



**3. Interest earnings:** Because of its government partnership, the CWB can borrow at low interest rates to finance sales, but it charges customers commercial rates and passes the difference back to farmers. The CWB's five-year average for net interest earnings is \$68.5 million per year (data from CWB Annual Reports). These earnings more than offset the cost of staffing and administering the CWB.

**4. Transportation – Terminal rebates, tendering, penalties, and despatch:** The CWB's role in transportation means the system runs more efficiently and the savings are captured by farmers (rather than by grain companies or railways). These savings average \$43.3 million annually (data from the CWB and its Annual Reports).

**5. Transportation – Freight rates:** *"The most profound effect of CWB elimination would occur in grain transportation. ... The commercially based grain transportation system used in the United States has resulted in North Dakota and Montana freight rates being nearly double current Canadian rates. If similar freight rates were to occur in Canada, this would reduce farm gate prices by another \$20 to \$30 per tonne":* these are the findings of economists Richard Gray and Hartley Furtan (2005). During the Estey and Kroeger talks, when the railways pushed for higher freight rates, the CWB was a key ally for farmers. A \$30 per tonne increase in freight rates would mean \$1.351 billion per year in increased costs and reduced incomes. This flyer uses a much lower figure: \$225 million per year—just \$5 per tonne.

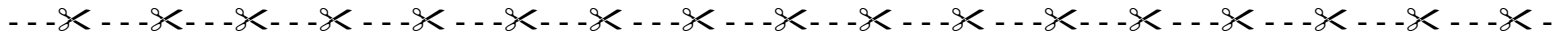
**6. Transportation – railway "Level of Service" complaint:** In the winter of 1996/97, CN & CP moved other goods and left grain sit; the CWB acted on farmers' behalf, and won a multi-million-dollar Level of Service complaint. This flyer takes \$3 million per year as a representative benefit.

**7 & 8. GM wheat – market loss & agronomic effects:** The introduction of GM wheat would have cost Canadian farmers \$423 million annually in lost markets (Furtan, Gray, Holzman, 2005) and \$400 million per year in increased agronomic costs—herbicides to control Roundup-tolerant volunteers (Van Acker). The CWB played a key role in helping stop GM wheat. This paper takes 20% of the totals identified by Furtan et al and by Van Acker and credits those to the CWB.

**9. Terminal blending:** Because farmers using the CWB maintain ownership of their grain, farmers capture the increased value that results from blending: \$30 million per year (CWB news release, 1999).

**10. Other benefits:** CWB benefits not included in this flyer's total include risk-management savings, market development, the continued existence of the Canadian Grain Commission (which would disappear without the CWB), access to producer cars, support for shortlines, foreign exchange management, etc.

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**KEEP THE CWB STRONG, KEEP FARMERS STRONG**

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