Handling charges represent almost one-half of the cost of shipping grain. These charges include elevation, removal of dockage, shrinkage and carrying charges, as well as storage and final loading (fobbing). As mentioned above, in 1986 most grain handling companies chose to freeze their primary elevation charges. For 1987 the companies have announced that handling charges at terminal elevators will not increase for the beginning of the 1987-88 crop year. Companies have recognized that although their own costs continue to rise, farmers cannot afford the extra expense. Decisions on tariffs at both primary and terminal elevators must be made by grain handlers by July 31, 1987 and filed with the Canadian Grain Commission. The Committee believes that the needs of farmers are clearly evident and hopes that the companies will make their decision accordingly.

> **4.1 The Committee urges all grain handling companies to freeze handling charges for the 1987-88 crop year at primary transfer and terminal elevators.**

Witnesses expressed the desire of farmers to have costs associated with country elevation shown on grain tickets. While some grain handling companies at present include this information on a per tonne basis, the Committee believes that farmers would like to have shown the actual charges for the various services provided at the elevator. As Mr. Bill Duke, President of the WCWGA, stated, this would help farmers to "... begin to understand the true costs of grain handling in transportation ... it is a cost that ... should be reflected on the form" (Issue 10:24, 4-3-87).

With modern computer technology the Committee understands that it is possible to put in place a system which could determine and print these charges based on the actual amount of grain shipped by a farmer. Such charges, plus those occurring later in the shipping process, such as administration, transportation, demurrage, etc., could be shown on a statement accompanying the final payment cheque from the Canadian Wheat Board (CWB). The Committee does understand that the provision of this information would cause the companies and/or the CWB to incur additional expenses which would at some point have to be passed on to the farmer.

> **4.2 The Committee recommends that the Canadian Wheat Board in consultation with farmers examine the cost/benefit of providing detailed handling and shipping charge information on final payment cheques, and provide as much information as is economically feasible on these cheques.**

B. Producer Cars

It is clear to the Committee that for some producers, particularly producers of non-Board grains, the use of producer cars can cut costs. By loading and shipping producer cars, producers can avoid elevation tariffs and, at times, arrange to receive better prices at export points. The concept of the producer car as expressed in the 1970 *Canada Grain Act*, section 71 is:

> (1) A producer of grain who has grain of sufficient quantity to fill a railway car, that he may lawfully deliver to a railway company for carriage to a terminal elevator ... may apply to the Commission for a railway car to receive and to carry the grain.

Producer cars can save farmers significant amounts of money. Shippers of producer cars of non-Board grains and oilseeds are not at present required to pay any elevation, storage or documentation fees whatsoever. Thus the price which producers are paid for the grain or oilseeds is theirs to pocket. This can represent a saving of up to $1,200 on a 90-tonne hopper car of canola.