



*For Immediate Release*

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## **Wheat Growers Support Legal Action that could see Costs Removed from CWB**

The Western Canadian Wheat Growers Association (WCWGA) is pleased to see the Federal Court is allowing a lawsuit to go ahead that has the potential to reduce costs absorbed by prairie farmers through the Canadian Wheat Board (CWB) pool accounts.

The Statement of Claim launched by a group of farmers in February 2002 is seeking to ensure all administrative and enforcement costs relating to the CWB's export licensing function are paid for by the federal government. Currently, only western Canadian farmers who deliver grain to the CWB pay for these costs, even though the CWB's export licensing authority applies to all wheat and barley farmers and to all wheat and barley processors across the country.

“What this means is that when an Ontario mill exports flour, the costs of issuing an export licence, and also the costs the CWB incurs to inspect the books of this mill are now paid for by western farmers, regardless of whether that mill uses any wheat from western Canada,” says Randy Hoback, Chair of the WCWGA. “In effect, western farmers are taxed for a regulatory function that clearly should be the responsibility of the federal government.”

In a decision released last week, the Federal Court ruled against a motion by the Canadian Wheat Board and the Attorney General of Canada to have the case dismissed. The lawsuit will now proceed through the courts. A final ruling in the farmers' favour would require the federal government to reimburse the CWB for costs relating to this national regulatory function, and may eventually lead the government to assume responsibility for the issuance and administration of all export licenses, as is the case in Australia.

“This action has the potential to increase returns for western farmers,” says Hoback. “We are urging the federal government and the CWB to drop their opposition to this case, and for the federal government to move immediately to reimburse farmers for all these regulatory costs, past and present, that have been paid out of the CWB pool accounts.”

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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For more information, please contact:  
Randy Hoback, Chair, Western Canadian Wheat Growers Association  
Cell: (306) 747-8150 or Tel: (306) 468-2716

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***Innovative, farmer-driven solutions.***