



For Immediate Release

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Western Canadian Wheat Growers Association Encourages Growth of Short Line Railways

The Western Canadian Wheat Growers Association (WCWGA) says a concerted effort by the agriculture industry to foster short line railway growth would create a winning environment for farmers, municipalities, provinces, and the federal government, through reduced road damage and fossil fuel consumption.

“Short lines can play an important role as the industry rationalizes,” says Con Johnson, Director of the WCWGA, “since not all grain is within reasonable hauling distance of large railways, roads, or inland terminals.”

With heavy regulation of North American railways between the 1890s and the 1970s, many large, or “Class I” railways become insolvent. Governments and industry agreed on deregulation as the main cure and Class I railways looked for ways outside of abandonments, to shed costs without losing traffic.

In the US, the short line industry has grown at a fast clip, with 250 viable short line railways already in place by 1987. In Canada, enabling legislation did not pass until 1987, finally allowing CN to sell lines in Nova Scotia (Cape Breton) and Ontario (Goderich and Exeter) between 1989 and 1991. Many other sales, by both CN and CP followed.

“The Canadian Prairies have been the exception to the short line boon,” says Doug Campbell, Vice President of the Alberta Region for the WCWGA. “The 90-year freight rate freeze, otherwise known as the *Crow Rate*, between 1896 and 1983, as well as the 50-year freeze on line abandonments, have resulted in a situation where our rail roadbed is inferior to areas with at least a mix of at least modestly viable traffic. Grain was the only traffic on many of our lines, and volume fluctuations have been significant depending on the harvests.”

There are some obstacles to overcome in the development of short line rails across the Prairies. For instance, Class I carriers fear “forced access” measures advocated by some interest groups. In addition, provinces tend to provide under-whelming support, especially given the higher road maintenance and replacement costs, should the rail lines be abandoned. Last, a cohesive policy is lacking between Transport Canada, Environment Canada, Agriculture Canada, Prairie Farm Rehabilitation Administration and Western Diversification Canada.

Nevertheless, there are successes. Con Johnson is also Chair of the Board for Great Western Railway, the largest producer car shipping short line in Canada, consisting of a 308 mile line in southwest Saskatchewan, running from Assiniboia to Consul and back east to Bracken. “Lines like the West Central Road and Rail, West Central SK, and Great Western Railway fill a much needed niche,” says Johnson.

The WCWGA, an independent producer organization, has spent 34 years bringing forth innovative farmer-driven solutions and will continue to lobby on behalf of forward thinking, progressive producers in an effort to make farming sustainable and profitable.

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Innovative, farmer-driven solutions.