

**FLIP
THE
SWITCH**



**FOR IMMEDIATE RELEASE
PRESS RELEASE**

Grain Sector Raises Alarm on Expiring Extended Interswitching Pilot

Its expiry will threaten the agriculture sector's competitive access to rail supply chains

(Ottawa, ON – Jan. 16 2025) March 2025 will mark a major setback for Canada's agriculture sector and broader supply chain with the expiration of the extended interswitching pilot. With Parliament prorogued until March 24th, there is effectively no path forward for the program's renewal or permanency before its expiry, leaving grain farmers and the grain sector once again exposed to the uncompetitive forces of rail monopolies.

The extended interswitching pilot is an important tool for Canada's grain sector, providing access to competitive rail options that can improve access to rail service, reduce shipping costs, and enable producers to meet market demands more effectively. By allowing shippers to access alternative rail carriers within a set distance, extended interswitching can help alleviate monopolistic practices in the rail sector and improve service predictability across the supply chain.

Its expiry will be a step backward for the sector, once again leaving the agriculture sector with no true competitive rail service options. This outcome is further compounded given the missed opportunity in the recent Fall Economic Statement to either extend the pilot or make extended interswitching permanent. As a no-cost measure, it would have continued an essential level of competition into Canada's duopoly of Class 1 railways, delivering meaningful benefits to farmers, shippers, and the broader agriculture sector.

A government committed to supporting Canadian agriculture and bolstering the economy must take prompt and decisive action to address this oversight. Both the current 18-month pilot and the 2014-2017 program have clearly demonstrated that extended interswitching delivers competitive benefits, not only to the agriculture sector but to Canada's economy as a whole.

It's time to ensure competitive forces exist at the heart of Canada's rail supply chains so they deliver the best possible service outcomes for the agriculture sector. Anything less risks further stifling the growth and competitiveness of Canada's agriculture sector and ability for farmers to command premium prices for their grain in global markets.

For more information, visit interswitching.ca.

For media inquiries, please contact:
Grain Growers of Canada
514-834-8841 | Media@graingrowers.ca