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**national farmers union**

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**FOR IMMEDIATE RELEASE**

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**CANADA GRAIN ACT AMENDMENTS UNDERMINE FARMER PROTECTION**

Legislative amendments to the Canada Grain Act introduced in the House of Commons earlier this week will “turn back the clock” by removing fundamental protections for farmers, says Stewart Wells, President of the National Farmers Union (NFU).

Bill C-13, An Act to amend the Canada Grain Act, is virtually identical to Bill C-39, which was introduced in December 2007 by the Conservative Government. Bill C-39 died on the order paper when the last federal election was called.

“This legislation, like its predecessor, fundamentally changes the mandate of the Canadian Grain Commission (CGC),” stated Wells. “It removes the requirement that the CGC operate as a public interest watchdog that regulates the overall grain industry ‘in the interests of producers’. Instead, it changes the CGC’s role to become a passive service provider that provides grading, weighing and inspection services to grain companies on a fee-for-service basis. Farmers’ protections will be reduced to a minimum, with plenty of loopholes for companies to circumvent those limited protections.”

Bill C-13 proposes eliminating inward inspection of grain, which would severely undermine the ability of the CGC to maintain Canada’s existing high quality standards. The current system allows grain inspectors to catch contaminated, off-condition or incorrectly-represented carloads while they are being emptied, weighed and elevated, and before they are mixed with large quantities of other grain. Eliminating this provision will have a negative effect on farmers’ bottom line.

The danger posed by the relaxation of inspection standards will be further aggravated by the elimination of the Kernel Visual Distinguishability (KVD) system in August, 2008, he stated. The KVD system, which was unique to Canada, ensured that unregistered varieties of grains were prevented from contaminating export shipments. No reliable mechanism is yet in place to replace the KVD system.

Bill C-13 also proposes to eliminate security as a requirement for licensing of grain companies. Wells said this will actually reduce competition because farmers will be more likely to sell their grain to a larger, established company rather than risk dealing with a small, independent broker. “The security provisions were put in place to protect farmers, who would be left holding the bag if the grain company goes bankrupt,” he explained.

“Eliminating this requirement will not save farmers any money. It will only increase their risk.”

Wells said farmers did not call for any change to the Canada Grain Act. “The pressure to restructure the CGC and reduce its regulatory role has been coming from grain companies,” he noted. “At a time when grain companies like Viterra, ADM and Cargill are consolidating their hold over the market, it is obvious there needs to be a mechanism in place to provide farmers with protection.”

The NFU President concluded the Harper Government appears intent on “turning back the clock to the 1800s, when there was no Canadian Grain Commission, no Canadian Wheat Board, no public research, no fairness, no equity, no justice and no market power for farmers.”

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