



For Immediate Release

August 2, 2006

CWB's Vision Falls Short of the Mark

The Western Canadian Wheat Growers Association is pleased to see the Canadian Wheat Board has come up with a vision for its future, however we are deeply disappointed by many of its proposals. The paper fails to present a feasible model for advancing the profitability of western Canadian farmers.

"The CWB has missed a glorious opportunity to demonstrate confidence in its abilities to compete effectively in a market choice environment, and has instead called on Parliament to continue offering it special protections and privileges," says Cherilyn Jolly-Nagel, President of the Wheat Growers. "The CWB proposal completely ignores the wishes of western wheat and barley producers who want to offer their grain to a large number of buyers, including the CWB, in a competitive environment."

In its proposal, the CWB is asking Canadian taxpayers to provide a gift of \$1.5 billion to replace the loss of the government guarantee on the CWB's initial payment and borrowings. It further wants the ability to compete head-to-head with the private sector, while still retaining its monopoly powers over western Canadian farmers.

"This proposal is a non-starter," says Jolly-Nagel. "Many companies have made significant investments in western Canada. To suggest these companies should now fork over their tax dollars so the CWB can compete directly against them is a concept that is a throwback to a different era."

In its proposal, the CWB is asking the federal government to provide it with the ability to invest in primary and terminal grain handling facilities; milling, baking and malting facilities; ethanol and nutraceutical plants; financial and risk management services; and the manufacture, wholesale and retail distribution of crop inputs including seed, fertilizer and chemicals.

"Rather than come up with a concrete and constructive business proposal, the CWB seems to be living in some sort of fantasy world," says Jolly-Nagel.

The Wheat Growers urge the federal government to send a clear and immediate signal to the business community that it fully intends to encourage private sector investment in western Canada, rather than fund a state-backed compulsory marketing agency.

"We've seen tremendous investment by the private sector in the canola, oats and pulse industries," says Jolly-Nagel. "In our view, the federal government needs to quickly re-assure the private sector that western Canada will remain 'open for business' and the CWB's proposal will not see the light of day."

The Wheat Growers have put forward our own vision of a new CWB (*Reforming the Canadian Wheat Board: The Path Forward, March, 2006*) that would transform the CWB into a farmer-owned and controlled company, operating in a market choice environment. While the Wheat Growers are pleased the CWB paper has drawn on some of our proposals relating to governance issues, we remain concerned about the CWB's inconsistent position regarding its relationship with government.

"On one hand the CWB is arguing for independence from government, and yet on the other hand it is telling the federal government that it dare not touch its monopoly powers," says Jolly-Nagel. "The CWB directors seem to be confused about the true meaning of independence."

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Innovative, farmer-driven solutions.

The Wheat Growers are calling on the federal government to honour its campaign commitment to give every western farmer the freedom to sell their grain to whomever they please. We contend that it is unjust for other Canadian farmers to be free to sell to domestic processors or export their wheat and barley to any buyer in the world, while any prairie farmer who attempts to engage in the exact same activity is treated as a criminal and is sent to jail.

“The Wheat Growers are confident most Canadians would agree the federal law should apply equally to all Canadian farmers,” says Jolly-Nagel. “We are counting on the federal government to do the right thing and harmonize the regulations so that we too have the same freedoms and opportunities that other Canadian farmers now take for granted.”

“The CWB also needs to go back to the drawing board and come up with a plan for how it intends to be an effective marketer in a market choice environment,” says Jolly-Nagel.

The WCWGA, an independent producer organization, has spent 36 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 further comment, please contact:

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