



For Immediate Release

December 5, 2007

Wheat Growers Support Federal Biofuel Legislation

The Western Canadian Wheat Growers Association supports the introduction of legislation tabled in the House of Commons that will lead to a 5% ethanol standard by 2010, and a 2% renewable standard in diesel and heating oil (providing certain conditions are met) by 2012.

“These measures, while modest, will help create greater market opportunities and higher returns for prairie grain farmers,” says Cheryl Jolly-Nagel, President of the Wheat Growers. “It also represents a strong opportunity for economic development in many rural communities.”

Earlier this week, Jolly-Nagel gave a presentation to the Canadian Renewable Fuels Summit in Quebec City, in which she outlined a number of benefits from the growth of an ethanol industry in Western Canada. These benefits, include:

- Providing farmers with another competitive marketing channel for our grain.
- Reducing our dependence on foreign markets, where farmers face a number of market and supply chain risks, including tariff and non-tariff barriers, labour disputes, railway service disruptions and high ocean freight rates.
- Decreasing our dependency on shipping grain by rail. Processing more grain closer to home will reduce congestion at ports and on rail lines. It should contribute to improved rail service for remaining grain shipments.
- Providing prairie farmers with a good, profitable cash alternative for those who are unhappy with the low returns and delivery constraints imposed by the Canadian Wheat Board monopoly. This is especially true for growers of winter wheat and soft white wheat.
- An ethanol industry will help underpin wheat prices when grain markets weaken, as will invariably be the case. It also provides an additional market outlet for wheat and other grains that have been downgraded in quality due to adverse weather.
- It creates jobs and economic spin-offs in local communities, including a source of feedstock for livestock operations.
- Contributes to cleaner air and a better environment. More local processing means less energy is consumed in shipping grain long distances, and provides a homegrown supply of biofuels, feedstocks and processing byproducts.

Innovative, farmer-driven solutions.

While Jolly-Nagel spoke about the significant benefits to prairie farmers and the rural economy, she also expressed concern about the regulatory constraints that impede the development of wheat varieties specifically geared for the ethanol and livestock markets in western Canada.

“To fully develop the potential of the ethanol industry, we need more research and investment poured into the development of wheat varieties that are better suited for this growing market,” says Jolly-Nagel. “Part of the solution is to remove those regulatory constraints that stand in the way of this growing and renewable source of energy.”

For further comment, or a copy of the Wheat Grower presentation to the Summit, please contact:

- 30 -

For further comment, please contact:

Cherilyn Jolly-Nagel
President
Farm: (306) 354-2517
Cell: (306) 354-7368

Blair Rutter
Executive Director
(204) 256-2353