

MEDIA RELEASE

American Trade Harassment Angers Wheat Growers

March 4, 2003: “Canadian wheat farmers are being kicked by the U.S. while we’re still reeling from the devastating effects of drought and low prices,” says Western Canadian Wheat Growers Association President Art Enns.

Enns was commenting on news that the U.S. Department of Commerce has imposed duties of 3.94 percent on all hard red spring and durum wheat exports to the U.S. The ruling is preliminary and requires that the Canadian industry to post bonds equal to the 3.94 percent duty. Commerce is expected to make another ruling in May on further charges that the Canadian Wheat Board dumped wheat into the U.S. at less than fair market value, meaning initial duties may end up considerably higher.

“This trade action is aimed squarely at the Canadian Wheat Board, but farmers are the ones who are going to suffer,” says Enns. “On top of the duties, the Board has estimated it will cost \$10 million to fight this trade action. That money will come directly out of farmers’ pockets via the pool accounts.”

Canada has faced ten trade actions from the U.S. specifically targeting the CWB in recent years. Enns noted that American farmers are the beneficiaries of huge government subsidies, but they are still very protectionist of their own market, and likely would continue to complain about Canadian wheat in the absence of the Board. Nevertheless, the Board is a big target for the U.S. and has become a huge issue for Canada in international trade negotiations.

“The federal government has a responsibility to pay the costs of fighting this latest trade action,” says Enns. “The CWB is a government-sanctioned agency that exists under federal legislation. Trade is a federal responsibility and the government should not be offloading its accountability for this issue or the costs of this trade action onto the backs of western farmers, the majority of whom don’t even want the single desk.”

Enns added that Canada needs to change the way we market our wheat and barley but not because U.S. farmers don’t like it.

“We won’t be bullied by the powerful farm lobby in the U.S.,” says Enns.

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