



For Immediate Release

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Wheat Growers Look Forward to Positive Ruling in Barley Court Case

The Wheat Growers are confident western Canadian farmers will soon be reaping the benefits of a free market in barley, assuming the Federal court dismisses legal challenges launched by the Canadian Wheat Board and Friends of the CWB. Court hearings on the legal challenges start today in Calgary.

“Freeing up the barley market promises to significantly increase offshore sales of barley and improve returns to farmers,” says Cherilyn Jolly-Nagel, President of the Wheat Growers. “No longer will we be missing out on good sale opportunities simply because farmers refuse to accept the low prices they suffer when delivering barley to the Board.”

Trade estimates indicate that over 500,000 tonnes of export sales of feed barley have already been booked by the private trade at excellent prices. This amount exceeds the annual volume of feed barley sales made by the CWB in six of the past ten years, even though the crop year hasn’t even started.

“The reality is that few farmers contract feed barley to the CWB under the monopoly,” says Jolly-Nagel. “The reason is simple – most farmers know that committing feed barley to the CWB is simply condemning yourself to a lower return.”

The Wheat Growers have also learned that many grain companies are ready to pull the trigger on significant quantities of malt barley sales if a positive court ruling is received. In the crop year just ending, prairie farmers missed out on good off-shore malt barley sale opportunities because off-Board feed barley prices have been more attractive than projected malt barley returns under the CWB.

“Western Canada is the only place in the world where farmers routinely get less money for their malt-quality barley than they do for feed,” says Jolly-Nagel. “With a positive court outcome, that absurd reality will soon end.”

The Wheat Growers decided not to apply for intervenor status in the court case, given that the case is expected to be decided on the strict legal grounds of whether the federal government has the regulatory authority to implement a free market in barley.

“As much as we believe the economic and freedom arguments are overwhelmingly in our favour, we were advised that such arguments are unlikely to carry any weight in the courtroom, given that the matter is expected to be decided on the narrow legal question,” says Jolly-Nagel. “On that score, we are confident in the strength of the arguments put forward by the federal and Alberta governments.”

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The Wheat Growers have long maintained that the federal government has the legal authority to implement a free market in barley. We note too that the CWB and its Friends are swimming against the tide. In a plebiscite conducted among barley producers earlier this year, 62% of farmers indicated they do not support the continuation of the CWB monopoly over barley.

“We’re excited about the opportunities for barley producers under a free market,” says Jolly-Nagel. “Oats has been a tremendous success story since it was removed from the CWB monopoly in 1989 and we’re looking forward to an even greater success story for barley.”

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