

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

MAY 28 2010

Quote: 145127

Mr. Greg Marshall
President
Agricultural Producers Association of Saskatchewan
100-2400 College Avenue
Regina, Saskatchewan S4P 1C8

Dear Mr. Marshall:

Thank you for your letter regarding the Canadian Grain Commission's (CGC) licensing review and proposed comprehensive shrinkage and moisture shrinkage changes. I have forwarded your comments to the CGC for consideration. I always appreciate receiving feedback from industry stakeholders, and I am pleased to respond to the issues that you raised.

The CGC's licensing review is in progress, and the CGC has been in contact with licensees about the next steps. The CGC intends to complete the review by August 1, 2010, and any licensee whose licence class will change will be notified. Any needed reclassifications will begin on August 1, 2010, and should be completed by August 1, 2011.

The CGC's proposal to regulate maximum comprehensive shrinkage allowances for all types of grain at both licensed process and transfer elevators to zero will be published in the *Canada Gazette*, Part I. The *Canada Gazette* serves as a consultative tool between the Government of Canada and Canadians, giving all Canadians the opportunity to provide their comments on proposed regulations or regulatory changes. If you have any further comments on this matter, I encourage you to watch for this proposal to appear on the *Canada Gazette* website (www.canadagazette.gc.ca), where it will be listed with a CGC contact person and a closing date for comments. The shrinkage proposal should appear in the *Canada Gazette* in spring 2010.

The CGC's proposal to eliminate the 1.1 per cent moisture rebound factor is not a regulatory change, and it does not require additional consultations. As you know, the CGC has proposed to replace the rebound factor with a reference to a moisture level 0.1 per cent below the fixed minimum tough moisture level, while continuing to regulate how moisture shrinkage allowances are calculated for grain artificially dried at licensed primary elevators. The CGC will announce the results of its own consultations and whether this proposed change will occur by issuing a new order respecting moisture shrinkage allowances on August 1, 2010.

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Canada

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These licensing and regulatory issues are being addressed in an effort to increase grain price transparency for producers and to ensure a level playing field across the industry by fairly and consistently applying regulations.

Again, thank you for providing your comments. I appreciate your support in these initiatives.

Sincerely,

A handwritten signature in black ink, appearing to read "Gerry Ritz". The signature is written in a cursive style with a large initial "G" and "R".

Gerry Ritz, PC, MP