

National Office
2717 Wentz Ave.
Saskatoon, Sask., S7K 4B6
Tel (306) 652-9465
Fax (306) 664-6226



national farmers union
In Union Is Strength

FOR IMMEDIATE RELEASE

JANUARY 23, 2003

**IF SASK. GOV'T PUTS MONEY INTO WHEAT POOL
IT MUST TAKE OWNERSHIP**

SASKATOON, Sask.—“The Saskatchewan government must not put money into Sask. Wheat Pool without taking ownership. At 75¢ per share, the cost of buying the Pool would be just \$28.5 million. Even if the government had to pay \$2 per share, the cost of buying the Pool would be just \$75 million. It would be a travesty for the government to put \$50 million or \$150 million of taxpayers’ money into the Pool without securing the advantages of ownership,” said NFU President Stewart Wells in a letter sent today to Saskatchewan Premier Lorne Calvert.

Wells proposed that the government could then recover 100% of its investment by turning the Pool over to farmers, making it a co-op again, and collecting a levy of \$1 to \$2 per acre to cover the purchase price. “With government co-operation and just a dollar or two per acre, our farmers could again own a co-operative grain company working in their interests,” said Wells. He continued: “Pool workers could also participate and take an ownership stake alongside farmers, which would lower the government stake and broaden the ownership structure.”

Wells cautioned that any government purchase and financing package would have to include concessions from creditors and a change in senior Pool management. “Saskatchewan citizens shouldn’t give tax dollars to a Sask. Wheat Pool managed by the current team. Farmers and taxpayers have watched those managers burn elevators, squander market share, and pay out million-dollar salaries. Farmers have little confidence in these managers,” said Wells.

But a new, co-operative Pool is possible and affordable and would bring huge benefits. “The Sask. government, at no long-term cost to itself, has the opportunity to save the Pool, cut farmers’ costs, return an important co-operative to farmer control, give farmers power in the grain collection system, retain future profits in the province,

and save jobs for Pool workers across the province. This is a wonderful opportunity for farmers, workers, communities, and the government,” said Wells. He continued: "By being bold and innovative at this moment, the government could help undo some of the wrong it committed when it did not ask the Pool to conduct a membership-wide plebiscite on the privatization issue back in 1995."

Wells warned of the alternatives to not purchasing the Pool. “If the government puts money into Sask. Pool without taking ownership, it will probably just be shoring up the Pool for a foreign takeover. “We’ve seen Manitoba and Alberta Pools taken over by UGG/ADM. Unless we take back ownership, Sask. Pool will probably follow as soon as its balance sheet improved. The choice is this: a Sask. Pool owned by local farmers and workers, or those elevators owned by Cargill or ConAgra,” concluded Wells.

— 30 —

For More Information:

Stewart Wells, President:	(306) 773-6852 or 741-7694
Darrin Qualman, Exec. Sec.:	(306) 652-9465