

Farmers frustrated as grain stuck in railway bottleneck

Bumper crop slow to get to market because oil taking up more rail capacity, agriculture group says

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Grain farmers in Alberta say competition for rail shipments from the oil industry is delaying the effort to get last fall's record harvest to markets. (Seth Perlman/AP file photo)

Alberta farmers are getting increasingly frustrated with a transport bottleneck that's preventing them from getting last year's bumper crop to market.

The issue is high on the agenda as the Alberta Federation of Agriculture meets in Banff this week.

The rail lines are so clogged, it's starting to trigger a drop in grain prices, said farmer Humphrey Banack.

"It's already weighing on producers' minds, like, if we can't move our crop out of the bins for this year, where do we put the crop that comes in in August and September in the coming year?"

Alberta Agriculture Federation president Lynn Jacobson says rail companies just aren't keeping up.

"We need to increase the capacity on that rail line and there is a fight for capacity, with oil coming on stream now, they're hauling more of that," he said.

"They're also hauling more container goods, so all those things are fighting for that capacity that's on that line."

Farmers say their crop may be getting sidelined in favour of other cargo, because there's a price cap on what the railways can charge to transport grain.

But Canadian National Railway (CN) has rejected that suggestion, saying oil is not displacing grain cars.

Both CN and Canadian Pacific Railway (CPR) say they're running about 5,500 grain cars per week — a record number.