



For Immediate Release

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Wheat Growers Seek an Ambitious Trade Deal

The Western Canadian Wheat Growers Association is urging Canada to take a more constructive role in WTO negotiations in the lead-up to the WTO Ministerial meeting this December in Hong Kong.

“We need to build on the offers now on the table,” says Randy Hoback, Chair of the Western Canadian Wheat Growers. “Over 90% of Canadian farmers are reliant on exports, so we need an agreement that sharply reduces trade-distorting subsidies and market access barriers that are depressing Canadian farm incomes.”

The Wheat Growers believe a key part of these negotiations will be the elimination of EU export subsidies, often used by Europe to increase exports of wheat, oats and barley in a way that depresses world prices. Under the framework agreement reached in July, 2004, the Europeans agreed to eliminate these export subsidies as part of their arsenal of trade-distorting programs, however no timelines were set.

“We need to ensure the timetable on the elimination of these export subsidies is as aggressive as possible,” says Hoback. “The cost to Canadian farmers is simply too large to ignore.”

According to Ag Canada research, Canada’s grain and oilseed farmers are losing \$1.3 billion in revenue annually due to the effects of EU and U.S. market-distorting subsidies.

The Wheat Growers are also seeking aggressive reductions in tariff and non-tariff barriers that are restricting access to foreign markets.

“Tariffs imposed by other countries on Canadian crops and processed products significantly decrease returns to prairie farmers,” says Hoback. “Eliminating these tariffs would directly increase farmgate prices and reduce reliance on taxpayer support.”

In many countries Canada faces discriminatory tariffs, under which Canadian exports of grain or grain products are subject to higher tariffs than competing products from other countries.

“Canada cannot afford to take a protectionist stance in these negotiations,” says Hoback. “We urge Canadian politicians and negotiators to ensure the outcome of these negotiations is ambitious as possible, for the benefit of the vast majority of Canadian farmers,” concludes Hoback, “and to implement adjustment programs for any sector that may be adversely affected.”

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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Innovative, farmer-driven solutions.