



**MINISTER
OF INFRASTRUCTURE**

Room 203
Legislative Building
Winnipeg, Manitoba CANADA
R3C 0V8

December 7, 2021

Mr. Bill Campbell
President, Keystone Agricultural Producers
bill.campbell@kap.ca

Dear Bill Campbell:

Thank you for your October 4, 2021 letter highlighting the importance of shortline railways to Manitoba and your request for funding support for the sector. I always welcome industry feedback, so I was heartened to receive Keystone Agricultural Producer's input in support of our shortline railways.

Shortline railways play a vital role in the provincial transportation network, especially in rural Manitoba. In recognition of this, I wish to confirm that Manitoba has been active in the past to provide business planning, branch line purchase and capital rehabilitation support as necessary in the public interest to help ensure the growth and stability of the industry.

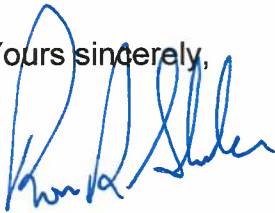
Manitoba has also prioritized and advocated for federal funding opportunities for shortline railways when available. For example, Manitoba actively supported and prioritized a local shortline railway application for funding under the federal National Trade Corridors Fund in 2019, resulting in an award of \$6 million to that shortline for capital upgrades. We also continue to encourage the federal government to increase the flexibility and inclusiveness of federal infrastructure programming to shortlines—for example, shortlines are currently precluded from accessing federal grade crossing improvement and green infrastructure funding. These federal funding gaps should be rectified.

At this time, Manitoba Infrastructure is not contemplating specific programming related to the shortline industry. However, the Department of Economic Development and Jobs offers several programs and incentives targeted to individuals and the business community to encourage new businesses or the expansion of existing Manitoba businesses. Information on their programs, including tax credits to support equity capital, can be found here: <https://www.gov.mb.ca/jec/busdev/financial/index.html>

Manitoba Infrastructure will continue to monitor the health of the sector as our economy recovers from the impact of the COVID-19 pandemic, and will continue to advocate for federal program funding eligibility for the industry.

Thank you again for raising this important topic.

Yours sincerely,



Ron R. Schuler
Minister of Infrastructure

c: The Honourable Heather Stefanson, Premier of Manitoba
Honourable Ralph Eichler, Minister of Agriculture and Resource Development
Honourable Jon Reyes, Minister of Economic Development and Jobs
Sarah Thiele, Deputy Minister of Infrastructure