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**national farmers union**  
*In Union Is Strength*

**FOR IMMEDIATE RELEASE**

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**PROPOSED WTO AGREEMENT MEANS HIGHER COSTS FOR FARMERS**

The text of the proposed agreement at the World Trade Organization (WTO) negotiations would eliminate the Canadian Wheat Board (CWB) single desk. It would also dramatically increase costs to western farmers.

In a letter to International Trade Minister Stockwell Day, Glenn Tait, Saskatchewan Coordinator of the National Farmers Union (NFU) urged the federal government to “move quickly to get the CWB single desk off the table” at the WTO negotiations. He noted the draft text of the WTO agreement, if adopted, will eliminate the CWB single desk, without farmers having any say in the matter.

The Canadian government agreed to eliminate government guarantees on initial payments and CWB borrowing back in 2004, to take effect when a WTO deal was signed. The current “Doha Round” of the WTO talks has been ongoing for ten years, and Tait said farmers have already given up far too much.

The current WTO text targets the CWB single desk directly, and Tait said it is absolutely critical that the federal government reject any WTO agreement which would undermine the CWB’s effectiveness in global markets on farmers’ behalf.

Tait said the loss of government guarantees on CWB borrowings could cost between \$27 million and \$107 million annually, depending on how far the CWB’s international credit rating declines. This would mean farmers would lose between \$500 and \$2000 per average permit book. Larger operators would, of course, lose much more. In addition, the elimination of government guarantees on initial payments will shift the cost of risk management directly onto farmers, resulting in additional costs of between \$10,000 and \$20,000 per permit book.

At the recent NFU national convention in Ottawa, CWB Chair Larry Hill provided a detailed financial analysis of the cost to farmers resulting from the loss of government guarantees on borrowing and initial payments if the current text of the WTO agreement is signed.

- 30 -

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