



## **CWB MONITOR ISSUE #50: Kevin Hursh steps into the laker debate**

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Ag commentator Kevin Hursh has defended the CWB's decision to buy lakers with farmer's money by saying that the CWB directors are elected to make decisions on behalf of producers.

Yes, to a degree they are. However, very few farmers – even some supporting the single desk – ever expected the board of directors to make the decision to take the CWB outside of its conventional role as grain marketer. Even fewer expected the directors to make the decision to use farmers' money to buy something not required to market grain – without even asking. (You can argue you need transportation services to market grain; but, you don't need to own them.)

Mr. Hursh suggests that the price tag of \$65 million “pales in comparison” to the money the CWB makes or loses in marketing decisions. His comments align with the CWB's condescension that this is no big deal, since it represents only \$1.00/tonne. To one farmer I talked to, \$1.00/tonne over 4 years is equal to \$16,000 – money that he would rather see come his way because of a total crop failure last year.

Hursh also suggests that buying vessels should be acceptable since the CWB already owns a fleet of 3,400 railcars. He calls it a precedent but it's not.

The situation back then was completely different – the fleet was made up of broken down boxcars and they weren't going to last much longer. Somebody had to buy railcars because the railroads refused, since there was no money in hauling grain under the Crow. It was the Federal Government that bought the cars and made the CWB the owner.

Back then, nobody took farmers' money to buy the cars, like the CWB is doing to buy the lakers. Also, railcars had to be bought by someone but nobody wanted to. That is not the situation with these lakers; remember, Algoma and Upper Lakes are buying 6 lakers themselves.

Mr. Hursh likens the purchase of these lakers with the CWB's investment in computers or staff training. The difference he misses is that computers and training are required to sell grain – the CWB doesn't NEED lakers to fulfill its mandate of selling grain.

But he misses an even more important point. Farmers are being forced to pay for these lakers but they will never own them. The CWB will own them, but farmers don't own the CWB.

I guess in an ironic way this is proof that you can actually benefit from something without owning it.

Hursh really misses the message in the tea leaves when he suggests “The true, but unspoken reason for most of the opposition is probably the distaste for the CWB expanding its sphere of influence.”

Farmers are angry because the CWB is taking their money to spend it on something they don't see as necessary and without being asked; they would rather invest in their own farm operations or their local communities – or pay bills. It's like being forced to pay for a B-train even though you'll never own it and you prefer to use custom haulers anyway.

As one farmer put it, “I don't even let my kids spend my money. And I love them.”

<http://laws.justice.gc.ca/eng/C-24/page-2.html>

<http://www.carmanvalleyleader.com/ArticleDisplay.aspx?e=2993718>

<http://www.cwb.ca/public/en/about/investor/annual/>

<http://www.cwbelection.com/candidate-info/candidate-profiles/>

<http://www.cwb.ca/public/en/newsroom/releases/2005/112505.jsp>

[http://www.cwb.ca/public/en/newsroom/releases/2011/news\\_release.jsp?news=020811.jsp](http://www.cwb.ca/public/en/newsroom/releases/2011/news_release.jsp?news=020811.jsp)

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