



For Immediate Release

December 6, 2005

Wheat Growers Seek Substantial Progress in Trade Talks in Hong Kong

President Cheryl Jolly-Nagel and Chair Randy Hoback of the Western Canadian Wheat Growers Association will be travelling to Hong Kong this week to attend the WTO Ministerial Conference, Dec. 13 to 18.

“We will be supporting Canadian negotiators in their efforts to make progress toward an ambitious trade deal,” says Jolly-Nagel. “Western Canadian farmers have a lot at stake in these negotiations, and it will be important to our farm incomes that we achieve aggressive reductions in trade-distorting policies around the world.”

The Wheat Growers will be particularly focused on ensuring any trade deal includes substantial cuts to price-distorting European Union (EU) and U.S. farm programs.

“The Europeans have already agreed to eliminate export subsidies, but the timeframe is yet to be negotiated,” says Hoback. “One of our goals will be to ensure that timeframe is as short as possible.”

EU export subsidies are considered by Canadian negotiators to be among the most damaging forms of trade distortion. EU export subsidies on wheat, barley and particularly oats have significantly undermined prices Canadian farmers receive for these crops.

The Wheat Growers will also be seeking cuts to production-distorting U.S. farm programs that are contributing to low Canadian farm prices.

“We’ve seen firsthand how the introduction of U.S. loan deficiency payments on peas and lentils has dramatically increased U.S. production of these crops and is sharply lowering Canadian prices on our farm,” says Jolly-Nagel. “What’s worse, under current trade rules, the U.S. has ample room to increase payments under these programs or to apply these programs to new crops. We must ensure this trade deal prevents the extension of U.S. farm programs to other crops, and includes significant cuts to existing price-distorting programs.”

The Wheat Growers will also be seeking significant reductions in tariff and non-tariff trade barriers that are limiting Canadian exports and reducing prices for many export-reliant commodities, including wheat, canola, barley, special crops, beef and pork.

“Western Canadian farmers desperately need a trade deal,” says Hoback. “For example, in Saskatchewan, over 95% of our ag sector is dependent on the export market. Canada must do all it can to make sure access to export markets is as open and distortion-free as possible.”

The WCWGA, an independent producer organization, has spent 35 years bringing forth innovative farmer-driven solutions and will continue to lobby on behalf of forward thinking, progressive producers in an effort to make farming sustainable and profitable.

- 30 -

For further comment, contact:

In Canada, until 1:00 p.m. CST on Dec. 8:

Cheryl Jolly-Nagel: Cell (306) 354-7368

Randy Hoback: Cell (306) 747-8150

In Hong Kong (Dec. 9 to 18): 6:00 a.m. to 10:00 a.m., CST (i.e. 8:00 p.m. to midnight in Hong Kong).

Cheryl & Randy: VOIP 1-303-800-4101

Innovative, farmer-driven solutions.