The Canadian Wheat Board

The President wrote the following letter to Senator Elaine McCoy, QC and contains some pertinent points with WSGA's stance on living in a market driven world.

In a recent visit to your office we had a conversation regarding the future of the Canadian Wheat Board. The Government of Canada has introduced a bill to remove the monopoly of the CWB. As a Western Canadian Farmer I am ecstatic that Agriculture Minister Ritz has taken up a cause near and dear to my heart. I truly believe in the Democracy and the Freedom that comes from a Free Market.

The CWB is everything that is not included in Free Market Democracy. All of the reasons the CWB was created concluded with the end of WWII except the unwritten cheap food policy of the Government of Canada. The CWB did not affect the freedom of farmers in British Columbia, Ontario, Quebec or the Maritimes to market their grain as they saw fit. Maybe if it extended to those Provinces we would not finally be free from its authority as it would at least be applied evenly across all who grow wheat and malt barley in this country.

Canola, Feed Grains, Pulses, Oats and Rye are all marketed outside of the CWB. We have a variety of methods to find buyers for these products especially with the advent of instant market information and communications via the internet. Large lots are not necessary in order to find a home for your grain. We often sell one truckload at a time, picked up on the farm of origin, to mills and crushers in both Canada and the United States. If you are not large enough to have one load to sell I would argue you are not a farmer but if that is the case we also share loads with neighbors. When it is going from Calgary to Eugene Oregon the neighbors can be hundreds of miles apart and still be able to make it work.

I am not arguing against Pools. The Bean growers in Southern Alberta subscribe to a private pool to market their Beans. I am told that ninety five percent of those farmers belong to the Pool and the other five percent are happily marketing their own product. A voluntary CWB could still be well subscribed and if they are the market geniuses they would have us believe, we will all be there looking for the best value for our products. As it is, the Wheat prices across the Montana and North Dakota Boarders have been consistently above ours over the years.

The Directors and Chairman Oberg of the CWB try to spin this as a fairness issue and how we are better off with the CWB. They are unwilling to put the necessary time and effort into creating a Dual system of Pooling by a voluntary CWB instead using an all or none attitude. This will result in the failure of the Agency which will be the real tragedy. Failure doesn't have to be an option but is a Choice of the current Board. Driving a load of Designated grain across the US boarder without an expensive permit will land a farmer in jail. My neighbor and several others have experienced time behind bars for moving their own grain across the Boarder into Montana. We can move any number of other grains and oilseeds across freely but the CWB causes a regulatory burden that will end in jail time or suppressed value, take your choice. No one knows for sure what will happen with prices, marketing, and with the Pooling subscription. All I can offer you is that my wife's Grandfathers name is in one of those books in the Peace Tower so we can have Freedom and Democracy. The CWB is neither.

As a Lawyer I am sure you have fought for justice and Freedom. The CWB creates a culture of suppression and circumvents Democracy. With the Off Board grains we are free to market outside of their umbrella we have the choice of using several large Multi National companies or conversely several independent brokers or making contact with the end user ourselves. All that is required for access is a telephone to make any of these choices happen. All I ask of the CWB is for it to become one of the many choices and not be a roadblock to the others.

Thank you for your interest. I know you will investigate all sides of this issue and I hope you will conclude that the CWB could live on only as a dual market desk. If the CWB continues the All or Nothing campaign then I would rather have Nothing.

Your Executive and Board Out and About

Here we are giving you a couple of high lights of Board and Executive activities in addition to the Board meetings, one of which was held in Sundre jointly with the Feeder Association Of Alberta. Members of the Executive and the Board are in personal conversations between our board members, governors and other industry folks almost on a daily basis. Board members are trying to keep up with government announcements and material that they read in various places in order to be able to react in a timely fashion to issues that may arise or decisions that have a direct or indirect effect on our members.

<u>Your President</u> has been very busy as there are a great number of issues and a change of Premier Cabinet, making it necessary to reacquaint them with the issues.

Represented Stock Growers at LIS Board and Land Agents Advisory Committee Along with Newton, Hargrave, Bower met with Cabinet Ministers: Oberle (SRD), Berger (Agriculture)

Along with Newton appeared before the LUF Task force with Ministers Berger, McQueen, Johnson, Olsen and MLA's Prins and Deorkson.

Along with Delver, Newton, Carlson, Ward, Bower, Adam met with SRD Director Lyseng and others.regarding public lands use

Attended ABP AGM
BIA Conference call
Various news articles and letter writing

Larry Delver

Beef Cattle Research Council - Review and Vote on funding research proposals.

Alberta Farm Animal Care - Attended the BCFAC in Abbotsford and an all day meeting of AFAC in Red Deer.A lot of effort is going toward ensuring that the cow calf sector in particular is not negatively affected by legislation and recommendations in the codes of practice. As well we are concerned with the activities of animal activists and the influence they are having with the consumer and the governments and trying to counter that.

Cattle Industry Council - Phone calls, teleconferences (2) and face to face meetings (4) to restart the cost benefit study on cattle traceability. This will, providing more funding is available from ALMA, ABP has voted \$50,000 toward the \$200,000 plus study, be done in Kansas State University because they have done extensive work in this field and can build on that. This will involve CANFAX as well as an advisory committee which could involve another WSGA member. The idea is to determine whether the benefits are worth the costs and also to determine who benefits and by how much so they can assume the costs on a pro rata basis.

ABP - Three board meetings and the AGM, Cattle Implementation Policy (Traceability) - Three teleconferences and lots of emails. I am chair of a subcommittee in charge of dealing with a risk assessment to be done regarding co-mingling sites. The progress being made has been quite remarkable in that it is being recognized that reading at one location gives information about where the animals came from and where they are going and that in most cases it is the group of animals rather than the individuals which matter from a disease control aspect. That means that read in at auction markets is not necessary and that read out is only to be done when the animals are going to somewhere where they can't be read ie back to a farm or small feedyard. Most are currently read at take in at the feedlot and the next place they will be read is at the slaughterhouse.

Beef Industry Conference

Do not forget to register for the Beef Industry Conference in Red Deer Feb 15-17. Early bird registration deadline is Jan 15 – do not be late! If you have misplaced your registration form visit the Alberta Cattle Feeders Website or phone the ACFA office at 403-250-2509.

NOTICE OF MEETINGS Board Meeting Feb 15, 2012 10AM - 2PM

Annual General Meeting Feb 15, 2012 4PM – 6PM

Capri Center Red Deer Room: TBA

You do not need to be registered at Beef Industry Conference

If you have resolutions concerning any issues and/or WSGA activities, please forward to the office. Include your name and contact information so that the Resolution Committee may discuss with you

Nominations to replace or renew Director Zone 1 (Blaine Marr), Zone 5 (Eileen McElroy), Zone 9 (Vacant) and 2 Director At Large Larry Delver. David Pope, Clint Kuziw) will be accepted from the floor.

Voluntary Check Off Dollar

It became clear to the Board of WSGA that some of our members may be confused with regard to the refund of checkoff dollars. Each time you market an animal a \$3 levy is imposed on the sale of that animal. This levy is forwarded to Alberta Beef Producers. You now have the right to request that \$2 of that levy be returned to you. You have that right every 6 months: for example you apply in Jan for those marketings from July-Dec. (See your auction mart slips – APB levy). The form that was sent to you with the last newsletter was the form that you can use to request that refund if you so choose. Once you have received that refund, please consider forwarding a portion of that refund to WSGA to enable us to better represent you and your issues.