

## Ontario Farmers Free To Market Their Own Grain – No CWB Buy-Back

Ted Gorski is an Ontario farmer. He farms about 2,600 acres at Harrow, a quaint community about 30 miles south of Windsor, Ontario. His acreage is large by southern Ontario standards.

One of the Directors of the Prairie Centre Policy Institute, Ken Dillen, visited Mr. Gorski recently in order to learn first hand how farmers in Ontario were able to sell “offboard” and not be forced to participate in the Canadian Wheat Board “buy-back” like Western Canadian farmers are obliged to do.

When a western farmer finds a market for barley or wheat in the USA he must apply to the CWB for an export license. In order for the license to be issued, he must first sell his grain to the CWB and then buy it back at an inflated price. The “buy-back” effectively removes any potential for realizing a profit from the transaction. In order to apply for the export license, a farmer must disclose all information that identifies the end-user to the CWB who can now approach the customer with a discounted price. It would be like Canadian Tire being forced to tell Wal-Mart who their customers are so Wal-Mart could undercut the Canadian Tire price, while Wal-Mart can keep its pricing information secret.

Because Mr. Gorski is an Ontario farmer, all he has to do is apply for a CWB export permit which is granted without a “buy-back” being imposed. Also, the cost for the export permit is waived.

Ken Dillen observed and documented the entire process which included traveling with the trucks through the border crossing at Windsor, Ontario to Detroit, Michigan and the delivery with a super B and tri-axle hopper bottom to the Jiffy Pancake Flour Mill at Chelsea, Michigan.

Mr. Gorski was paid in full the next day. He received \$3.85 US per bushel (about \$5.80 Cdn.). The only slight draw back is that he is required to pay the Ontario Wheat Board a minimal license fee of \$2.00 per tonne. Even so, after all revenues and expenses are tallied, he could receive a refund of a portion of the amount.

The export license is then faxed to Canada Customs. It is not required to be “surrendered to the chief officer of Customs” as demanded by the Customs Act. This provision is only required at border crossings in the three prairie provinces.

Ontario wheat farmers have a number of options available to them for marketing their grain. They can

either sell into the pool and wait a year for a final payment, contract with the Ontario Wheat Board at a fixed price and be paid in full at the conclusion of a sale, or market direct. The latter two options are not available to western farmers.

For exercising those same rights in Western Canada, farmers have been jailed, taken to court, and have been placed in leg irons, hand-cuffs and chains. Some are facing enormous fines including ascertained forfeitures. Currently in Alberta, several farmers are refusing to pay the fines and are opting to be arrested and jailed as a form of protest. They will be surrendering to police on the steps of the Alberta Legislature to begin to serve their time.

In Ontario, farmers like Mr. Gorski pride themselves in the fact that they “live in a free and democratic country” and will continue to protect their right to sell their grain to whomever they choose, including the Ontario Wheat Board. Shouldn't Prairie farmers be given the same right?

- Ken Dillen

*Ken Dillen sits on the Board of Directors of the Prairie Centre Policy Institute. “Where Do We Go From Here” is a feature service of the Prairie Centre.*

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