

THE HARPER RECORD

Edited by Teresa Healy



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Harper's Attack On the Canadian Wheat Board

Helen Forsey

THE CANADIAN WHEAT Board is fighting for its life.

Ever since 1935, when a rather different Conservative government listened to farmers and passed the Canadian Wheat Board Act, the Canadian Wheat Board (CWB) has been working to bring Western Canada's grain to the world. The largest of our farm marketing boards, it is also one of the biggest, oldest, and most stable collective bargaining units in the country. As such, it represents a ripe field of temptation for Stephen Harper and his corporate backers to swing their ideological scythes and try to make off with the harvest.

If they succeed, the impact will be enormous. The gutting of the Winnipeg-based Wheat Board and its sister agency, the Canadian Grain Commission, would be a disaster — and not only for prairie grain growers. It would be a giant step towards the dismantling of orderly marketing systems in other farm sectors, a further weakening of collective bargaining, a devastating blow to Canadian democracy, and a threat to workers and consumers across Canada and even beyond. The current fight to save the CWB is a crucial one for all Canadians.

CWB represents 75,000 grain growers

Since many non-farmers know little about the issues involved, some background facts will help. The Canadian Wheat Board represents some 75,000 grain growers, and handles all Western wheat and barley destined for export and human use. The CWB is 100% self-supporting, and, with \$5 billion in annual sales, is a real power in the international marketplace. Backed by the Canadian Grain Commission's excellent quality assurance, the Board uses its exclusive "single-desk selling" power — its much-maligned "monopoly" — to get the best possible prices, transportation rates, and quality premiums for its producers. The CWB is worth \$700–\$800 million annually to farmers, averaging almost \$10,000 per farm.

And it's not just farmers who benefit. A 2005 Price-Waterhouse-Coopers study credited the Board with a "huge" economic impact totalling \$1.6 billion annually, including some 14,000 non-farm jobs. The CWB moves 20 to 30 million tonnes of grain a year over Canadian rail lines and through Canadian ports in British Columbia, Manitoba, Ontario and Québec, making it one of Canada's biggest rail shippers and one of our strongest East-West links. The Board has also been a crucial player in protecting grain customers — including Canadian consumers — from the risks of GM (genetically modified) wheat.

U.S. agribusiness wants Wheat Board gone

For years, the big American grain interests have been trying to destroy the Wheat Board and grab control of our grain industry for themselves.

"They'd just love to add grain to the list of Canadian resources and jobs leaving Canada for bigger profits elsewhere," says Ken Sigurdson, former Manitoba coordinator for the National Farmers' Union and a co-founder of the *Save My CWB* Campaign. "They've tried NAFTA challenges, they've tried the WTO, they've tried propaganda and political pressure. And time after time they've failed."

But now, in Stephen Harper, those giant corporations have an ally. "Ever since coming to power, this Conservative minority government

has been using every sneaky and undemocratic method imaginable to undermine the CWB and betray the farmers and workers who rely on it," says Sigurdson, who farms with his family near Swan River, Manitoba. "There's a whole raft of issues about how the government has attempted to manipulate this process."

That the Harper government carefully planned this manipulation became crystal clear in mid-June 2008, when lawyers for the Board made public a secret Cabinet document from August, 2006. The plan, which has been systematically implemented, recommended firing the CWB's highly capable and respected CEO, Adrian Measner, and replacing appointed pro-Board directors with anti-Board grain industry hacks. It urged government use of Orders-in-Council to get around legal democratic requirements, and eventual legislative changes to eliminate those requirements permanently.

The October 2006 gag order forbidding Board directors and staff from spending a penny to defend the single-desk system was a key element of that plan. The 2007 "non-binding" producer plebiscite on removing barley from CWB jurisdiction was part of the same scheme.

Farmers fought back. The Board challenged the gag order in Federal Court, and the case began wending its way through the legal system. Then, when the Harper cabinet followed up its dubious plebiscite with an Order-in-Council to remove barley from the CWB's marketing authority, the Friends of the Canadian Wheat Board, a producer group, went to court to stop it.

Meanwhile, the government had been practising its election tampering skills. CWB director elections are the key to farmer control of the Board, with 10 of the 15 directors elected by grain producers and the other five appointed by government. Every two years, elections are held in five of the 10 Wheat Board districts, staggering the four-year terms. Right in the middle of the 2006 director election campaign, the Minister issued an order removing almost 40% of the names on the producer voting lists. Later, in the barley plebiscite, the government's techniques included ambiguous wording of the options, traceable numbered ballots, no scrutineers, and predetermined interpretation of the results.

“Illegal and immoral”

Colleen Ross of Iroquois, Ontario, the NFU’s Women’s President, calls what the government is trying to do to the Wheat Board “both illegal and immoral. It just flies in the face of the principles of food sovereignty: people’s control over food, including how it is marketed. This government is once again putting corporate profits before the interests of people, and they’re doing it through fraud and lies.”

And all paid for by the taxpayer. During the 2007 plebiscite campaign, with pro-Board staff and directors muzzled by the gag order, the government spent \$1.2 million in public money on propaganda promoting its “dual marketing” option — what it likes to call “producer choice.”

“Dual marketing’ is a fraud if ever there was one,” says Bruce Dodds, national organizer for the grassroots *Save My CWB* campaign. “Even the government’s own anti-Board task force confirmed in 2006 that, without its single-desk selling power, the CWB would not survive as an effective bargaining agent for farmers. It would be like having a trade union without a check-off or the Rand Formula. Take the Rand Formula away from labour and call it ‘worker choice.’”

“This is all about money and control,” says Sigurdson. “U.S. agribusiness wants to ‘integrate’ Canada’s grain industry with their own, and cherry-pick our prime production. Without the Wheat Board, the big grain companies would totally take over. Farmers would just be contract growers, restricted to the company’s varieties, their chemicals, their prices and conditions. For transportation rates and service we’d be at the mercy of the railroads, with no representative body strong enough to take them on.” Little wonder most grain producers — even Conservatives — continue to support the Board.

And they’ve won some important battles. In July 2007, the Federal Court ruled in favour of the farmers and stopped the government from removing barley from the Wheat Board’s marketing authority, a power explicitly reserved for Parliament. The government appealed — forcing the litigants to spend thousands more on legal costs — and lost again. Then, last June, another judge quashed the ministerial gag order that had prevented the Board from effectively defending its role. Thwarted, a furi-

ous Harper vowed to continue his push for “marketing choice,” threatening that anyone standing in the way “is going to get walked over.”

Three bills threaten Board

Harper’s walking boots include three bills that were on the order paper prior to the election call. Bill C-39 would severely undermine the Canadian Grain Commission’s long-standing mandate to inspect and regulate the grain industry “in the farmers’ interest.” Bill C-46 would take away the right of barley producers to a vote on the CWB’s role, and would tie the Board up in frivolous arbitration processes. The most recent Bill, C-57, would revamp the voters’ list for Director elections, disenfranchising even more farmers, notably smaller producers.

Harper’s intent is clear: if he wins a majority government, the Canadian Wheat Board will be history.

What would that mean? The Canadian grain industry, with its associated jobs and economic spin-offs, would go south — literally and figuratively. The huge economic benefits provided by the Board and the Grain Commission would be gone, leaving farmers and workers more dependent than ever on the grain companies and the railroads. Unions in the transportation, shipping, and administration sectors would soon feel the impact. With companies shipping where and when they pleased, much prairie grain would go overland to the U.S., seriously reducing east-west shipments and business at Canadian ports. The port of Churchill and the Hudson’s Bay Railroad, both 80–90% dependent on CWB shipments, could face bankruptcy, stranding many small northern Manitoba communities.

With the Board gutted and the Grain Commission hobbled, foreign grain markets would no longer be able to count on Canadian quality and reliability. Much of our harvest would be mixed with American grain, and customers in Europe, Asia, and here at home would lose a strong bulwark against the risks of genetically modified (GM) wheat. And transnational corporations would get a global lock on grain supplies at a time when skyrocketing prices and shortages are already causing a massive global food crisis.

“Do or die” election for farms and food

As for the rest of organized agriculture, all this is a foretaste of what a Harper majority would do to Canada’s supply-managed sectors: dairy, poultry, and egg farming. In a brutally competitive global market, without the “cost of production” pricing maintained by supply management, Canadian farmers in these sectors would not be able to make ends meet. Industrial-style contract farming, like what we see already in pork production, would take over, with corporate agribusiness calling the shots and scooping up the profits. Regardless of the impacts on local production, food safety, or the environment, even more of our food would be imported, and Canadians’ shaky hold on food sovereignty would become even more tenuous.

What we’re seeing in the Harper government’s anti-Wheat Board vendetta is the familiar spectre of privatization and deregulation, the familiar systematic attack on the public interest.

“The threat to the Wheat Board is really an attack on collective bargaining and democracy,” says Dodds. “In the first half of the 20th century, two great social movements — for farmers and workers — struggled to win the right to control their own institutions and the products of their labour. Now we’re defending what they won.”

This is a critical year for the Wheat Board and the Grain Commission. “It’s do or die,” says Sigurdson. “We’re fighting hard, in the courts and on the hustings. We’ve got to win the upcoming CWB Director elections this fall, and make sure voters across the country stop Harper from getting a majority in Parliament. If people understand the importance of this fight, and back us up, I think we can win. After all, it’s really a fight for Canada and our place in the world.”