



For Immediate Release

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U.S. and Ontario Wheat Growers Rake it in While Prairie Farmers are Stuck With the CWB

Elevators prices in the U.S. have hit \$18.00 per bushel on spring wheat and over \$21.00 per bushel on durum wheat at several locations in the northern states. Meanwhile, north of the border, the best price the Canadian Wheat Board is offering on its daily price contract for spring wheat (#1 CWRS 14.5% protein) is about \$16.00 per bushel.

“The Canadian Wheat Board continues to underperform relative to the open market system,” says Jolly-Nagel, President of the Wheat Growers. “Despite its boasting about being able to earn us a price premium, there has not been a single day this crop year when the CWB’s daily price has exceeded U.S. elevator values.”

The CWB’s daily price contract is only available to those farmers who were fortunate enough to sign up for the 650,000 tonne allotment to the program. Farmers in western Canada produced about 18 million tonnes of wheat last year. The daily price program for spring wheat was fully subscribed within two hours when it was offered last June.

For those farmers who were shut out of the daily price contract, the CWB is projecting a return of \$8.23 per bushel on spring wheat (1 CWRS 14.5% protein) and \$12.03 per bushel on durum (1 CWAD 13.0% protein), basis Saskatchewan. There is no daily cash price offered by the CWB for durum wheat.

“This is not about comparing spot returns to the average pooled return,” says Mike Bast, Chair of the Wheat Growers. “It’s about giving individual farmers the freedom to choose how and when to sell their own grain.”

“Virtually every other Canadian is free to sell his or her property whenever they like to whomever they like,” adds Jolly-Nagel. “Why should western grain farmers be discriminated against and treated like second-class citizens?”

The Wheat Growers note that Ontario farmers are free to take full advantage of the current run-up in wheat prices whereas western farmers are stuck accepting the returns provided by the CWB. Ontario and U.S. farmers are also able to forward contract for next year’s wheat crop at extremely attractive prices while prairie farmers sit and wait.

“These record high prices represent an opportunity for many farmers to pay down debt, expand their operations, replace equipment or build up savings,” says Bast. “Instead, we’re restricted to the comparatively low returns offered by the CWB.”

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The Wheat Growers are looking to Parliament to give western grain farmers the same market opportunities now enjoyed by other Canadian farmers.

“The federal government should immediately table legislation providing for a voluntary CWB,” says Jolly-Nagel. “Let’s challenge all politicians to give us the marketing freedom they now give Ontario and Maritime farmers. I hope most federal politicians would want to ensure all Canadian farmers are treated equally under the law.”

- 30 -

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