Minister of Agriculture and Agri-Food and Minister for the Canadian Wheat Board



Ministre de l'Agriculture et de l'Agroalimentaire et ministre de la Commission canadienne du blé

Ottawa, Canada K1A 0C5

SECRET

Ouote: 455241

JUN 3 0 2006

Mr. Adrian C. Measner President and Chief Executive Officer The Canadian Wheat Board 423 Main Street PO Box 816, Stn. Main Winnipeg, Manitoba R3C 2P5:

Dear Mr. Measner:

Thank you for your letter with which you submitted the 2006-07 Corporate Plan for the Canadian Wheat Board (CWB) for my approval, as required by the CWB Act.

Following our meeting on April 27, 2006, I asked that a proposal be developed on how the CWB would operate following the implementation of the Government's policy to provide producers with the choice of whether they market their wheat and barley through the CWB. I am therefore extremely disappointed that the 2006-07 Corporate Plan that the CWB has submitted does not contain reference to this government policy. Furthermore, the Corporate Plan that you have submitted is based on a strategic direction that envisages the maintenance of the single desk. As you are aware, this vision is at variance with the realities of the situation in which the Corporation finds itself. A responsible corporate plan must address how the Corporation will deal with the reality that government policy is to provide producers with choice. A corporate plan that fails to do so is simply unrealistic and not relevant to the environment in which the Corporation will work in 2006-07.

Enclosed you will find some wording that reflects planning by the Corporation to deal with the Government's policy direction. Before I will consider approving the Corporate Plan, the CWB needs to revise it to incorporate the enclosure, to delete any reference to the CWB Board of Directors' Harvesting Opportunity initiative, the maintenance of the single desk, and any activities in 2006-07 that would be part of the Harvesting Opportunity initiative or are geared to the maintenance of the single desk.

Mr. Adrian C. Measner

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I look forward to receiving a revised CWB Corporate Plan for 2006-07 that contains the information that I consider appropriate.

Thank you for your attention to this matter.

Sincerely,

Chuck Strahl

Enclosure

ENCLOSURE

INSERT TO THE CANADIAN WHEAT BOARD 2006-07 CORPORATE PLAN

The Government of Canada is committed to ensuring that prairie grain farmers have the option of participating voluntarily in the CWB. This will mean that prairie grain farmers will be free to make their own marketing and transportation decisions.

The CWB's role will be to effectively and efficiently market grain for those farmers who choose to have the CWB do the marketing of their wheat and barley on their behalf.

Consequently, the CWB will prepare a proposal on how the CWB and the CWB Act should be modified to reflect the Government's strategic policy direction for the CWB.