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national farmers union
In Union Is Strength

FOR IMMEDIATE RELEASE

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HIKE IN PRODUCER CAR PENALTIES AIMED AT INTIMIDATING FARMERS

Canadian National (CN) Railway has moved to increase monetary fines to \$10,000 per car for overweight producer cars from the current \$1,560 per car, beginning January 1, 2008.

Terry Boehm, National Farmers Union (NFU) Vice-President, says the massive increase is clearly aimed at intimidating farmers from using their century-old right to load grain onto rail cars and bypass the elevator system. Farmers can save between \$1,000 and \$1,500 per car when they load grain into a producer car rather than through a privately-owned grain elevator. Producer cars are an attractive option when elevation charges become too high. In addition, farmer access to producer cars exerts competitive discipline on the elevator system.

“This is just another one of CN’s moves to thwart its statutory service obligations,” stated Boehm. “It follows CN’s move to impose unreasonable fees and conditions on grain companies seeking access to rail cars.”

The increase in fines for overweight producer cars was revealed in the November 20, 2008 edition of the Western Producer. In that article, CN Rail claims the steep increase in fines is aimed at increasing safety. The article states: *“In cases where the railway determines it is unsafe to complete a trip, the shipper will be charged \$10,000 per car, up from the current level of \$1,560. The car will be parked and the shipper will be responsible for retrieving it and correcting the problem.”*

But Boehm says CN is simply trying to make producer cars a “scapegoat” for its own dismal safety record in recent years. “Farmers clearly recognize how hostile CN is to farmers’ interests,” he added.

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