



For Immediate Release

February 12, 2007

Wheat Growers Call for Federal Government Action on CN Rail Strike

The Western Canadian Wheat Growers Association has written to federal labour, transportation and agriculture ministers calling on the federal government to take action to bring about an end to the CN rail strike that started on Saturday.

“Farmers always end up bearing the brunt of costs in situations like these,” says Cheryl Jolly-Nagel, President of the Wheat Growers. “The costs will only get higher if the strike is allowed to continue.”

The Wheat Growers note there is already a substantial backlog of ships waiting for grain at the west coast and that this strike will only make a bad situation worse. Delays in loading grain end up costing farmers through the payment of demurrage, higher storage and interest costs and lost sale opportunities.

In its letter to the Ministers, the Wheat Growers note how prairie farmers ship over 60% of our grain by rail and are essentially held captive to the Canadian transportation system.

“In effect, the lack of competitive alternatives allows railways and their unions to hold farmers to ransom,” says Jolly-Nagel. “This strike illustrates the need for policies that encourage more processing of grain on the prairies and access to other competitive outlets for our grain.”

The costs imposed on farmers by this strike also reinforce the need to ensure transportation legislation is amended to better serve the interests of agricultural and other shipping sectors. The absence of adequate accountability measures in the Canada Transportation Act to address railway performance issues has contributed to the current costly backlog.

The Wheat Growers have called on the federal government to appoint a mediator or arbitrator and to impose a settlement within 10 calendar days if the railway and union cannot reach a satisfactory agreement on their own. Any settlement should recognize that increases in railway labour costs are passed on to farmers through higher freight rates.

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For a copy of the letter or further comment, please contact:

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