



WESTERN BARLEY GROWERS ASSOCIATION

Agriculture Centre – 97 East Lake Ramp N E Airdrie, AB T4A 0C3
Phone: (403) 912-3998 www.wbga.org Email: wbga@wbga.org

News Release

CWB PURCHASE OF VESSELS SHOWS CAVALIER APPROACH TO FARMERS

Airdrie, AB. – February 9, 2011: “The Western Barley Growers Association (WBGA) strongly condemns the CWB’s use of \$65 million of farmers’ money to purchase two new lake vessels, says WBGA president, Brian Otto.

The CWB announced yesterday that it has agreed to purchase two lakera as part of a larger purchase of seven vessels, under an agreement with shipping companies Algoma Central Corporation and Upper Lakes Group Inc.

Western Canadian producers were not consulted on this major departure from the CWB’s mandate of marketing grain.

“This is clearly outside the CWB’s mandate of marketing grain”, says Otto. “Decisions of this magnitude and direction require consultations with farmers. The CWB board insults Western Canadian farmers with this cavalier approach.”

“The CWB states that it is run by farmers and that it strives to continually get farmers opinions on issues, but that clearly did not happen this time”, says Otto. “Agreements of this nature and the business plans around them take time to develop. The CWB had ample opportunity to get producers’ input on this but failed to do so.”

In the CWB board election held last fall, the concept of the CWB making investments in infrastructure with farmers’ money was not presented as an election issue, not even by the three incumbents who would have known of the plans.

“We understand that while a deal of this nature is being negotiated, details cannot be made public. But the concept of investing farmers’ money in infrastructure could have been discussed openly without violating confidentiality. The incumbent directors who ran in last November’s director elections were privy to this information and the idea of using producers’ money in this manner should have been presented to producers for their input. Farmers were not given the opportunity to vote for a candidate on the basis of where he stood on this issue.”

The CWB also surveyed farmers in December on various issues.

“The WBGA will be monitoring the results of that survey to see if it posed any questions regarding CWB investments”, stated Otto.

It is obvious that this deal has been in the planning stages long before today’s announcement.

“It is our view that the CWB board was secretive about this major departure from its mandate. Since the CWB is not a voluntary organization, producers who don’t support this cannot even ‘opt out’. If the CWB is true to its statements that the CWB is run by farmers, then we should have had input into this decision.”

The CWB does not require ownership of these vessels to fulfil its obligations to farmers. It could have entered into long term agreements to utilize these vessels, much like the CWB has done with terminals.

“Farmers would rather invest their money in their own farms and not on a purchase totally unnecessary for the CWB to perform its mandate on behalf of farmers.”

The WBGA encourages every producer to contact their CWB director and member of parliament expressing their concern and disapproval of this latest decision by the CWB. We also encourage Minister Ritz to instruct the CWB to put this deal on hold until all stakeholders have a chance to provide their input.

If the CWB is comfortable spending \$65 million on lake vessels now, what will they spend our money on next?

Western Barley Growers Association is a strong voice for a vibrant, market responsive barley industry in western Canada.

For more information contact:

Brian Otto
President ~ WBGA
Warner, AB
Cell: (403) 647-7661
botto@mrcable.ca