

National Office
2717 Wentz Ave.
Saskatoon, Sask.
S7K 4B6
Tel (306) 652-9465
Fax (306) 664-6226
E-Mail: nfu@nfu.ca



national farmers union

In Union Is Strength

FOR IMMEDIATE RELEASE

MARCH 20, 2009

ALBERTA RAILWAY SHORTLINE PROPOSAL MERITS SUPPORT

A proposal put forward by the Battle River Producer Car Group (BRPCG) to purchase the Alliance subdivision from CN Rail and operate it as a shortline railway merits the support of farmers, the public and the Alberta government, according to the National Farmers Union (NFU).

Doug Scott, NFU National Board member for Alberta, said it is important that the rail line be retained. The cost savings to farmers are significant when they are able to load producer cars on a rail line that services their home communities. The province's taxpayers also benefit because of reduced road maintenance costs since there are fewer semi-trailer trucks hauling grain to centralized high-throughput terminals. Rail is also the most energy-efficient means of bulk grain transportation over long distances.

Scott pointed out that there are many successful shortline railways operating in the neighbouring province of Saskatchewan. He added that the Saskatchewan government has a program specifically designed to assist rural communities establish and maintain commercially-viable shortline rail businesses. "The Alberta government should immediately establish a similar initiative, and provide concrete support to farmers and rural communities who are working to prevent the loss of their rail lines.

The CN Alliance subdivision was put up for tender in late November, 2008. So far, the BRPCG is the only organization that has put forward an offer on the rail line, which connects with the CN main line at Camrose, Alberta. The Alliance subdivision runs southeast from Camrose through the towns of Kelsey, Rosalind, Heisler, Forestburg, Galahad and Alliance. The BRPCG has successfully shipped grain producer cars on the line for many years, saving farmers hundreds of thousands of dollars annually in costs. In 2008, the BRPCG shipped 600 cars.

Communities along the affected line have expressed support for the BRPCG proposal for a shortline railway. A public meeting was held in Forestburg on February 9, 2009 where Paul Beingessner, a director of the Southern Rails Co-op shortline railway in Saskatchewan, explained how that line has been operating successfully for more than 20 years.

The BRPCG is currently in negotiations with CN Rail. “It’s important that the Alberta government provide concrete and meaningful support to this specific effort, and also set up a program similar to that which exists in Saskatchewan to ensure that communities are able to establish commercially-viable shortline railways,” stated Scott. “In Saskatchewan, there are currently 11 shortlines in operation.”

- 30 -

Contact: Doug Scott, NFU Alberta Board member, 780-358-2376 or 780-650-1336
Terry Pugh, NFU Executive-Secretary 306-652-9465