



For Immediate Release

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CWB's Smear of Informa Report Doesn't Stand up to Scrutiny

The Western Canadian Wheat Growers Association says the Canadian Wheat Board's comments last week on Informa's study of the CWB's performance are not based on substantive analysis and amount to little more than a drive-by smear. It appears as if the CWB hastily crafted its press release in response to media stories that recognized the significance and credibility of Informa's findings.

"The CWB had more than a week to examine the study and conduct a comprehensive analysis," says Mike Bast, Chair of the Wheat Growers. "Yet, instead of providing a thorough and professional review, the CWB chooses to engage in smear tactics."

The CWB's criticisms focus on Informa's selling price analysis which was based on price data collected by the United Nations at various port positions. Informa adjusted the price data to account for differences in the quality of wheat sold by various exporters into each market. For spring wheat, Informa found that the CWB did not earn any price premiums in 10 of the 11 exports in which the CWB had a sizeable market share. The Wheat Growers have prepared a detailed commentary in response to the CWB's claims. In the commentary we explain how Informa's selling price analysis was only one of three approaches it used to assess the CWB's marketing performance. For example, an elevator price analysis found that U.S. farmers obtained higher returns for their spring wheat in five of the past six crop years, with the average price difference being Cdn \$15.97 per tonne or 43 cents per bushel.

"Even if the CWB's criticisms of Informa's selling price analysis were to have some validity, it still doesn't explain why the farmgate returns we get under the CWB are so much lower than what the U.S. farmers gets under the open market," says Rolf Penner, Manitoba Vice President of the Wheat Growers. "If the CWB is indeed earning the premiums it boasts about, where does the money go? It sure doesn't end up in our pockets."

The Wheat Growers are disappointed with the CWB's unprofessional and knee-jerk response to Informa's report.

"Instead of giving the Informa report the consideration and respect it deserves, the CWB simply lashes out at anyone who might dare suggest the monopoly is not providing a positive value to Canadian farmers," says Bast. "The CWB's over-the-top reaction undermines its credibility and is not in keeping with what farmers expect and deserve from their CWB."

For a copy of the Wheat Grower commentary, please contact Blair Rutter, Executive Director at (204) 256-2353 or brutter@wheatgrowers.ca.

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