

WRDA 2005

Investing In Water Transportation Makes Sense

American waterways are a critical component to our food supply chain. By providing an economical and environmentally-sound mode of transportation, the waterways help keep American agriculture competitive. Unfortunately, this system is in desperate need of repair. The Water Resources Development Act of 2005 is our opportunity to invest in the maintenance and repair of the waterways and help American agriculture prosper. We cannot afford to pass up this important opportunity.

US Competitiveness Relies Upon Cost-Effective Transportation

A number of our competitors, such as Brazil, Argentina and China, are rapidly improving their waterway systems. US farmers have remained competitive up to this point because of cost-effective water transportation, which saves 14-22 cents per bushel. In an industry where pennies matter, 14-22 cents could price our producers out of international markets.

US Infrastructure Is In Need Of Repair

Along the Mississippi and Illinois River, 85% of the existing locking structures are over 50 years old and not capable of accommodating modern tows.

\$364 Million At-Risk

With 60-70% of US grain exports shipped via the Mississippi River, failure to make improvements will depress the value of Midwestern corn, soybeans, and wheat by \$364 million annually by 2020.

High Return on Investment

Historically, for every dollar invested in the inland waterway system there has been a six dollar return on investment to the nation. This investment initially returns benefits through the creation of new jobs and job security.

Water Transportation Is An Environmentally Sound Alternative

It is estimated that the US currently saves \$100-300 million every year in air pollution cleanup as a result of using river barges instead of other modes of transportation. For example, one modern tow (15 barges) can transport the equivalent of 870 semi-trucks or 225 rail cars.

The Transportation, Elevator, and Grain Merchants Association (TEGMA) is a North American trade association that brings together global grain companies, domestic shippers and receivers, railroads, ports, storage houses, inspection agencies and others involved in the shipment of North American grain to customers all over the world. TEGMA's mix of membership provides it with a unique perspective on grain handling and transportation.

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