



# News Release

For immediate release

## MARKETING CHOICE FOR BARLEY TO START AUGUST 1, 2007

**HEADINGLEY, Manitoba, June 11, 2007** – The Honourable Chuck Strahl, Minister of Agriculture and Agri-Food and Minister for the Canadian Wheat Board, today announced that the *Canadian Wheat Board Regulations* have been amended to remove the Board's monopoly on barley and the Western Canadian farmers will have the freedom to choose how they market their barley beginning August 1, 2007.

"We committed to Western Canadian farmers that Canada's New Government would give them the right to market their own barley. Promise made, promise kept," said Minister Strahl. "I am very pleased that the new regulations are now in place and that as of August 1 of this year, barley farmers will have the freedom to choose to who they sell their grain."

In a plebiscite held earlier this year, 62 percent of barley producers voted to remove the CWB's monopoly on barley sales. The Government published draft regulations to amend the monopoly powers of the CWB in the April 21 edition of the *Canada Gazette*. Following a careful review of public comments on the draft regulations, the Government has now made a final regulation.

The amendments to the *Canadian Wheat Board Regulations* will be published in the *Canada Gazette* Part II on June 27, 2007. They remove barley and barley products from the CWB's single-desk authority and permit farmers to sell their barley to any domestic or foreign buyer, including the CWB. The CWB will continue to pool barley and be a viable option for farmers, and the Government will continue to guarantee the initial payments to producers for those who want to continue to sell through the CWB.

The amendments to *Canadian Wheat Board Regulations* will be available at [www.pco.gc.ca](http://www.pco.gc.ca) as of June 12, 2007.

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## BACKGROUND

### The Implementation of Marketing Choice

A majority of barley producers in Western Canada expressed a clear preference – 62 percent – for marketing choice in the plebiscite on barley held earlier this year.

Minister Strahl proposed amendments to the *Canadian Wheat Board Regulations* to remove barley from the Board's single desk authority. These amendments were approved by the Governor-in-Council on June 7 and will come into force on August 1, 2007 - in time for the 2007-08 crop year.

The regulations that have been put into place will permit producers to make the economic and marketing decisions that are right for their particular operation and to allow them to maximize returns from the sale of their barley.

For many farmers, there will be little change. Most barley producers already grow and sell crops other than the ones under the single desk authority of the Canadian Wheat Board (CWB) and will have a good idea of what to do with their barley. Some may make direct sales to maltsters and other processors. Others will deliver their barley to a local grain elevator just as they do now. However, under the new regulations, they will be able to choose between selling it to the company operating the elevator or selling it through the CWB.

Barley producers will be able to price their product on the spot market by calling around to different local elevators just as producers of other crops do now. They will also be able to manage price risk by entering into revised barley futures contracts on the Winnipeg Commodity Exchange.

There is a strong demand for barley in Canada and abroad. Under the new regulations, Western Canadian producers will have the choice of selling to the buyer of their choice, including the CWB. The CWB has a base of producers, who will be able to provide it with a large volume of barley to sell on their behalf, and who will want to continue to market their grain collectively through a producer-controlled marketer.

The Government will continue to guarantee the CWB's borrowings and initial payments under the conditions set out in the *Canadian Wheat Board Act*. The proposed change in the *Canadian Wheat Board Regulations* will not alter the federal export credit guarantee programs.

Cash advances are currently provided to farmers under the *Agricultural Marketing Programs Act* (AMPA). It is available to a wide range of producers, and barley producers will continue to be eligible for cash advances in the marketing choice environment.