



The North West Company is a leading retailer of food and everyday products and services to rural communities and urban neighbourhoods in Canada, Alaska, the South Pacific and the Caribbean.

FOR IMMEDIATE RELEASE

The North West Company Calls for Government Action on Churchill Rail Disruption

Winnipeg, June 21, 2017 – The North West Company today called on the provincial and federal governments to take action on the Churchill rail disruption.

"It's been over three weeks. The suspension of rail service to Churchill is a public infrastructure failing that is being borne 100% by the citizens, businesses and other organizations in Churchill. If this crisis was in a rural or urban area, action would have been taken within days," said North West President & CEO, Edward Kennedy. "In good faith and to protect our customers as long as possible we have not passed through any of the additional costs we are incurring to ship products by air instead of rail. That works out to \$700,000 on an annual basis and is not sustainable, nor should it be expected to be," Kennedy said.

"The provincial and federal governments have tools they can use right now, including emergency relief funding agreements and food subsidy programs tailored to remote air access communities, which Churchill clearly now qualifies for. Until the sealift arrives in October, assistance is also needed on non-perishable items. The long term solutions may be complicated but the immediate ones are not."

North West advised both levels of government last week that it was only prepared to keep subsidizing prices until June 25th and is communicating to its customers and community stakeholders that prices will begin to reflect air freight costs on that date. North West intends to partially subsidize key food items, such as milk, over the short term and also plans to provide a sealift order service to individuals and businesses in the community. Although the sealift transportation costs will be higher than rail, they will be less than air.

About The North West Company

The North West Company is a leading retailer of food and everyday products and services to rural communities and urban neighbourhoods in Canada, Alaska, the South Pacific and Caribbean. North West's Northern and NorthMart stores are the largest local private employer of Indigenous people in Canada, with approximately 3,000 employees and an annual payroll exceeding \$65 million.

For more information contact:

Derek Reimer
Director, Business Development
P: 204.934.1469
E: dreimer@northwest.ca

Northern

North **MART**



COST U LESS
Your Best Value