

How will farmer returns be affected if single desk marketing for wheat and barley is eliminated?

Farmer returns are primarily based on the global marketplace. Dividing the small Canadian portion of that global market into CWB-bought grain and open-market grain will not have an adverse effect on world market prices.

Alberta's producers successfully market other grains on the open market. Marketing choice would allow them to do the same for wheat and barley designated for export and human consumption.

Doesn't the CWB works to maximize returns to farmers?

No. Only individual farmers know what is best for them in terms of maximizing their returns.

The CWB cannot and does not maximize returns to all farmers. That would suggest picking the highest price day of the year and selling all wheat/barley through the locations/customers that provide the best returns to customers. The CWB may attempt to maximize sales price levels, but it does not necessarily attempt to maximize volumes.

Alberta supports individual initiative and individual risk and reward. The CWB does not know – nor could it know – each individual farmer's needs in terms of cash flows, fixed costs, break-even points, etc. For example, a good sale for one farmer (early movement, early cash payment) may not be acceptable to another (one who can afford to hold his grain until spring in anticipation of higher prices).

Can I still market my grain through the Canadian Wheat Board if marketing choice becomes a reality?

Alberta envisions an open market in which the CWB is one of several marketers. If the CWB is as adept at marketing grain as it claims, it will exist in an open market and remain a marketing option for farmers.

In an open market, what will happen to small farmers who may not have a lot of grain to sell and don't follow the markets?

These farmers would also have choices. They could sell to the CWB or sell directly into a market if they choose to do so.

How will Alberta be able to uphold the reputation of Canadian grain in world markets?

While the CWB takes credit for branding western Canadian wheat and barley as high-quality, the Canadian Grain Commission and the grain trade play a much more significant role in maintaining Canada's reputation than the marketing agency. The CWB does not, on its own, guarantee quality; rather, it relies on the other agencies in the system to ensure the grain meets contract specifications. Moreover, the non-CWB markets (canola, flax, peas, etc) also enjoy an excellent reputation for high quality on world markets – without the CWB's involvement.

In an open market, nothing would need to change to maintain Canada's reputation for high-quality grain. Grading would remain the same as it is now. A more direct relationship and the resulting accountability may make it easier to enter into more of an identity preserved market system and thus create more value for both the grain handler and farmer.