

(updated November 29, 2006)

CWB Barley

The Facts:

#	Stats	1999-00	2000-01	2001-02	2002-03	2003-04	2004-05
1	CWB Total Revenue (all grains)	\$ 4,504,817,000	\$ 4,227,674,000	\$ 4,379,269,000	\$ 3,339,872,000	\$ 4,136,168,000	\$ 3,739,343,000
2	CWB Receipts (tonnes - all grains)	23,628,850	20,353,543	18,836,452	13,430,948	18,438,041	19,370,521
3	Western Canadian Barley Acres	9,328,214	10,312,927	9,430,021	7,420,069	10,250,163	9,339,800
4	Wstrn. CDN Barley Prod. (tonnes)	12,233,900	12,281,300	9,737,200	6,396,700	11,395,700	12,300,400
5	Western Cdn. Malt Barley Prod.	2,554,577	2,273,488	2,205,058	891,433	2,138,365	1,752,501
6	Western Cdn. Feed Barley Prod.	9,679,323	10,007,812	7,532,142	5,505,267	9,257,335	10,547,899
7	Malt Barley CWB Receipts (tonnes)	2,554,577	2,273,488	2,205,058	891,433	2,138,365	1,752,501
8	Feed Barley CWB Receipts	671,703	454,073	54,373	39,698	844,024	497,758
9	Total Barley Handled by CWB	3,226,280	2,727,561	2,259,431	931,131	2,982,389	2,250,259
10	CWB Malt Revenue/tonne	\$ 188.85	\$ 201.75	\$ 196.50	\$ 219.70	\$ 191.24	\$ 177.30
11	CWB Feed Barley Revenue/tonne	\$ 134.38	\$ 139.13	\$ 162.86	\$ 168.28	\$ 174.87	\$ 135.81
12	Total CWB Malt Revenue	\$ 482,431,866	\$ 458,676,204	\$ 433,293,897	\$ 195,847,830	\$ 408,940,923	\$ 310,718,427
13	Total CWB Feed Barley Revenue	\$ 90,263,449	\$ 63,175,176	\$ 8,855,187	\$ 6,680,379	\$ 147,594,477	\$ 67,602,000
14	Total CWB Barley Revenue	\$ 572,695,316	\$ 521,851,380	\$ 442,149,084	\$ 202,528,210	\$ 556,535,399	\$ 378,320,427

15	% Barley Handle - CWB	% of Western Canadian Barley Production Handled by CWB (tonnes)					
16	CWB Malt Barley (CWB monopoly)	100%	100%	100%	100%	100%	100%
17	CWB Feed Barley	7%	5%	1%	1%	9%	5%
18	CWB Total Barley	26%	22%	23%	15%	26%	18%
19	% Barley Handle - CWB	Barley as % of Total CWB Receipts (tonnes)					
20	CWB Malt Barley	11%	11%	12%	7%	12%	9%
21	CWB Feed Barley	3%	2%	0%	0%	5%	3%
22	CWB Total Barley	14%	13%	12%	7%	16%	12%
23	Barley Revenue	Barley as % of Total CWB Revenue					
24	Feed Barley Revenue	2%	1%	0%	0%	4%	2%
25	Malt Barley Revenue	11%	11%	10%	6%	10%	8%
26	Total Barley Revenue	13%	12%	10%	6%	13%	10%

1 -With a monopoly on malt, the CWB still handled only 15-26% (#18) of all barley and 1-9% (#17) of feed barley over the last six years;

-Barley has only accounted for 7-16%(22) of all the CWB's receipts; feed barley 0-5%(21) and malt barley 7-12%(20).

-Barley only accounts for 6-13% (26) of the CWBs total revenue over the last six years; feed 0-4%(24), malt 6-11%(25).

These facts beg the questions:

How important is barley to the CWB?

How important is the CWB to barley marketing?

	1999-00	2000-01	2001-02	2002-03	2003-04	2004-05
Malt Barley CWB Receipts (tonnes)	2,554,577	2,273,488	2,205,058	891,433	2,138,365	1,752,501
Malt Barley Customers (Yearly Top 5) -- Tonnes						
US	582,000	593,000	452,000	173,000		140,000
China	429,000	552,000	72,000	45,000		678,000
Canada	1,075,000	1,150,000	1,150,000	566,000	961,000	839,000
Japan	40,000	31,000	n/a	24,000		34,000
South Africa	n/a	n/a	400,000	61,000		27,000
Colombia	n/a	n/a	52,000	n/a		50,000
Mexico	99,000	34,000	n/a	n/a		

	Malt Barley - Where is it Going? (% of all Malt Barley)					
US	23%	26%	20%	19%		8%
China	17%	24%	3%	5%		39%
Canada	42%	51%	52%	63%	45%	48%
All Exports (tonnes)	1,479,577	1,123,488	1,055,058	325,433	1,177,365	913,501
All Exports	58%	49%	48%	37%	55%	52%
US and Canada (tonnes)	1,657,000	1,743,000	1,602,000	739,000		979,000
US and Canada	65%	77%	73%	83%		56%

*Note: Recognize 2002-03 drought.

Thoughts to Ponder:

- The question still remains; Does the CWB hinder value-added growth in Canada?
Would there be opportunity for malting expansion in Western Canada if not for the single desk?
- Canada and the U.S. regularly purchase the majority of the malt barley sold by the CWB (42, 43).
Is the CWB needed in these nearby markets?
- How much Malting Quality Barley was fed to cattle in 2002-03 because feed prices were higher than CWB malt price offerings and maltsters were prohibited from dealing direct with farmers?
Will the situation be similar in 2006-07? [Barley Price Spreads - Malt and Feed](#)

*Data Inconsistencies

In the 2003-04 annual report, data reporting methods for Malt Barley customers was not consistent with previous years data, so a valid comparison could not be made. There were two changes at the time:

- Reporting for the domestic market changed to include only malt barley used for domestic malt, and didn't include malt barley, malted in Canada and then exported. This method undermined the importance of the Canadian malting industry. In the 2004-05 annual report, the CWB reverted back to reporting domestic malt barley sales in their entirety.
- The 03-04 report also changed its reporting method from crop year shipments to pool year sales. It is not clear at this point whether the 04-05 report reverted back to crop year, and stayed with pool year.