

MEDIA RELEASE

Monitoring Report Misses Key Indicator

June 27, 2002: “The first annual report on the monitoring of the grain handling and transportation system has missed the mark,” said Art Enns, President of the Western Canadian Wheat Growers.

According to Enns, the transportation reforms introduced by the federal government are having precisely the opposite effect to what was intended. “They were supposed to deliver market signals back to farmers so that they would use the most efficient facilities,” he said. “Instead, the savings are being diluted and farmers are waiting a year or more to get a fraction of what they should be getting at the elevator door.”

“We used to get trucking premiums. We used to get grade gains. We used to get better deals by shopping around,” said Vice President, Bernie Sambrook. “All these are disappearing as the grain companies are passing savings to the Wheat Board to win tenders.”

The report acknowledges that freight savings and elevator efficiencies are being transferred to the Wheat Board pool accounts. The Report says that, according to the Wheat Board, “the transportation savings have earned in excess of \$14 million” which is “redistributed back to producers through the CWB pool accounts.” (See Quorum report, P. 20.)

“These are not savings at all,” said Enns. “These are monies that were taken out of the pockets of individual farmers who marketed their grain effectively and who patronized the most efficient elevators, and are being spread around to all farmers.”

Enns was particularly upset over the report’s discussion of this aspect of the program. It notes that there are differing “opinions concerning the impact of the CWB tendering program.”

According to Enns, the Monitor is not supposed to be dealing in opinions but facts. If the money is being taken out of farmers’ pockets and redistributed through pool accounts, he said, then the reforms are backfiring and the Monitor should tell us so.

“If the Quorum consultants had talked to farmers they would have found out that the \$14 million claimed by the Wheat Board doesn’t represent a penny of new money”” said Enns. All that’s happening is that I have to wait a year before I get a cheque that is a fraction of what I might have gotten directly in a trucking premium.”

Sambrook noted that the Wheat Growers had concerns about the monitoring process from the start. “We will be reviewing this report in detail and bringing our concerns to the attention of the Minister of Transport and the Minister Responsible for the Canadian Wheat Board,” he said.