



NEWS RELEASE

“The Voice of Manitoba Farmers”

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Revenue Cap Adjustment Good News

Winnipeg – The announcement of a decrease in the rail revenue cap is welcome news for farmers, since this will decrease their costs by \$70 million in the 2007-2008 crop year alone. Keystone Agricultural Producers (KAP) has lobbied for a more transparent system that reflects actual rail transportation costs on behalf of Manitoba farmers and as a member of the Farmer Rail Car Coalition (FRCC).

This week, the Canadian Transportation Agency’s decision noted that farmers were being over-charged for rail car maintenance by about \$3,000 per car. This is nearly identical to the figure developed by the FRCC in its earlier evaluations on maintenance cost. The decrease in the revenue cap will help to make shipping costs closer in line with the actual costs of the railway.

“Farmers will be saving money when they ship their grain, thanks to the CTA’s decision and the hard work of the Farmer Rail Car Coalition,” says KAP Vice President & Transportation Committee Chair Robert McLean. “This shows that farmers can have a positive influence on transportation policies when we all work together for a common cause.”

KAP plans to continue working with members of the FRCC on a range of transportation issues like level of service and rail car allocation that affect Western Canadian farmers.

Keystone Agricultural Producers (KAP) would like to acknowledge the many contributions of its FRCC representative, Reg Dyck of Starbuck, for his ongoing dedication and expertise related to rail and transportation issues.

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