

Court Upholds Limits on Railway's Liability for Shipping Incidents



Canadian Pacific Railway's tariff says it can't be held liable for any claims, including death or environmental damage caused during the transportation of hazardous, toxic inhalants, unless it's found to be solely negligent or guilty of wilful misconduct. A group of shippers of hazardous products challenged the tariff as illegal under the *Canada Transportation Act* and unreasonable. A federal court upheld the tariff on both grounds. It explained that railways have an obvious interest in limiting their exposure to the risks inherent in transporting certain kinds of goods. One of the ways in which they can do so is through the use of limitation clauses in their tariffs, such as CP's [*Canadian Pacific Railway Company v. Canexus Chemicals Canada, LP*, [2015] FCA 283 (CanLII), Dec. 7, 2015].