



For Immediate Release

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Wheat Growers Glad to see End to U.S. Tariffs

The Western Canadian Wheat Growers Association is very pleased to see a decision by the U.S. International Trade Commission that should soon bring about an end to tariffs that have blocked Canadian exports of hard red spring wheat to the United States.

“We’re very happy to see this ruling,” says Cherilyn Jolly-Nagel, President of the Wheat Growers. “Prairie farmers have seen our access to this important market cut off for more than two years. We have lost well over \$100 million in the process.”

While the ruling is positive for western Canadian farmers, the Wheat Growers believe the Canadian Wheat Board will not be able to take full advantage, given ongoing fears of trade action. As the CWB notes, there have been 14 trade actions by the U.S. against Canadian wheat over the past 15 years.

“This constant threat no doubt restrains the CWB in its export program to the U.S.,” says Jolly-Nagel. “We believe the best way to end this threat, and to gain improved access to the American market, is to give prairie farmers marketing choice.”

The Wheat Growers note the U.S. market readily accepts Canadian grain and grain products as long as they are not exported through a government body. For example, in a typical year, the value of canola and canola product exports to the U.S. is double the value of our wheat exports.* Canada also exports large quantities of oats, flax and other crops to the U.S., with very little trade friction.

“The Americans don’t have a problem with Canadian grain,” says Cherilyn Jolly-Nagel. “but they do have a problem with the way we go about selling our wheat and barley from western Canada.” The Wheat Growers are convinced western Canadian farmers would be able to sell more wheat into the U.S. and earn higher incomes if given marketing choice.

“This trade action also demonstrates the need to reach a WTO agreement this December in Hong Kong,” says Jolly-Nagel. “We need an agreement in place that will reduce tariff and non-tariff barriers that restrict our access to export markets.”

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 the three years ending in 2004, the annual value of canola seed, meal and oil exports to the U.S. averaged \$760 million, compared to average annual wheat exports of \$182 million. In the period 2000 to 2002 (i.e. pre-tariff), average canola and product exports to the U.S. were \$585 million compared to \$302 million for wheat. Ontario wheat exports to the U.S. have jumped to over \$100 million in the past two years.

Innovative, farmer-driven solutions.