost factors that directly affect farm profitability.

CCGA agrees with the broad representation on the issues made by shippers of Canadian grain to this Agency consultation and do not have any more detailed perspectives to offer on the specific questions posed. More generally, this consultation and its documentation would have benefitted from more precise examples and illustrations for stakeholders to consider in making comment regarding the specific questions, as it is difficult to provide comment without even having an illustration of potential outcomes of the presented options.

Whatever potential changes are eventually contemplated, they need to be done in a manner that is fair (to all parties) and in a transparent process. On a related interswitching matter, we encourage the Agency to consider undertaking a review of the long-haul interswitching (LHI) provisions of the *Canadian Transportation Act*, enabled by Bill C-49, and its level of usage and effectiveness for shippers now that it is two years out from implementation.

Sincerely,



Rick White
President & CEO