

What is it?

Producers use the Selected Barley Storage and Delivery Contract (SBSDC) to offer malting barley to grain companies.

What does it offer?

- Delivery periods are pre-December 31, January to February, March to April and May to July.
- Storage is paid from December 1, 2011 or contract acceptance date, whichever is later, to the delivery date.
- Storage rates are five cents per tonne for the first 90 days and nine cents per tonne over 90 days.
- The minimum delivery requirement is 95 per cent.
- Liquidated damages rates are based on full replacement value.
- No storage will be paid on selected barley that is rejected upon delivery. However, you can individually negotiate this type of premium directly with the grain company as part of your terms and conditions.

Only malting barley varieties with the best quality are selected for marketing as malting barley. The remainder is used as feed barley. When selected barley is rejected for any reason, the CWB may agree to purchase the barley from you as feed barley if marketing opportunities are available. Please call us at 1-800-275-4292 to discuss options, as Guaranteed Delivery Contract opportunities may be limited.

Contracted deliveries of malting barley that occur before August 1, 2011 must be settled against the 2011-12 crop year. This is because switching grain from one year to the next creates uncertainty regarding pool size and affects the pool returns of both the old and new crop year. This can result in pool price distortions which are greater in volatile markets.

Two-row malting barley protein payments

Malting barley protein payments will continue in the 2011-12 crop year.

What does it offer?

The CWB malting barley quality payment program pays protein premiums if you deliver eligible two-row malting barley into the pool account.

Program details

Instead of paying the same return for all selected barley, this program rewards producers who have barley with lower protein levels, which is more desirable to brewers. Protein levels that are too high can affect malting and brewing quality.

This program encourages production that meets customer specifications. The goal is to create a Canadian malting barley supply with a larger proportion of low-protein grain, ensuring that major brewers around the world continue to prefer Canadian barley.

Protein premium payments are based on delivery sample protein test results, as verified by a third party. The program is limited to eligible two-row malting barley because its market has the most clearly defined relationship between protein levels and prices paid by end-use customers. The program is jointly administered by the CWB and participating industry partners

The program has grown significantly each year thanks to increased industry participation.

For 2011-12, producers whose barley has lower protein levels will receive premiums that range from \$5 per tonne for protein levels of 11 per cent and below, to \$1 per tonne for protein levels of 12.5 per cent. *CashPlus* contracts are not eligible for additional protein premiums.

Protein levels of 12.6 per cent and higher will still be eligible for selection and delivery under the normal Canadian Grain Commission grain grades. Below is the complete premium schedule for 2011-12 malting barley deliveries, as well as a list of participants. If you are interested in this program you should check to ensure that your delivery points are participants.

2011-12 participating industry partners

Canada Malting Co. Ltd.	Pioneer Grain Co. Ltd.
Cargill Ltd.	Prairie Malt Ltd.
Delmar Commodities Inc.	Prairie West Terminal Ltd.
Fill-More Seeds Inc.	Providence Grain Group Inc.
Gambrinus Malting Corp.	RAHR Malting Canada Ltd.
Great Northern Grain Terminals Ltd.	Seed-Ex Inc.
Great Sandhills Terminal	South West Terminal Ltd.
Louis Dreyfus Canada Ltd.	Viterra
North West Terminal Ltd.	Westlock Terminals (NGC) Inc.
Parrish & Heimbecker Ltd.	Westmor Terminal
Paterson Grain	Weyburn Inland Terminal Ltd.

Protein payment schedule for 2006-07 to 2011-12 malting barley deliveries

Protein level	Payment per tonne
12.5%	\$1.00
12.4%	\$1.20
12.3%	\$1.40
12.2%	\$1.60
12.1%	\$1.80
12.0%	\$2.00
11.9%	\$2.30
11.8%	\$2.60
11.7%	\$2.90
11.6%	\$3.20
11.5%	\$3.50
11.4%	\$3.80
11.3%	\$4.10
11.2%	\$4.40
11.1%	\$4.70
11.0% and below	\$5.00