Right to Determine

GW Sugar Airs Its Views

George E. Wilber, president of the Great Western Sugar Company, announced Thursday that 1972 contract negotiations between the company and Beet Grower Marketing Association representatives have come to a standstill.

Great Western Sugar's contract offer, which is substantially the same as the 1971 contract, has been rejected by grower representatives.

Minor differences between the 1971 contract and the proposed 1972 contract have been agreed to by both parties.

Beet grower representatives now are demanding the right to determine where the company contracts for beets and how any reductions or increases in acreage will be contracted, Wilber said. This has never been part of the contract in the past.

Beet growers have always had the right to determine if they wanted to grow beets and for how many acres. The grower and Great Western Sugar, both must make their decisions on the basis of profitability.

Wilber said the company this year is faced with higher freight costs in all areas, and that in a few of these areas the cost of beets plus the cost of freight makes it uneconomical to continue to buy beets there. The Great Western Sugar Company has proposed that growers share part of this cost so that it would still be economical for the company to purchase beets in those areas and allow the growers to continue in beet production.

Grower representatives have rejected this proposal.

Great Western Sugar has now agreed to contract beets on the same basis as the 1971 contract; however, Wilber said, we can no longer contract for beets in areas where it is not economical to do so.

Grower representatives have insisted that Great Western continue to purchase beets in those areas, even if it is not profitable for the company, in order to keep the growers in business. In addition, the growers want any changes in acreage to be made on a pro rata basis among all growers rather than elimination or reduction of acreage in unprofitable areas.

"This is a difficult position, Wilber said, "the grower representatives want their growers to have the right to determine the most profitable crops to grow on their farms while at the same time they are restricting the company's right to determine the areas in which it is economically feasible to purchase beets."

"We are faced with a decision very soon in regard to running the Greeley plant. This decision cannot be made until we are able to reach agreement on a contract and determine if there is sufficient acreage to continue operation of this plant."