



Western Barley Growers Association

A STRONG VOICE FOR A VIBRANT, MARKET RESPONSIVE BARLEY INDUSTRY IN WESTERN CANADA

WHAT IS THE TRUE OUTCOME OF THE CWB BOARD ELECTIONS?

After reflecting on the outcome of the CWB elections, I am concerned that the elected directors that support the single-desk are not listening to the real message being sent to them by producers. Allan Oberg says he believes that a voter turnout of 41% is a "Creditable Result" (Manitoba Co operator December 16th, 2010.) Single-desk supporters claim there is overwhelming support for the CWB. However, on average throughout the five districts the single desk candidates received 57% of the vote. Out of 28,500 eligible votes only 11,400 were cast. That means they received only 6,500 of the eligible (57% of 11,400) ballots cast in their favour. The true outcome of this election is that single-desk supporters can only lay claim to the support of 23% of the eligible votes (6,500 out of a possible of 28,500 ballots). There is a large silent majority of producers (59%) who never cast their ballots that no one can claim as supporters. To make any claim of overwhelming support for the present system with 23 % support is misleading and naive.

Why are a majority of producers reluctant to cast a ballot? In my phone calls to over a 1,000 producers in District 3, I concluded there are many reasons. Some producers told me that the CWB has become irrelevant to their operations because they operate their farms growing crops that they can market outside of CWB control. Other producers said they felt that it did not matter who was elected to the CWB board, nothing changed and so why cast a ballot? Some felt that casting a ballot was showing support for the present system and so refuse to vote. Some are retired producers who felt they should not be casting a ballot because they no longer actively produce or market grain and the vote should rest in the hands of active producers.

Some ballots are sent out to estates and therefore are not returned. In some cases, ballots were sent to the wrong addresses. I was told by people on the producers list that they received ballots sent to their addresses with names of individuals that had never lived at that address. Some unregistered producers never cast a ballot because of the complicated process to get a ballot. There were incidents in my district where producers were waiting for their ballots only to find out after the deadline that they were placed in the wrong district that was not up for election. Producers who rent land told me that casting a ballot was a waste of time because they knew that their ballot would be cancelled many times over by their landlords who supported the CWB.

They felt that nothing would change as long as those not actively involved in grain production could still cast a ballot. Producers do not feel confident that the present CWB voters list reflects actual practicing producers. It is clear to me the CWB

elections should be decided by producers who have the actual risk of producing a crop; those that have to pay the bills. Until the voters list reflects this, the voter turnout will remain low and not a true reflection of the majority of those that are producing the grain.

I have listened to the comments made by the elected directors and I am not confident that changes will be made to address the concerns of farmers I talked to. Allan Oberg says his top priority is to figure out a speedier way to get initial and adjustment payments into farmer's hands. (Western Producer, December 23, 2010.) Other directors are echoing this same message. I agree this should be a priority after the wreck we had last fall when producers were receiving \$1.42 per bushel for durum that was worth well over \$7.00. It is clear that the outdated system of initial payment, adjustment and final payment is not meeting the needs of farmers and the way farmers are paid has to change. This board of directors has to make significant changes, not cosmetic ones, if it is going to address farmer's real concerns.

Farmers are asking for better market signals that are more transparent. One only has to look at international durum prices or the offshore malt or feed barley prices that fail to be reflected domestically to understand what farmers are asking for.

Farmers also question the increased operating costs of the CWB while our world market share is declining. They are calling for a CWB costing review.

Farmers want and need the best marketing structure in place to receive maximum returns for their grain. They do not believe that the present business model used by the CWB does this. A good system is about cash flow on the farm, about delivery opportunity and the ability to sell what they grow to pay bills on time. Ask durum producers whether they are willing to store durum for two years while they have bills to pay?

Many producers feel the CWB is misleading and secretive about their operations. The recent decision by the CWB to purchase two lakers with \$65 million of producer's money confirms this. If the CWB board of directors continues to ignore farmer's concerns, they will continue to sink into irrelevance for most farmers, dragging wheat and barley with them. The status quo is not a viable or successful option for Western Canadian producers.

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