



For Immediate Release

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NAFTA Ruling Confirms Importance of Trade Agreements

A NAFTA panel decision yesterday that will lead to the lifting of U.S. tariffs on exports of Canadian hard red spring wheat demonstrates the importance of trade agreements, says the Western Canadian Wheat Growers Association.

“This has been a long drawn-out process,” says Cheryl Jolly-Nagel, President of the Wheat Growers “but at least it’s good to know that we have recourse under these trade agreements whenever countries try to take trade action against us.”

U.S. tariffs on hard red spring wheat have been in place for over two and a half years, effectively shutting the door to non-durum wheat exports from western Canada to the United States.

“This ruling demonstrates the importance of having dispute settlement mechanisms, and international trade agreements that limit the ability of countries to adopt protectionist measures,” says Randy Hoback, Chair of the Wheat Growers and chair of the Association’s trade committee. Both Randy and Cheryl are currently in Hong Kong, attending the WTO Ministerial conference.

While the ruling is very positive and will increase returns to prairie farmers, the Wheat Growers maintain we would not be facing this degree of trade friction if prairie farmers were given marketing choice, and were not obligated to deliver their food-quality wheat and barley to a state trading enterprise. According to the Canadian Wheat Board, there have been 14 U.S. trade actions against Canadian wheat exports over the past 15 years.

“It’s quite a contrast – for openly traded crops, such as canola and oats, there have been zero U.S. trade actions over that same time frame,” says Jolly-Nagel. “We are convinced that if prairie farmers were given marketing choice, our access to this important market would improve.”

The Wheat Growers note that wheat exports to the U.S. from Ontario have increased dramatically over the past two years. Ontario farmers were given full marketing choice in 2003. Unlike their western counterparts, Ontario farmers are allowed to market their wheat freely into the U.S., either on their own or through the Ontario Wheat Producers Marketing Board.

“The Wheat Growers will continue to push for an end to this discriminatory federal policy that gives Ontario farmers preferential access to foreign markets,” says Jolly-Nagel. “We too want an opportunity to freely sell our wheat on a profitable basis.”

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.

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To arrange a media interview with
Cheryl Jolly-Nagel or Randy Hoback in Hong Kong, please contact:

Blair Rutter, Executive Director, Western Canadian Wheat Growers Association
Tel: (204) 256-2353

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