

# **Grain Monitoring Program**

## **Supplemental Program**

### **Report on the Identification of Producer Impacts Over and Above those Identified in the Producer Netback Methodology**



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*Prepared by:*

**Quorum  
Corporation**

701, 9707 – 110 Street  
Edmonton, Alberta  
T5K 2L9

for



Transport Canada    Transports Canada



Agriculture and Agri-Food Canada    Agriculture et Agroalimentaire Canada

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## **1. Executive Summary**

A primary policy interest of the Federal Government's reform of the Grain Handling and Transportation system (GHTS) lies with Western Canadian producers. In order to fully assess the impact of moving to a more commercially oriented grain handling and transportation system, producers' interests will be included in the measures to be implemented through the Grain Monitoring Program (GMP). Producer impact design elements chosen by the government will be used in conjunction with the existing producer netback methodology.

While producer netback methodology will form the principal means by which impacts on this stakeholder group are measured, it is recognized that numerous other impacts to producers have and will continue to stem from on-going changes to the GHTS. In recognition of these additional potential impacts the Federal Government has provided for this study to be undertaken as part of the Grain Monitoring Program's (GMP) supplemental program.

Under the terms of the Supplemental Program, this study seeks to:

1. Identify other impacts on producers attributable to the changes in the grain handling and transportation policy and recommend, to the extent possible, performance indicators to track these impacts;
2. Recommend specific studies on identified areas of impact to the producer.

The study team began by identifying areas of potential examination and then consulted with industry stakeholder groups regarding the measurement and monitoring of such producer impacts. Having solicited and reviewed the input of stakeholders, it became clear that the inclusion of producer car issues in on-going monitoring initiatives was of the highest priority.

Stakeholder input, collected through the consultative process, resulted in the identification of a number of areas of interest or concern which form the basis for suggested special studies. These have been prioritized into the following three categories:

High priority issues:

- Transportation and handling of special crops;
- The impact of crop diversification on the demands placed on and performance of the GHTS;
- The ability of the system to move product to meet peak prices; and
- Various aspects of commercial trucking activities within the GHTS.

Medium priority issues concerning:

- Competitors' best practices;
- Overall GHTS capacity;
- Customer satisfaction;
- Financial viability of the GHTS; and
- Road infrastructure costs and impacts resulting from changes to the GHTS.

The lowest priority group consists of studies in the areas of:

- Changes in net income attributable to changes in GHTS;
- On-farm adjustment costs; and
- Labor disruptions at ports.

It is the recommendation of Quorum Corporation that the Federal Government undertake the following:

1. The incorporation of producer car measures into the ongoing monitoring program with a view to specifically measuring the number of cars shipped and the number of sites used for producer loading.
2. The enhancement of existing measures to include data on special crops where available.

It is further recommended that the Federal Government pursue specific studies, within the framework of the GMP supplementary program, on items identified as high priority issues and medium priority issues as qualified in this report. These issues should be progressed in order based on their designated priority. It is not recommended that any special studies be undertaken in the immediate term for those items identified as low priority.

On the specific issue of specialty crops it is noted that the revised producer netback methodology recommends calculating producer netback for feed peas, one of the major special crops. It is also recommended that the calculation of producer netback for edible peas, lentils, and chickpeas (two kinds) be examined as part of a study on transportation and handling of special crops.

## **2. Overview of Producer Impact Study**

The purpose of this report is to provide the Federal Government with feedback on the industry stakeholder consultations conducted by Grain Monitor on the issue of producer impacts. This report will also make recommendations regarding revisions to the existing monitoring design to improve the capability to track these impacts and whether specific studies should be undertaken to assess identified issues in the subject area.

### **2.1 Preliminary Paper and Suggestions**

Included in the study team's initial discussion paper on producer netback methodology<sup>1</sup> was a preliminary list of "Other Impacts on Producers." This list was not intended to be exhaustive but rather was published to stimulate discussion on this topic in preparation for further stakeholder consultations. The specific impacts considered were:

- Road impacts from increased trucking.
- The ability of the system to move product to capture higher prices in particular time periods.
- On-farm adjustment costs (i.e. reconfiguring yards to allow better movement of larger trucks).
- Examination of the commercial trucking industry.
- Prospects for crop diversification and the impact of crop diversification on the demand for transportation and handling services.
- Changes in net income per acre resulting from changes in the transportation and handling system.
- Long-term viability of Canadian ports.
- Tracking of the satisfaction levels of Canadian customers for grains and oilseeds relative to Canadian competitors.
- Best practices in grain handling and transportation

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<sup>1</sup> "The formulation of a common methodology of Producer netback..." Quorum Corporation Sept. 10 2001

## **2.2 Criteria for Evaluation of Stakeholder input**

A key consideration throughout this process was the development of concrete recommendations within the existing mandate of the Grain Monitoring program. In order to foster such a result the study team established specific evaluation criteria for the review of stakeholder suggestions regarding the inclusion of new measures or studies. The specific criteria utilized were:

- Possibility of quantification
- Relationship to producers and changes in the GHTS
- Relationship to monitoring program
- Articulated need
- Magnitude of impact on producers
- Existence of previous studies on topic (duplication of effort)

In addition, all suggestions for the inclusion of measures in the current monitoring program were conditional on the ability to utilize data already accessible within the Monitor's mandate. It was also determined that the use of such data would be subject to the same confidentiality and commercial sensitivity provisions as the core monitoring program.

### 3. Stakeholder Consultations

During the months of October and early November the study team consulted with twenty stakeholders regarding the draft producer netback methodology and other producer impacts. Table 1 below identifies the industry stakeholders who participated in the consultative process. All consultations consisted of face-to-face meetings with the exception of discussions with the Canadian Special Crops Association and the Western Canadian Barley Growers. The discussion paper was also sent to the Canadian Ship Owners Association and the Chamber of Maritime Commerce however no response or commentary was received from these parties. .

<b>Stakeholders Participating in Netback and Other Impact Consultations</b>	
Agricultural Producers Association of Saskatchewan	Keystone Agricultural Producers
Canadian Canola Growers	National Farmers Union
Canadian Grain Commission	OmniTRAX
Canadian National Railway (CN)	Saskatchewan Association of Rural Municipalities
Canadian Pacific Railway (CP)	Western Canadian Barley Growers
Canadian Special Crops Association	Western Canadian Wheat Growers Association
Canadian Wheat Board	Western Grain Elevator Association
Government of Alberta	Wild Rose Agricultural Producers
Government of Manitoba	Winnipeg Commodity Exchange
Government of Saskatchewan	
Inland Terminal Association of Canada	

**Table 1 – Participating Stakeholders**

A summary of the input received from each of these parties is contained in the appendix to this report.

#### 3.1 Ongoing Monitoring

The following areas were suggested for incorporation into the ongoing monitoring program:

**Producer Cars:** The inclusion of measures for volume of cars shipped and the number of sites used for producer car loading has widespread support. Producer car loading is recognized as a viable alternative within the GHTS, is experiencing a growth in popularity, and is directly related to producers and changes in the GHTS. Subsequent investigation revealed that data on this issue is readily available through the Canadian Grain Commission.

**Shipping accuracy in the country:** This refers to the accuracy in loading grain and grade at country elevators as per the car order placed. Data to measure shipping accuracy in the country is not readily available. The need to monitor this aspect of industry behavior was raised by a single stakeholder and is of direct concern only to grain companies.

**Car Availability and Level of Service:** Measures regarding car supply and general level of service parameters are already contained in the ongoing monitoring program. It is the opinion of study team that determining car supply performance for specific commodity types falls beyond the existing mandate of the monitoring program. Furthermore, there is a significant risk in stating car supply and availability statistics, in that this could be viewed as a form of proxy for estimating market demand. For this reason, the study team recommends car supply be viewed in terms of car availability only.

### 3.2 Special Studies

The consultative process resulted in numerous suggestions by stakeholders for special studies to be undertaken by the Grain Monitor. The specific suggestions and stakeholder comments as to why they should or should not be examined are outlined below.

#### *Trucking Activity*

Many stakeholders expressed concern and/or interest in the movement of grain by truck to elevators, feedlots, special crop processing plants, processors, and to US export markets. There are many information gaps in this area. For example, there are no statistically valid estimates of the relative proportion of grain deliveries made by producers themselves as opposed to commercially hired services. The cost of producer versus commercial deliveries is unclear, especially when incentives from grain companies are included in the analysis. There is also a lack of clarity about the magnitude of the increase in trucking distances.

The objective of undertaking a study on trucking activities in the movement of grain would be to examine a number of specific issues including:

- The demand for trucking to elevators/ special crop processing plants, feedlots, processors, and to the US and an attempt to quantify how fast these markets are growing;
- The cost of commercial trucking versus delivery in producer owned trucks and the identification of producer capital costs associated with trucking activities;
- Quantification of trucking distances and costs to the various markets;
- Service issues such as waiting times;

- the identification of the relative proportion of grain deliveries made by producers themselves and those through commercially hired services for the various markets; and
- the identification of developing trends in trucking to these markets.

While an examination of trucking activities within the GHTS has merit in its own right it is believed that such an analysis would also add significant value to the proposed study on the impacts of crop diversification.

### *Customer Satisfaction*

A study to examine and measure the level of customer satisfaction among users of the Canadian GHTS relative to Canadian competitors received mixed support. Many of the stakeholders believe this to form part of the base program related to tendering programs and that it should be accomplished through a broad survey of the industry.

### *Best Practices*

The performance of the Canadian GHTS relative to competitors does influence the long-term economic and financial return of crop production. Many stakeholders expressed concern that it would be difficult to elicit truthful answers through a customer survey. In lieu of a consumer survey, relative performance could be determined using macro performance indicators. A study of this nature is similar to an examination of competitors' best practices - **an** area also recommended for study. While stakeholders as being important to examine identified both of these areas, support was not universal. Dissenters in this regard feel that previous studies on industry best practices and the performance of competing grain handling systems have been largely disregarded by the industry as being inapplicable to Canadian operations.

### *Net Income*

It was recommended by one group of stakeholders to study changes in net income per acre attributable to changes in the GHTS. The difficulties of measuring this, as well as farm-adjustment costs and investment in off-farm storage, were discussed with several stakeholders. While two of the stakeholder groups support this concept, the preponderance of groups had considerable reservations. Although these costs are directly related to changes in the system the study team concurs with the sentiments about the difficulties of measuring these impacts.

### *Crop Diversification*

A study to measure the effects of Crop diversification and changes in demand for GHTS services received strong support, excepting a single stakeholder, primarily

because this would focus on special crops. Many stakeholders articulated the need to examine the impact of ongoing crop diversification and livestock expansion on the demand for services of the GHTS. It was suggested by some that such a study should also examine the system's ability to handle trace ability, identity preserved (IP) products, and genetically modified organisms.

At a more micro level, many stakeholders believed that the transportation and handling needs of special crops should be examined separately. At a macro level the macro analysis would provide forecasts of movement, direction of movement, and the demand for particular services. It could also identify the existence of any gaps between the system's ability to provide IP, traceability, etc and the future demand for these services. The intent of the micro analysis would be to identify operational difficulties in the export of special crops such as container availability, access to boxcars for movement of bagged product, intermodal shipments, etc. Data is available to permit the undertaking of the macro analysis. Additionally some analysis of the transportation of special crops has previously been done.<sup>2</sup>

### *GHTS System Capacity*

A number of the groups consulted identified the need to study the Capacity of the Canadian GHTS system and its ability to operate in a fashion that permits Canadian producers to obtain peak market prices. This concept has the support of a large number of the stakeholder groups.

The study team views these as separate issues in that one deals with the actual logistics capabilities of the system while the other deals with the system's ability to be proactive to market demand. The study team believes the issue of physical system capacity should form part of an examination of ongoing crop diversification and its impact on the capability of the system.

The issue regarding the ability of the GHTS to move product in a timely manner to meet peak prices is a specific area of concern to canola and special crops producers. While data is available to examine this issue at a high level for canola movements it is more difficult for special crops due the lack of available data. In this regard it has been suggested that the Monitor also examine whether there is sufficient capacity to move large crop as well as the seasonality of prices and movement.

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<sup>2</sup> see "Future of Pulse Crop Transportation in Saskatchewan" by Fulcrum Associates – Oct. 23, 2000 at [www.saskpulse.com/web/transport.html](http://www.saskpulse.com/web/transport.html))

## *Road Impacts*

As many stakeholders strongly support the need to examine the costs/impacts on roads of the changes to the GHTS as do not. The groups not in support of such a study believe this issue has been adequately examined and the provinces compensated<sup>3</sup>. There is also the belief among some stakeholders that producers have not been disproportionately affected by road costs.

## *Financial Viability*

Some stakeholders stated a desire to see the financial viability of all the components of the GHTS examined. Not unlike the recent DBRS report<sup>4</sup> on the viability of the grain companies, the intent would be to review the viability of all stakeholder groups within the GHTS supply chain. A review of this type would require extensive costing and profitability data that would be considered intrusive by nature and fall outside the bounds of the GMP mandate.

## *Seaway System*

Other stakeholders recommended an assessment of the Great Lakes and Thunder Bay system in light of environmental conditions, specifically water levels, and changes in historical grain movement. These areas do not focus specifically on producers although producers are affected by the sustainability of the system. In general, there would be no difficulties with the acquisition of data to perform this study.

## *Port Labour Issues*

A number of stakeholders suggested that labour disruptions at ports be examined. While this area does have support from a broad range of the stakeholder community, the study team believes the existence and impacts of labour disruptions will be identified through the ongoing monitoring program.

Other areas of study that were recommended but did not find wide support included:

- The direct impact of elevator closures on the economy;
- Impact of concentration in terminal ownership, particularly as it pertains to pending and future mergers within the industry;
- Adequacy of car supply;
- Primary elevator congestion;
- Disposition of government grain cars;

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<sup>3</sup> This refers to the one time special payment of May 2000 to the provinces in lieu of road wear from extended haulage of grain

<sup>4</sup> Refers to the DBRS report "The Grain Industry in Canada" – David Schroeder, Alden Greenhouse and Sean Mason of Dominion Bond Rating Service, August 2001 (this analogy is The study team's)

- Examination of railway efficiency gains and the distribution of such gains;
- Top ten list of obstacles to efficiency; and
- An examination of mandated costs such as CGC fees and exports variety standards.

With regard to these items it is believed that the existing monitoring program and the calculation of producer netback will provide sufficient information regarding car supply, country elevator congestion, and elevator closures. It is beyond the scope of the monitoring program to conduct or recommend productivity reviews, a fact that was reiterated to the stakeholders in several meetings. Stakeholders were also informed that the issue of the sale of government grain cars was best dealt with directly by the federal government.

It is the study team's belief that the creation of a top ten list of obstacles to efficiency would be viewed as generally subjective and as such have only nominal value. It would more likely serve to instigate animosity between certain industry participants rather than provide the focal point for system improvement as is likely envisioned by stakeholders. Finally it is the study team's position that the examination of mandated costs and export standards would fall beyond the current mandate of the GMP, as it would not be directly related to changes in the GHTS.

The study team appreciates the valuable input received from stakeholders in identifying and providing indications of priority regarding the issue of producer impacts beyond those identified in the producer netback methodology.

## **4. Summary and Recommendations**

Using the evaluation criteria identified in Section 2.2 of this report the list of stakeholder suggestions was reduced to those that should be considered for inclusion in the Grain Monitoring program. Those items meeting the evaluation criteria were then assessed on the basis of the weight of stakeholder support for each item in order to determine priority. Following are the items recommended by the Grain Monitor both for inclusion in the ongoing monitoring program and for the development of individual studies.

### **4.1 Ongoing Monitoring Measures**

#### *4.1.1 Additional Operational Measures*

It is recommended that specific measures regarding producer cars and the enhancement of existing measures to include special crops be included in the ongoing monitoring program. Insofar as measures for shipping accuracy, car availability and level of service, the study team believes the existing measures as defined in the monitoring design are sufficient and that any further analysis of these items would go beyond the GMP mandate and be intrusive by nature.

#### *4.1.2 Producer Cars*

With respect to the inclusion of producer cars, it is noted that this item held the highest priority among stakeholders. It is recommended that the Federal Government incorporate metrics for producer cars into the ongoing monitoring program. The specific metrics to be included are the measurement of the volume of producer cars shipped and the number of origin sites.

Records of producer car shipments are available from the Canadian Grain Commission. Summaries by province and by grain have been obtained and the data can be used for an additional measure in the System Efficiency section of the report.

The railways identify authorized producer car loading sites on their respective websites. Both Canadian National and Canadian Pacific have been consulted regarding the inclusion of this data in the Monitor's reports. A historical listing of producer car loading sites as of the beginning of the 1999/2000 crop year has been obtained from the CGC. The railways indicate that they do not have records of changes at the beginning of the 2000/2001 crop year. Producer car loading sites reported in future quarterly and annual reports will be based on information as published on the railway's websites.

### 4.1.3 Enhancement of existing measures

A number of stakeholders suggested that the growing importance of special crops should be reflected in the base monitoring program. Western Canadian production of dry peas has far surpassed that of flaxseed and rye, yet there continues to be a focus on the traditional “six major” crops<sup>5</sup>.

Data availability for special crops is limited. The CGC is currently considering substituting rye statistics with pea statistics in their publications. Nevertheless, production data is available from Statistics Canada and the Monitor will have data on unloads and shipments of special crops at port positions from CGC Unload and Shipments files. This would permit limited reporting on special crops in the base program. The base program can be modified to accommodate expanded reporting, particularly for peas, if and when the CGC initiates such reporting.

## 4.2 Special Studies

In terms of special studies, the needs articulated by stakeholders can be grouped into three levels of priority. As stated earlier, the prioritization of these issues is based on the breadth of support from the stakeholder community for the various issues discussed, and the clarity of the rationale used in support arguments for these special studies. The study team also considered practicality in terms of required resources and whether duplication was likely regarding issues that have received considerable study to date.

In some cases the suggested studies that have been brought forward by the stakeholder groups, and the producer groups in particular, do not address issues that have a direct impact on producers but rather a broader impact on the GHTS.

### 4.2.1 High Priority Items

It is recommended that the Federal Government pursue specific studies on the following issues:

**1. Transportation and handling of special crops:** This study would cover the availability of rolling stock (hoppers, boxcars, containers and inter-modal equipment) for shipment of special crops now and into the future. Expanded commodities for producer netback and export basis calculations can also be considered as part of this study<sup>6</sup>. A direct

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<sup>5</sup> Production ('000 metric tonnes)

	1999	2000	2001
Flaxseed	1,022.4	693.4	703.7
Rye	320.0	196.2	159.7
Dry Peas	2,251.9	2,864.3	2,175.4

Source: Statistics Canada

<sup>6</sup> The revised producer netback methodology recommends the feasibility of calculating producer netback for feed peas, one of the major special crops be investigated. Further information on netbacks for special crops is contained in the appendix of the Producer Netback Report.

benefit of undertaking this study would be to concerns of the growing special crops industry, which currently feels its interests are not adequately addressed.

**2. The impact of crop diversification on the demands placed upon the GHTS:** This study would examine the shift in crop production and impacts of increased livestock production within the context of the ability of the GHTS to respond or adjust to meet these demands. The principal outcome would be a forecast of movement volume, direction and the identification of demand for specialized services. It believed the industry would view such an initiative as an important, forward-looking exercise that could be done in conjunction with the transportation and handling of special crops study.

**3. The ability of the system to move product to meet peak prices:** While of particular interest to canola and special crop shippers, this study would cover the capacity of the entire GHTS to determine its ability to respond to spikes in demand corresponding to price signals. Such a study would be extremely useful and should focus not only on overall capacity, but also on the response time of the various system components to handle spikes in sales programs.

**4. Trucking:** The objective of this study would be to examine the nature and magnitude of commercial trucking activities versus producer owned trucking. It would also assess changes in length of haul and provide insight to producer trucking costs through a determination of the changes in demand to elevators, processors and feedlots. The study would cover the shift in volume hauled as well as the accessibility of commercial trucking options to smaller producers.

#### 4.2.2 Medium Priority Items

These issues were brought forward during the consultative sessions and received support from two or more stakeholder groups. They are recommended for study with some qualifications as noted:

**1. Best practices:** This study would examine the best practices used by some of Canada's major competitors. Some stakeholders would view it as a benchmarking exercise although the potential that direct application of some processes to the Canadian GHTS may be limited. The study team recommends that this issue be studied with a caveat that all issues be limited to direct comparisons between Canadian GHTS practices and those of other nations or industries.

**2. Financial viability of the entire system:** This study envisions coverage of all components of the GHTS supply chain to provide a

report card on the viability of each segment as well as the interrelationship, as it relates to viability, between the various parties from producers to ports. Such a study may require extensive financial data on some processes and be viewed as intrusive.

The study team recommends that viability studies be limited to areas of the GHTS that can have a direct impact on the producer or netback to the producer and do not require intrusive requests for data from specific members of the stakeholder community. An example of this would be the assessment of grain movements on the Great Lakes and Seaway system and its impact on the GHTS and producers.

**3. System capacity:** This study would examine the changes in system capacity and assess whether sufficient capacity exists to move a large crop. It could overlap with the study of the ability of the system to move product to meet peak prices and as such has significant stakeholder support.

**4. Customer satisfaction:** This entail a survey of Canada's grain customers to determine their level of satisfaction with service provided by the GHTS. While some stakeholders may view an examination of this nature as unnecessarily raising the profile of past GHTS performance shortfalls, most would view this as an opportunity to identify both areas where the Canadian system excels, as well as identifying areas for potential improvement.

**5. Road costs:** The objective of this analysis would be to identify the additional costs for maintenance of road systems resulting from increased length of truck hauls and increased truck sizes in the movement of grain. A significant level of support for such a study exists, particularly among the producer community.

#### 4.2.3 Low Priority Items

While the following issues were brought forward during the consultative sessions, they did not receive broad support and as such are not recommended for study:

**1. Changes in net income attributable to changes in GHTS:** This initiative viewed by stakeholders as very difficult to accomplish and was recommended by only one stakeholder.

**2. On-farm adjustment costs:** This study would attempt to identify/quantify costs borne by producers to reconfigure yards to accommodate larger trucks and to construct additional storage. Some stakeholders state that the on-farm adjustments have been ongoing

and therefore it would be impossible to quantify costs resulting from changes in the GHTS.

**3. Labour disruptions at Port:** The intent of this study would be to identify and assess the impact of labour disruptions at ports. While considerable interest was expressed in such a study, it is viewed as unnecessary given that the existing program design already focuses considerable measurements on port performance. In addition there has been considerable study on this issue to date.

## 5. Appendix

### 5.1 Summary of Stakeholder Input

#### Explanation of Summary Topics

<b>Client Specification, Design Item</b>	<b>Description</b>
Customer Satisfaction	Tracking of customer satisfaction levels
On-Farm Adjustment	On-farm adjustments costs (i.e. reconfiguring yards to allow better movement of larger trucks)
Commercial Trucking	Examination of the commercial trucking industry
Net Income Change	Changes in net income per acre resulting from changes in the GHTS
Crop Diversification & Changes in Demand for GHTS Services	Prospects for crop diversification and the impact of crop diversification on the demand for transportation and handling services
Capacity in System & Ability to Capture Higher Prices	The ability of the system to move product to capture higher prices in particular time periods
Best Practices	Best practices in GHTS
Financial Viability	Long-term viability of Canadian ports

<b>Stakeholder Consultation Item</b>	<b>Description</b>
Producer Cars	Metrics on producer loading sites and volumes shipped
Road Costs/Impacts	Road maintenance costs due to increased average length of haul for grain and larger truck sizes
Labour	Impact from labour disruptions, especially at ports
Other	Various

	Producer Cars	Commercial Trucking	Customer Satisfaction	Changes in Net Income	On Farm Adjustments	Crop Diversification & Changes in Demand for GH&T	Capacity and Ability of System to capture higher prices in marketplace	Road Costs/Impacts	Best Practices	Financial Viability	Labour	Other Impacts - Other
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**Grain Companies - 12 Groups (through WGEA)**

					Producers investment in facilities (on farm and off) should be tracked			No - outside Monitor's mandate		Should be studied for all stakeholder groups within the GHTS		Shipping accuracy in the county should be tracked by the ongoing monitoring program; More studies will add little value - Ensure that any other studies fit within the Monitor's mandate or objectives; Could survey stakeholders to determine a top 10 list of obstacles to efficiency
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**Government - 3 Groups**

Yes (1)	In some regions distances are longer, but truck size is bigger probably resulting in lower \$/tonne costs	No - would be flawed due to problems getting truthful answers (1)	Yes - priority	Yes - priority	Yes - priority (1)	Study increases in containerized movements - would focus on special crops ; Special crops transportation issues should be examined. Could calculate a netback on container movement and identify implications for the bulk system; Container availability and containers used for storage could be examined	Yes - study shipping during peak periods (1)	Not a direct impact to producers - primary impact on provincial highways, only indirectly through municipal taxation (1) Provinces have already received compensation (1)	Yes - studying best practices (like benchmarks) in other countries would be valuable; What practices are different, why are they different, and what can we do to improve our system; Refer to the industry led "Vision" exercise of a few years ago (1)	Transportation on Great Lakes could be significantly impacted by lower water levels (action by Michigan); Study implications to competitiveness of rail and lakes; Is Thunder Bay still necessary with additional cleaning capacity on prairies in high throughputs		Congestion at primary elevators and car supply adequacy(1); Distribution of benefits of efficiency savings - including spatial distribution (2); Study mandated costs in system and their policy implications (CCG, export standards, varietal selection, etc.);(2); No more studies on Churchill (1);
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Producer Cars	Commercial Trucking	Customer Satisfaction	Changes in Net Income	On Farm Adjustments	Crop Diversification & Changes in Demand for GH&T	Capacity and Ability to capture higher prices in marketplace	Road Costs/Impacts	Best Practices	Financial Viability	Labour	Other Impacts - Other
<b>Producers - 10 Groups</b>											
Yes - also show geographic distribution; Add number of sites and volumes to base program	Need to include greater trucking distances and shift to commercial trucks	Yes - study relative to competitors		Some importance, but very difficult to measure and get meaningful data (3)	Diversification needs to be judged against the former WGTA regime (1) Study effects of crop and livestock diversification on roads and GH&T; Include container traffic (4)	Yes - also determine who captures the benefits of shipping during peak price periods; Will likely be excess capacity in the system as livestock numbers increase;	Yes - should be estimated at the provincial and municipal level; study shift from rail to road; Also increase in truck maintenance costs; survey 200 trucks to determine what they are hauling and to where		Yes - Study financial viability of entire industry; Western Agri-Food Institute may be looking at this; Study policy changes to assist rural areas - is food security, multi-functionality important	Should study labour disruptions and costs at ports (3)	Study railway efficiency - usually reflected by a cut in service; Other studies also of value (1) Producers pay for car maintenance through the freight rate; Will the federal govt cars be sold? (1)
	Study impact on smaller producers who may not have the volume to load commercial trucks				Need to study supply of cars and containers for shipment of special crops	Seasonality of prices and movement important; marketplace should determine access, not administered rules; Don't think a bidding war will result	Not all attributable to increased number of high throughput; Continuous cropping and greater use of inputs has affected volume		Effectiveness of Ports is most important focus		Quality assurance and IP - can the overall system deliver a product that can be traced back to the producer?; Examine reliability/accountability of the system (1)
					Doesn't require more study - refer to Fulcrum Associates study; Want to know service (number of cars allocated) relative to other commodities; Examine impact of obsolescence of boxcars and closure of CN container yard in Regina (1)						Impact of sale of government hoppers cars (1) Would like to see more data on special crops - the "six majors" is a outdated concept (1) Should consider fording railways to transfer (reassign) Gov't hoppers depending on demand; Would force more competition (1)

Producer Cars	Commercial Trucking	Customer Satisfaction	Changes in Net Income	On Farm Adjustments	Crop Diversification & Changes in Demand for GH&T	Capacity and Ability of System to capture higher prices in marketplace	Road Costs/Impacts	Best Practices	Financial Viability	Labour	Other Impacts - Other
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**Federal/ Regulatory – 3 Groups**

Yes - Add number of sites and volumes to base program;	Yes			Yes - on farm adjustment, including cost of additional storage		Does enough capacity remain to handle a large crop?	Yes	Optimization of logistical strategies could be examined			Impact of elevator closures
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**Railways – 3 Groups**

OK - producer car shipments actually peaked a decade ago	No. Survey is also unlikely to provide reliable data	No	No	No		Need to examine ability of system to meet peaks in demand		Examine logistical practices of competitor countries	Don't study long term viability of ports		
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