

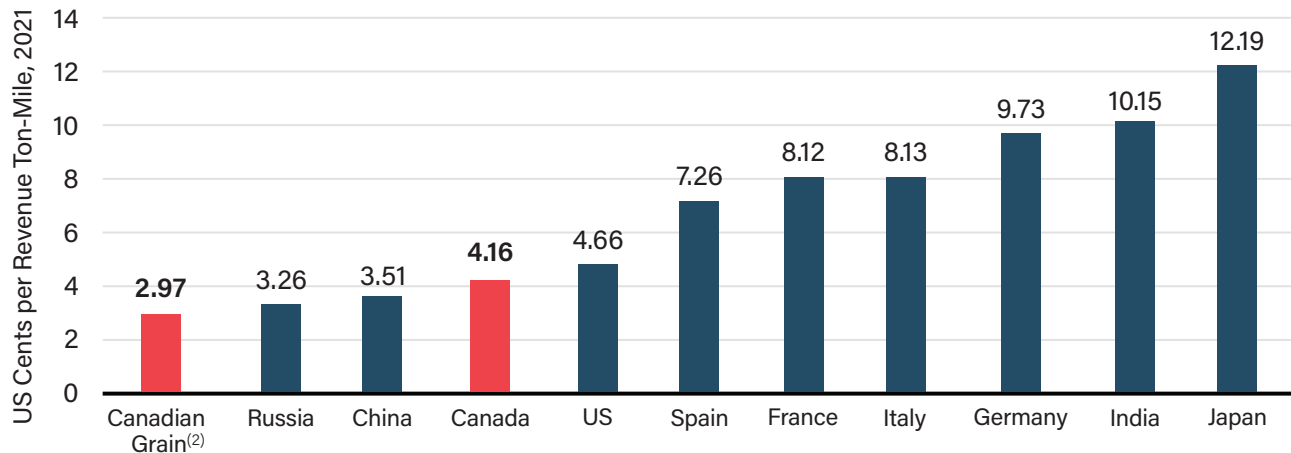
INDEPENDENT STUDY CONFIRMS

CANADA'S RAIL FREIGHT RATES ARE AMONGST WORLD'S LOWEST⁽¹⁾

- CPCS, January 2023

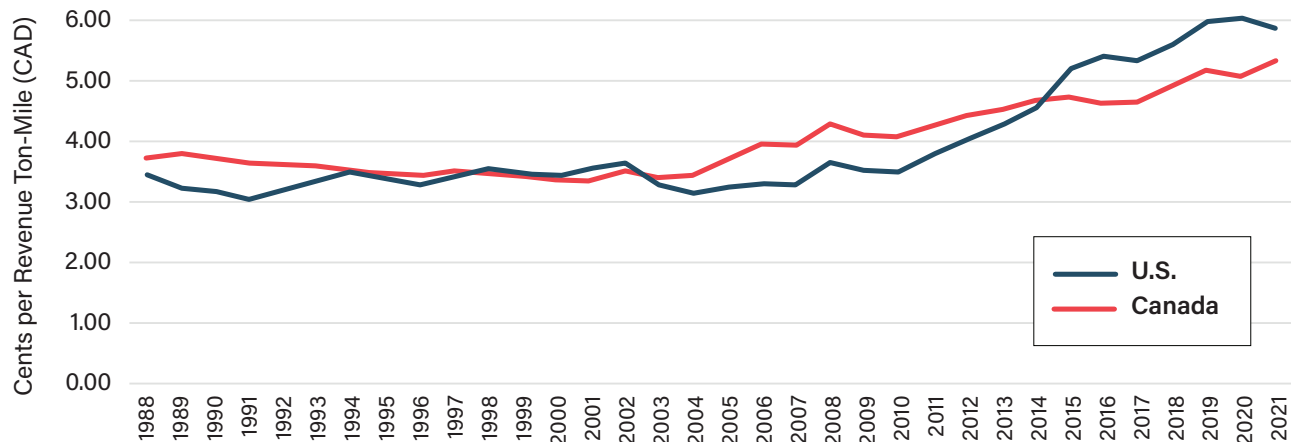
Canada's high-performing freight rail system has among the lowest freight rates in the entire world – lower than the U.S., other western countries in Europe, Japan, and India. Canadians rely on an efficient and competitive freight rail system with industry-leading safety performance, high levels of private sector capital investment, pioneering innovation, and a cost-competitive transportation service.

INTERNATIONAL FREIGHT RATES COMPARED



Source: CPCS, *International Comparison of Railway Freight Rates*, January 2023.

CANADIAN RAIL FREIGHT RATES ARE 11 PERCENT LOWER THAN U.S.

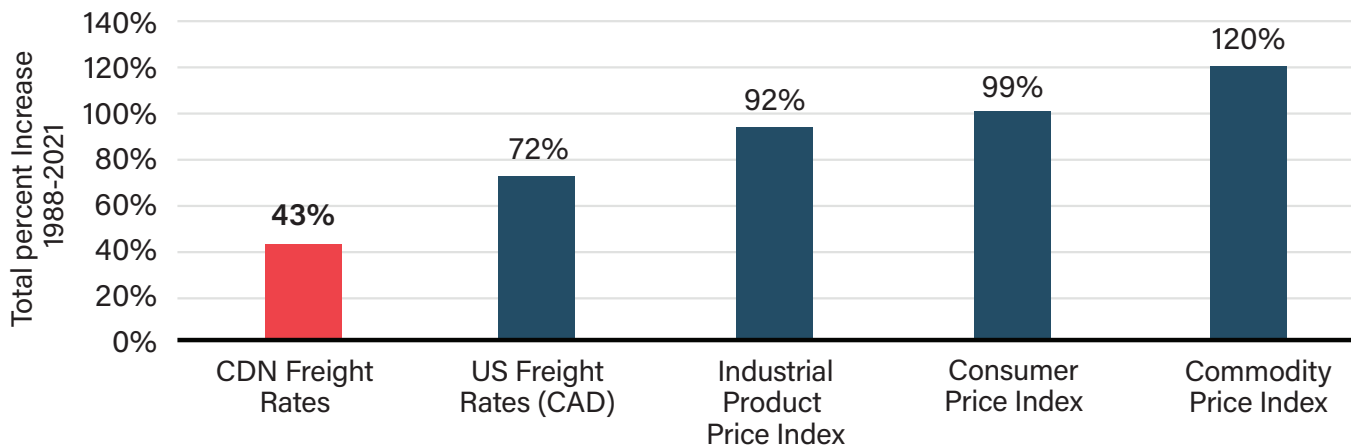


Source: CPCS, *International Comparison of Railway Freight Rates*, January 2023.

(1) CPCS is an independent firm that provides strategic advisory services specific to transportation and power infrastructure, and related operations, investment, policy and regulation and is headquartered in Canada.

(2) This is an implied rate for CN and CP traffic captured by the Maximum Revenue Entitlement, which is a form of indirect rate regulation for the transportation of Western Canadian grain under the *Canada Transportation Act*.

CANADIAN RAIL FREIGHT RATE GROWTH COMPARED TO U.S., COMMODITIES (1988-2021)



Source: CPCS, *International Comparison of Railway Freight Rates*, January 2023.

There is no fact-based argument for more government regulation. Additional regulation will increase consumer costs, fueling even higher inflation, and deter private sector investment in Canada.

FACTS ABOUT CANADA'S FREIGHT RAILWAYS

SAFETY

Canadian Class 1s are industry leaders in safety and have lower train accident frequencies than their U.S. counterparts.

RESILIENCY

Over the past decade, railways have invested more than \$20 billion - nearly 25% of every dollar earned - to enhance the fluidity and resiliency of Canada's rail network.

RELIABILITY

Canada's railways reliably transport \$350 billion dollars of goods each year and bring 50% of our country's exports to market.

For more information visit railcan.ca.

