

Producer cars are vital to my farm business here at Galahad Alberta. I rely on service from CN to market my CWB board grains. If the service was more reliable I would consider canola and edible peas as well. I have loaded cars for over 20 years and have a large investment in equipment to load the cars in a timely matter. My cars are always loaded with in a 24 hours time frame. This happens even though the expected arrival of the empty cars can be any where from one day late to six weeks late. The extra expense of these kinds of delays accumulates to my farm business. They include wages, equipment tie up, interest on crop sale proceeds and loss opportunities. It is hard to believe that today's environment of computers and instant communication that the railways cannot communicate more accurate arrival times. It is because they are not held financial accountable; however producers pay penalties if they do not conform to the railways schedule. Producers on this line have banded together to load a minimum of 50 cars on a train run but yet the service is very unpredictable. If I run my farm on a schedule like this I might not have any grain production to market. I read that grain comprises the biggest share of both CN and CP revenue, and accordingly rail freight is my farms largest expense. Rail companies do rebate large grain companies for loading 100 car trains in a 24 hour period. Grain companies in turn will pay producers to deliver to there facilities. What most grain producers do not realize is that the railway incentive is added to the rail cap, thus raising the total freight bill to all grain producers. This creates an unlevel playing field between grain companies and producer car loaders. This suggests that producer car loaders are paying premium rates for rail service but receiving sub standard service. A more equitable arrangement would result more competition in the system. The producer car system is more environment friendly as grain does not travel large distances over our road and highway system. To improve the system I recommend that railway pay a performance penalty for poor service. I also ask that they be only allowed to add the true cost of their multi car incentives to the rail cap, not the inflated rate they are charging now.

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