NEWS RELEASE



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Sask Wheat Applauds Reversal of CGC's Grain Grading Changes

SASKATOON, SK – The <u>Saskatchewan Wheat Development Commission</u> (Sask Wheat) is very pleased with the <u>Canadian Grain Commission</u>'s (CGC) <u>announcement this morning</u> immediately repealing its recent decision to align some wheat primary and export standards on August 1, 2023.

This is good news for western Canadian wheat producers who would have borne the costs of the change through downgrading and lower prices based on the tighter export tolerances for these grading factors. This is also good news for all Canadian grain producers as it demonstrates that focused advocacy by producers can bring positive results.

In early June, the <u>CGC announced</u> that longstanding separate primary and export standards for test weight and total foreign material for all grades of the western Canadian wheat classes CWRS, CWHWS, CWES, CNHR, and for total foreign material in CWAD, would be harmonized at the tighter export tolerances, effective August 1, 2023. Sask Wheat and the <u>Agricultural Producers Association of Saskatchewan</u> (APAS), through a joint news release and accompanying supporting documents, called for an immediate reversal of this decision since wheat producers would potentially face significant negative financial implications.

Sask Wheat appreciates the cooperation of APAS in bringing our joint opposition to the original decision to the broad attention of producers in a very limited time frame. We are further gratified for the additional responses of other producer groups who constructively added their voices to the opposition to this change.

Sask Wheat Chair, Brett Halstead, commends the CGC for listening to producers on this issue. However, he said, "The CGC had moved so quickly on this decision that it was already established as a regulatory change announced on July 19, 2023. This was despite majority opposition by members of the Western Standards Committee at its April 4, 2023, meeting which the CGC has referenced as its major consultation with the grain sector on this issue. Sask Wheat has consistently maintained for several years that an economic study for what is, essentially, an economic issue for producers is necessary before any further consideration of such change is contemplated."

"Moving forward, Sask Wheat will continue to call for this economic study prior to further consideration of any decision being made on this issue. We will also continue to insist on the inclusion of rigorous economic analysis and the sharing of that analysis with producers prior to any major CGC decision, to ensure that such decisions do not impose negative economic impacts on producers," said Halstead.

He concluded by putting this reversal by the CGC in the context of the single mandate of the CGC as found in Section 13 of the *Canada Grain Act* to, 'In the interests of the grain producers, establish and maintain standards of quality for Canadian grain and regulate grain handling in Canada, to ensure a dependable commodity for domestic and export markets.'

Sask Wheat believes it is imperative the CGC act according to its mandate at all times. This belated but welcome reversal on standards harmonization is in the interest of grain producers.

For more information visit www.saskwheat.ca.

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