



For Immediate Release

January 22, 2007

CWB Continues to Misspend Farmers' Money

The Western Canadian Wheat Growers Association is frustrated at how the Canadian Wheat Board continues to waste farmers' money in court actions that are nothing more than political publicity stunts.

Last week, the Federal Court ruled against the CWB regarding its motion to expedite a judicial review of a federal government order that directs the CWB to stop spending money, either directly or indirectly, on advocating the retention of its monopoly powers.

In making his ruling The Honourable Justice Yves de Montigny summarily dismisses the CWB's arguments, noting how the CWB "has not conducted itself as if the application was urgent." The Judge notes the CWB failed to bring its application for the judicial review within the required 30 days of the order, and that even after it did file its application on December 4, the CWB waited another month to request the case be expedited.

"The CWB and its high-priced Toronto lawyers must have known they didn't have a leg to stand on," says Cherilyn Jolly-Nagel, President of the Wheat Growers. "The CWB is simply playing politics at farmers' expense."

The Wheat Growers note the CWB has been actively promoting its monopoly over the past several weeks despite the government order. For example, the CWB recently released a two-year old PriceWaterhouseCooper study that makes exaggerated claims about the value of the CWB and its monopoly. Last week, the CWB felt compelled to tell the federal government how the barley plebiscite should be worded.

"For months, the CWB has been engaged in political gamesmanship. The CWB is trying to play the victim card and a growing number of farmers aren't buying it," says Jolly-Nagel. "What we are seeing is a CWB that is offering poor farmgate returns and is spending money that rightfully belongs to farmers on court actions and self-promotion."

Across the prairies, farmers are now selling good quality milling wheat and malting barley into feed markets, rather than deliver their grain to the CWB. "The CWB has failed to capture the rally in world wheat and feedgrain prices that started last January," says Jolly-Nagel. "This means prairie farmers are missing out on good prices that are now available to Canadian farmers outside the prairie region."

Innovative, farmer-driven solutions.

The decision by many prairie farmers to sell their wheat and barley into domestic feedgrain markets prevents off-board feed prices from rallying even higher. If a voluntary CWB were in place, grain that western Canadian farmers are now selling into feed markets would instead be fetching much higher returns on the world market, and domestic feedgrain prices would rise even higher.

“Bad enough that the compulsory marketing provisions of the CWB are preventing farmers from capturing higher returns, but it adds insult to injury when we see the CWB recklessly spending our money on publicity stunts,” says Jolly-Nagel. “The CWB should stick to the business of selling grain and stop wasting our money on political theatre.”

-30-

For further comment, please contact:

Cherilyn Jolly-Nagel
President
Western Canadian Wheat Growers Association
(306) 354-2517