

POLICY BRIEFING

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AGRICULTURE



Photograph by Jake Wright, *The Hill Times*

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POLICY BRIEFING - AGRICULTURE

Agriculture Minister Ritz changes channel, focusing on expanding agriculture markets internationally

But some critics say Agriculture Minister Gerry Ritz's approach to dealing with agriculture industry's current challenges is not up to par in tough times.

By BEA VONGDOUANGCHANH

One of Agriculture Minister Gerry Ritz's best moves was to change the focus of agriculture policy debate from financial aid to expanding the industry's market globally, says one leading agriculture observer, but some stakeholders say the minister's approach to dealing with the sector's current challenges is not up to par.

"I think what Ritz has done is tapped into the farmer preference to make their money from the market and not from programs, notwithstanding the \$4-billion or so that is spent annually on programs. Of course, markets do not always provide prices that return profits and programs are necessary. But the minister really is trying to change the channel," said *Western Producer* national correspondent Barry Wilson, in an email to *The Hill Times*.

Mr. Ritz (Battlefords-Lloydminster, Sask.), who declined an interview with *The Hill Times* for this week's agriculture policy briefing, was appointed Agriculture minister in August 2007, and reappointed following the 2008 election. The 57-year-old former grain and ostrich farmer was first elected in 1997 and re-elected in every subsequent election. He previously served as the secretary of state for Small Business and Tourism from January to August 2007. As an opposition MP, Mr. Ritz was the Conservative agriculture critic and a former chair of the House Agriculture Committee.

Conservative MP Larry Miller (Bruce-Grey-Owen Sound, Ont.) said Mr. Ritz is doing a good job so far as the person responsible for Canada's agriculture file. This includes "supporting agricultural productivity and trade, stabilizing farm incomes, encouraging research and development, and being responsible for the inspection and regulation of animals and plant-life forms," according to the ministry's website. Mr. Ritz is also responsible for "coordinating rural development and enhancing the quality of rural life."

Mr. Miller said Mr. Ritz "knows the agriculture file as good or better than anyone we've had in a long time. He's from rural Canada, he's a farmer himself, comes from a farmer's background, so absolutely, he understands the problems out there."

Mr. Miller noted, however, that Mr. Ritz also represents farmers and therefore does not have all the answers. "We should all keep an open mind and consult with grassroots people and organizations out there, and he's certainly done that. He's consulted with groups probably far more than any minister in recent times," he said.



Photographs by Jake Wright, *The Hill Times*

Mainstreeting: Ritz, pictured at last month's Hill barbecue on the Hill organized to promote the pork industry during the swine flu scare.

Mr. Wilson, who has been covering agriculture for more than 20 years, said Mr. Ritz's approach to expanding markets rather than "safety nets" is working. "During his less than two years in the job, Saskatchewan farmer Ritz has been determined to change the emphasis of that debate, away from what governments owe producers toward what can be done to make the market return more," he wrote in an editorial last month in *Better Farming*. "Amazingly, with livestock sectors bleeding red ink and sectors of the farm economy complaining that the new version of farm safety nets — the discredited old with a new name and a few tweaks — still does not work for them, much of agriculture and all provincial governments are buying into Ritz's new emphasis on anything but safety nets."

Mr. Wilson said Ritz is spending time travelling across Canada and globally to promote trade as the answer to the farm income issues, but stakeholders said last week that Mr. Ritz is only listening to a select few.

"They don't listen to the average farmer out there," said National Farmers Union board member Grant Robertson. "You can see that on issues from the CWB to failure, to move on captive supply, to a lot of issues, that they seem to be ideologically grounded in their approach to issues rather than looking at what is working and what needs to work for farmers. At the same time, like a lot of farmers, I don't hold out a lot of hope for governments of any stripe, so they're probably no worse than anybody else, but they're certainly not doing the job they were elected to do by Canadians that they tell Canadians they're doing."

Mr. Robertson said Mr. Ritz "talks a good game on trade," but expanding the market is not necessarily the way to go, when free trade has forced farmers to sell their products as cheaply as possible. "It's always a rush to the bottom to be the lowest cost producer of food rather than going after the highest value market," he said. "I

know it's an ideological mantra from a lot of people that you must do this, but if you look at the data, it hasn't worked out the way farmers have been promised."

Since 1989, Mr. Robertson said farmers have "doubled and tripled their exports" but their net income has gone the opposite way. "We keep going after trade that's going to put us in a situation where we have to lower our standards, we have to lower our expectations as far as farmers making a decent standard of living," he said. "To me it seems to be the wrong approach."

NDP MP Alex Atamanenko (B.C. Southern Interior, B.C.), his party's agriculture critic, said he's unsure of Mr. Ritz's handling of the files, but said he believes he is "trying" to do the best he can.

"I think they're so caught up in this model which is entirely export-oriented. They're doing their best to open up markets and try

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Agriculture needs stronger leadership

Continued from Page 20

to get more access, but they're not looking at alternative approaches which may be to somehow get people making money, and maybe looking at a made in Canada solution which may mean eliminating access to foreign goods in our country," he said. "There is some talk that maybe agriculture should be taken out of trade agreements entirely and shouldn't be part of these agreements."

Liberal MP Mark Eyking (Sydney-Victoria, N.S.) told *The Hill Times* last week that if the government is moving toward international free trade agreements, there needs to be stronger leadership at the international level.

"In order for agriculture to succeed, we have to have very strong leadership with the trade minister's file, the foreign affairs minister and the agriculture minister to make things work well," he said. "I think there's a lacking on the international scene right now."

Mr. Eyking said the government's move to also focus on the Americas only while cutting aid from African countries and closing several embassies is hurting Canada's agriculture industry.

For example, Prime Minister Stephen Harper (Calgary Southwest, Alta.) has broken off communication with China and now that China has closed its doors to Canadian pork products during the H1N1 flu affecting pork, "we don't have them on speed dial," he said.

"We don't have direct contacts, open line communication and that's a concern. Our farmers can produce a good product, healthy products, and they can produce them in an efficient way. What they need is they can't be solving the world problems and that's what our government should be doing more of."

Laurent Pellerin, president of the Canadian Federation of Agriculture, told *The Hill Times* last week, however, that he also believed Mr. Ritz was doing a satisfactory job. He said he performed well during the four-hour committee of the whole meeting in the House of Commons on the Department of Agriculture and Agri-food's main estimates last month and said Mr. Ritz has been travelling to try to reopen some borders internationally for beef exports. "I think he's doing his best to support agriculture," Mr. Pellerin said.

Mr. Ritz has faced criticism for his handling of the pork industry, however, as the Canadian Pork Council asked for a \$1-billion bailout during the economic downturn as it faces a strong Canadian dollar, barriers to the U.S. market with its "country of origin labeling" law, low prices and high feed costs. The government has not committed to meeting the bailout request.

"The minister said that he would be there for them," Liberal MP Wayne Easter (Malpeque, P.E.I.), his party's agriculture critic, said in the House. "It is critical that these moneys be provided for the survival of the hog industry. Is the minister willing to commit tonight to that \$1 billion or will it be another broken commitment?"

Mr. Ritz, who held a lunchtime pulled-pork barbecue on the Hill with the Canadian Pork Council in light of the H1N1 flu found in pigs recently, replied: "The hog sector has been served very well by this government. Of course it is very cyclical in nature. We did come forward with a cull sow program. It has worked very well. We have been able to expedite those moneys out. Of course we got new markets open for pork. ... I think the pork industry has been very well served. We will continue to work with the industry toward brighter days."

Mr. Robertson said that while the economic downturn has impacted the agri-

culture sector as consumers are spending less, the problems in the farm economy were there prior to the recession.

"We've been undermining our farm economy now for such a long time now through allowing imports that don't meet our standards that don't meet our environmental and labour standards and that certainly has a dramatic impact on what farmers are receiving at the farm gate," he said, adding that it's "bizarre" to force Canadian farmers to meet strict regulations, but allow imported products that have lower standards.

"Presumably the government has brought in those regulations for a good reason, and yet when we go into the grocery store, the food that we're buying might actually not meet those standards," he said. "This is something we have to start looking at and being proactive on as a nation."

Another challenge that needs to be addressed is innovation in agriculture, said Philip Schwab, BIOTEC Canada vice-president of industry relations. Canada is on a new wave of agricultural biotech innovations which would help farmers to grow better insect, disease and drought resistant crops, Mr. Schwab said last week.

"Canadians haven't been caught up in the food shortage, they haven't been caught up in the issues surrounding productivity, we enjoy a very abundant food supply and a relatively safe food supply compared to other countries in the world, so I think we've become complacent and sort of neglect the innovation that's happening in the market place everyday," he said. "We need to recognize that innovation and renewal of the industry is a constant force and we need to adapt our regulatory systems to be sure that we can accommodate that innovation."

Agricultural biotech firms make up approximately 16 per cent of Canada's biotechnology industry and there are 18.8 million acres of planted biotech crops. Mr. Schwab said the government is doing a good job in approving new crop varieties, but it needs to work quicker to help bring new innovations to market, especially in the biomass fuel sector.

"Long time to define the regulations associated with growing those crops. Meanwhile, there's a tremendous demand from the greenhouse industry, from the cement industry, even groups like Ontario Power Generation for biomass sources of energy to enter the market place. We'd like to see more emphasis and speed put on the development of the regulatory process for those crops," he said.

Mr. Atamanenko said biotechnology in the agriculture industry and genetically modified organisms are a "big black cloud hanging over us" and the government should not rush into approving new GMOs without taking into account the effects on organic farming.

"Those in smaller organizations, who have a niche market, selling organic produce to local markets, even those on large scale operations, are getting a better price. We've got to ensure that this sector of agriculture can survive and we shouldn't do anything that will impede their chance of success," he said.

Mr. Wilson said Mr. Ritz's approach, however, "is to use environmental, farm safety and innovation policies to increase farm income and sector stability," which provinces are jumping on.

"From arguments over subsidies, Ritz has changed the channel to a debate on how best Ottawa and the provinces can improve farm financial prospects through market openings and smarter farming," he said. "It is a remarkable example of political finesse."

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POLICY BRIEFING - AGRICULTURE

Blackburn focuses on young farmers, rural areas

Secretary of State for Agriculture Jean-Pierre Blackburn is also spending more time on biotechnology, food processing and animal health.

By BEA VONGDOUANGCHANH



Quebec agriculture: Secretary of State for Agriculture, Jean-Pierre Blackburn, says he is committed to agricultural issues in Quebec as well as rural issues throughout the country. Mr. Blackburn, also the National Revenue Minister, told *The Hill Times* last week, "Our forestry, mining, farming, fishing, agricultural and manufacturing communities have been the foundation of our economy for generations—and we cannot thrive without them."

"They don't have the same problems of [other] agriculture sectors. Their activities are quite different from the usual agriculture sector," he said. "They told me they would like to have more consideration for this sector and I told them I would like to organize a meeting and they said they would be interested in meeting."

Mr. Blackburn, 60, was first elected in 1984 in Jonquière, Que., as a Progressive Conservative MP under Brian Mulroney. He was re-elected in 1988 and then in 2006 and 2008. Previously, he served as the minister of Labour and the minister of the Economic Development Agency of Canada for the Regions of Quebec as well as the Parliamentary secretary to the Defence minister in 1993.

In a telephone interview last week for this week's agriculture public policy briefing, Mr. Blackburn, a former teacher, administrator and businessman, said that he was asked to take on a junior agricultural role to focus on Quebec while Agriculture Minister Gerry Ritz (Battlefords-Lloydminster, Sask.) focuses on the rest of Canada. "Here in Quebec, it is part of our reality that our agricultural people like to have a minister who speaks their own language, and that's why Prime Minister [Stephen] Harper gave me two responsibilities," Mr. Blackburn said.

As the minister responsible for Quebec agriculture, his mandate includes the Rural Secretariat and the Co-operative Development Initiative, something that he is "very interested in." Last Monday, he announced the government would renew Canada's Rural Partnership for another four years with an investment of \$45.6-million which would help "the Rural Secretariat to work with rural citizens and their communities to overcome challenges and make the most of their opportunities created by the land."

The Federation of Canadian Municipalities released a report, "Wake-Up Call:

The National Vision and Voice We Need for Rural Canada," the next day calling on a "champion" at the Cabinet table to fight for rural issues. Mr. Blackburn said he wouldn't use the word "champion," but said he is committed to rural issues.

"Communities across Canada, like our forestry, mining, farming, fishing, agricultural and manufacturing communities, have been the foundation of our economy for generations—and we cannot thrive without them," he said in a press release announcing the partnership. The partnership focuses on increasing the competitiveness of rural regions and developing new economic opportunities in these regions. He explained to *The Hill Times*, however, that the rural community is looking for a specific mandate from the government to have a special focus on rural issues, but it is difficult to do so because rural issues are covered by several departments.

"How could we help the rural sector? They have very specific needs. We have different tools. They are not concentrated in only one department, but those tools are there to support the rural sector to support their needs in different ways. Some of the money is in Economic Regional Development, others are in my own department," he said. "There is money in different kinds of portfolios for the rural sector, but not only in one department like they want."

Mr. Blackburn also recently announced the continuation of the Co-operative Development Initiative, which he says will also help rural Canadians. The government invested \$19.1-million in the fund over four years "to establish new co-operatives and test innovative methods for using the co-operative model to meet the socio-economic challenges of today and tomorrow."

Since 2003, the program has supported 1,500 projects and created 200 new co-

operatives. In total, there are 9,000 co-operatives in Canada with 160,000 employees.

"Co-operatives have long contributed to local economic development, especially in rural and remote areas, where they create jobs and provide essential goods and services," Mr. Blackburn said. "Now more than ever, I believe that the co-operative development model is a viable option to provide services and results for Canadians."

Mr. Blackburn said another priority is the issue of a new generation of farmers. Given the increased age of farmers and the lack of young farmers getting into the industry, Mr. Blackburn said the gap needs to be addressed sooner than later. "It's very difficult for young farmers to come into this sector and to buy new farms," Mr. Blackburn said, noting that the capital needed to start a farm today is approximately \$1.5-million whereas 20 years ago, it was \$500,000. "If you're a new farmer, it's very difficult to find solutions to obtain the money to come in. There is more competition. There are new technologies, they need high level of capitalization. It means the regulations are more strict and the question of environment is more demanding."

Mr. Blackburn said he is considering a cross country tour in the fall to hear about some of these issues and listen to some suggestions on how the federal government can help develop agriculture for the future. "I think it is time to look deeply in this matter to find some new solutions, more innovative ones, and also to try to help [farmers who] are getting older. This is their pension plan. They need new commerce. They need some new ways to help them to sell their farms to their kids, or to any newcomers," he said. "If we don't work on it, the situation will create problems in the future for this country. For me, it's a topic that I'm very interested in."

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POLICY BRIEFING - AGRICULTURE

Government should bring in cap-and-trade to reduce GHGs, says Canadian Federation of Agriculture

Climate change is sometimes cast in a positive light for Canada's agricultural industry, but its effects will be complex and difficult to predict.

By HARRIS MACLEOD

The federal government should bring in a cap-and-trade system to reduce greenhouse gas emissions with carbon credits to reward Canadian farmers who take steps to reduce their carbon footprint, says the vice president of the Canadian Federation of Agriculture.

CFA vice-president Ron Bonnett said that a market-driven approach whereby farmers can improve their bottom line by adopting farming practices and crops that reduce the amount of nitrogen in the atmosphere, would be far more effective than the Conservative government's current approach of tackling climate change through a regulatory framework.

Mr. Bonnett said that a Canadian cap-and-trade system would have to be harmonized with the U.S. system, which is currently before Congress under the Waxman-Markey bill, and that the federal government shouldn't sit back and wait to see what the U.S. does.

"We're going to have to [harmonize the two systems] because if nothing else it will start to become a trade issue, so it would likely be a good thing to be at the lead of that as opposed to waiting for them to completely define the rules around it," said Mr. Bonnett.

The agriculture industry accounts for approximately 10 per cent of Canada's GHG emis-

sions. Unlike most other industries that emit carbon dioxide from burning fossil fuels, the bulk of agriculture's emissions are from methane emitted from livestock manure, and nitrous oxide from fertilizer. For farmers, reducing fuel consumption does less to curb emissions than changing farming practices.

Mr. Bonnett said that for the past couple of decades farmers in Canada have been adopting new technologies and practices that reduce emissions and sequester carbon. Things like no-till technology, where the soil is worked less during planting, rotational grazing for livestock, which sequesters more carbon than conventional grazing, and utilizing legume plants to fix nitrogen rather than buying commercial fertilizer.

Mr. Bonnett said farmers are ultimately concerned about the health of their businesses, and if there were a financial incentive in place for them to reduce their carbon footprint than they would be quick to take advantage of it.

"If it's costing them money out of pocket it's not going to work," Mr. Bonnett said. "That's why the idea of a market-driven system like a cap-and-trade is going to be a lot more effective in the long run than a regulatory framework... If you have a carbon-trading system it would be relatively simple to identify those practices that have a net carbon benefit, then that would drive the situ-

ation. If you put a system in place that rewards for carbon capture then the marketplace gets involved and farmers will develop innovation and new technology fairly quickly."

While the agriculture sector, like most other industries, is part of the problem when it comes to climate change, it is among the most vulnerable when it comes to the effects of climate change because farmers' fortunes are directly dependent on the weather.

Thus far the effect on agriculture in Canada due to climate change is mixed. For instance, while Prairie provinces will likely experience more drought in areas that are typically farmed right now, rising temperatures are expected to move the amount of arable land in Canada farther north. Right now, northern U.S. states enjoy larger cultivatable land than Canada does. Presumably, as temperatures increase, this useful land area will just migrate farther north, making conditions better here.

But for farmers predictability is the name of the game. They like steady weather patterns so that they can plan appropriate infrastructure—irrigation pipes with a certain capacity, wells with a certain depth, trenches that collect water from deluges—and the problem with climate change is that weather becomes more unpredictable and volatile.

Additionally, it's often the duration and intensity of the weather that changes. For instance, harder downpours mean water isn't absorbed into the ground, but rather runs away quickly into streams, carrying

with it topsoil and sometimes even crops, which leaves the soil dry because the water didn't have time to absorb. Hotter weather also draws more water to the surface of the land faster, which not only dries it out, but also carries upwards mineral deposits (like salt) that can make land unusable over time, so that it becomes akin to watering crops with salt water.

Many crops also wither or lose their productivity in intense heat waves. Those that don't die just don't produce a high yield, making seeds or kernels either smaller or just non-existent. Taking other things into account like invasive species could lead to unexpected disasters. For instance in recent years there has been much concern about North America's plummeting bee population, which is vital for the pollination and therefore production of crops.

Ellen Wall, an environmental sciences professor at the University of Guelph and the co-author of the book *Farming in a Changing Climate: Agricultural Adaptation in Canada*, said that although climate change is sometimes cast in a positive light for Canada's agricultural industry, on the whole the effects will be complex and difficult to predict.

She points out that though Canada could have an advantage in that it has a cool climate and therefore more Northern land could become arable as temperatures rise, there is more to farm production than climate and weather, and the host of other variables may not line up in farmers' favour.

"Based on scenarios some people like to say that we might be advantaged because we are the cool climate compared to the mid-U.S., let's say, so crops may move north, that's one of the projections. But just what that means is a huge question because if you move north in Ontario you're dealing with the Canadian shield and you're dealing with a soil quality that might not suit agriculture," said Prof. Wall.

It's also difficult to move around when weather patterns shift, since agricultural infrastructure is built on a chunk of land that can't be moved. While tractors and harvesters can move, silos, irrigation, and barns stay put. As do orchards, vineyards, and a host of other crops that take years of cultivation before they produce productive output.

Crops such as apples, grapes, and cabbage are already suffer-

ing from the effects of climate change in Canada, however Prof. Wall said that, on the whole, farming conditions would change gradually.

"Nothing is dramatic," she said. "It's all very subtle, and very slow. You're not suddenly going to be seeing banana trees outside a greenhouse in southern Ontario."

Prof. Wall said that up until recently the focus has been on reducing greenhouse gas emissions in agricultural production, with little attention paid to how Canadian farmers are going to adapt to the changing climate.

"Always in the background you would hear this little adaptation voice saying, 'Well that's all fine and good but what are we going to do if we have successive droughts like they're having in Australia, and like we're having in the Prairies, how is the agriculture sector going to manage?'" she said.

Mr. Bonnett said while there are some "initial attempts" being made to help farmers adapt, it's not the core focus at this point. He said the most important thing the federal government can do to help farmers is fund research around adaptability issues.

"Even if everybody shut off their car engines tomorrow that's not going to change climate right away—[climate change] is here. We're going to have to take a look at everything from the type of technology that we're using to plant and grow the crops, to some of the genetics of the crops we're growing to make sure that they adapt to changes in climate," he said.

Prof. Wall said it is "extremely difficult" to come up with any answers on how Canada's agriculture industry is going to adapt because there are so many factors, and so much uncertainty around what the effects will be. She said the most important thing the government can do is to make sure that the industry is strong on the whole so that it will be less vulnerable to rising temperatures.

"The government's role is to ensure that our agriculture sector is, generally speaking, healthy, so that it can handle whatever hits it. Climate change is just one of many risks and there's just so many things out there that make it hard for this sector to function. And that's what will allow it to respond to climate change impacts, is if it's got a really solid base."

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POLICY BRIEFING - AGRICULTURE

Feds' five-year \$1.3-billion risk management an 'extreme patchwork quilt,' says Liberal MP



Photograph by Jake Wright, The Hill Times

Here he is: Agriculture Minister Gerry Ritz, pictured last month in Ottawa. The Canadian Federation of Agriculture says the government's 'Growing Forward' announcements have been sporadic.

Under the Growing Forward program there is an enhanced role for the provinces in the delivery of programs, whereas under the previous program the federal government had a more active role in delivery and management, says the Canadian Federation of Agriculture.

By HARRIS MACLEOD

The federal government's five-year \$1.3-billion Growing Forward fund to give farmers support for non-business risk management amounts to an "extreme patchwork quilt" of funding announcements without a cohesive national vision, says Liberal agriculture critic Wayne Easter.

The program differs from other funds in that its objective is to provide Canadian farmers with financial support for things like adopting more environmentally sound farming practices, innovation, research, improving food safety, and support for business planning, as opposed to insurance-based funds for things like failed crops.

It was supposed to start April 1, 2008, but due to delays in hammering out the details of the program, and a federal election last October, the government decided to delay its launch by a year in order to transition into a new policy framework. The new program was announced April 1, 2009; it comes with \$330-million in additional funding, and the Government of Canada and the provinces share the costs of programs funded under Growing Forward on a 60-40 basis.

Mr. Easter (Malpeque, P.E.I.) said the problem with the program is the same as with the other federal programs that provide business support, where farmers in some provinces, such as Alberta, are more likely to receive support than provinces that are carrying larger deficits.

"You're getting an extreme patchwork quilt of programming across the country where some provinces have the money and come in with programs," said Mr. Easter. "Some provincial farmers are getting some levels of support, others are getting no levels of support."

Under the Growing Forward program there is an enhanced role for the provinces in the delivery of programs, whereas under the previous program the federal government had a more active role in delivery and management, said the Canadian Federation of Agriculture vice-president Ron Bonnett.

He said the announcements have thus far been "sporadic" and that there has been very little detail forthcoming from either level of government about what programs would be available and how producers could access funds.

"The real issue became one of continuity. We had in every province, pretty well people wanting to move ahead with environmental initiatives, but there were no details of the types of the programs that were going to be in place, and what were going to be the requirements for producers to participate," said Mr. Bonnett.

He said that while there have been a few announcements made in different provinces in the past couple of months, producers have not yet received any of the money.

"I don't think there's been anything rolled out as of right now. I would very much doubt that anybody has received anything at this point," Mr. Bonnett said.

A spokesperson for Agriculture and Agri-Food Canada said Growing Forward was intended to have more "regional flexibility" in order to allow the provinces to have more input and tailor programs to the specific needs of their farmers.

"Each province and territory had the capacity within a national framework to determine their priorities... That was meant

to address concerns with the previous policy framework that it wasn't responsive enough to regional needs," the spokesperson said.

Mr. Bonnett said he would have liked to see more coordination between the federal government and the provinces.

"In our mind the way it should have been addressed is there should have been some joint announcements between both levels of government saying, 'Okay here are the objectives [and] here's how we're going to approach it. And there wasn't that type of communication exercise put to us, mainly because the details of the program hadn't been worked out,'" he said.

Mr. Bonnett said the federal government put too much faith in the provinces having program announcements ready, and the provinces were too slow in getting the details together, with result being a series of "one off" announcements. He said there is still not a central database where farmers can go to see what programs are available and how they can best take advantage of the opportunities.

"There should have been a discussion at the federal-provincial level, figuring out the best way to communicate to producers both at the provincial and a national level as to what types of programs were being offered, when the expected timelines are, and the details of how some of those programs would operate," he said.

Mr. Bonnett said in the past programs were more effective with more federal involvement.

"The federal government actually had staff people who were actively involved in making sure that things moved ahead. And example would be environmental farm planning, they would have a federal-provincial working group where they would actually work together to ensure that they moved the program ahead, whereas now," Mr. Bonnett said. "The expectation is just that the province moves ahead and does that. There isn't the same engagement of federal officials in the whole roll out of the programs."

The spokesperson from Agriculture Canada denies the federal government is less involved, and said that the call for greater regional flexibility came from industry and the provinces. She said the federal department worked with the provinces throughout the transition year to develop programs, and that there is a comprehensive evaluation process in place where provinces will submit quarterly reports to Agriculture Canada.

"We have a multilateral agreement that was signed in July of last year that sets out the parameters and the goals and works very closely with provinces on that. And we have spent the last year working with each province to prepare for the programming that would roll out. This programming is intended to be more responsive and to meet the regional needs, and this was what was called for in industry and the provinces and territories throughout a lengthy consultation process that took place over a year long period," the spokesperson said.

Mr. Easter said that the federal government needs to be more involved going forward in managing the programs, and that there needs to be more leadership at the national level.

"There definitely needs to be more federal involvement and more federal leadership shown. You can't just throw these programs out there. There needs to be a vision at the end of the day."

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POLICY BRIEFING - Agriculture

Collective marketing and supply management pillars of Quebec agriculture, too bad feds aren't listening

The UN's Special Rapporteur on the Right to Food says states should have the ability to protect their local markets from market volatility and sharp rises in imports through supply management and collective marketing.



BY BLOC QUÉBÉCOIS
MP ANDRÉ BELLAVANCE

We expect a lot from our Quebec agricultural producers, and I salute them. We expect them to produce the highest quality foods at the lowest price possible. We expect them to be environmental stewards and to build and maintain Quebec's landscapes for all of society.

Despite all of this, these farmers cannot count on the federal government to listen to them. This government cannot seem to learn from the past. It has abandoned them.

I have often called this government a "marketing government." It gives wonderful presentations and makes impressive announcements against a customized backdrop. However, after it is all over, it becomes clear that the government is simply trying to impose its vision, and on paper, things do not quite measure up to these announcements. This is instead of implementing measures endorsed by our farmers, who are the real experts.

Examples of such "conservative marketing" abound, such as the 2006 launch of the Option Program, which was dismantled a year later, and the "Made in Canada" labelling directive, which was challenged from all sides. In fact, the Prime Minister's announcement of this directive derailed the work of the Standing Committee on Agriculture and Agri-Food. Moreover, a few days before the most recent budget was unveiled, the government trumpeted that it was introducing what they hailed as a truly flexible program adapted to the needs of Quebec and the provinces. We quickly realized that the program that the Canadian Federation of Agriculture

(CFA) and the Union des producteurs agricoles (UPA) had been calling for was distorted and that risk management was excluded from this program. Not only that, but instead of the \$500-million promised over four years, the Government announced \$500-million over five years, which in reality amounts to only \$190-million in new funding.

In addition, the program to enhance funding for meatpacking plants does not meet the needs of beef cattle farmers, as it provides for loans rather than grants.

Food sovereignty

Despite the roadblocks and ideological stubbornness of the Conservative government, Quebec's dedicated farmers carry on and continue to innovate. They have begun discussions on the concept of food sovereignty. The Bloc Québécois encourages this approach, which is more respectful of people and the environment, in contrast to the ideology of the Conservative government, which refuses to offset the negative impact of market deregulation and liberalization.

Food sovereignty is a nation's right to choose its agricultural approach, its defining policies, and the appropriate means to implement them. The definition is supported by the United Nations (UN). Accordingly, Olivier De Schutter, the new United Nations Special Rapporteur on the Right to Food, submitted a favourable report to the Office of the High Commissioner for Human Rights in March. In it, Mr. De Schutter made four recommendations, one of which calls for states to have the ability to protect their local markets from market volatility and sharp rises in imports

though supply management and collective marketing, which play an important role in this perspective.

Collective marketing and the supply management system are the pillars of Quebec agriculture. Mr. De Schutter adds that, to ensure food safety, the states should not rely excessively on international trade, and they should depend on their own production capacity. This is what Quebec farmers have been calling for all along.

On the federal scene, the concept of food sovereignty can take the form of defending and promoting supply management among international trade organizations, supporting organizations that work to develop local and collective marketing organizations; supporting the work of the Government of Quebec, which is implementing a system to manage local produce; accelerating regulations on organic produce; and encouraging federal public institutions to implement a policy of buying locally.

The flexibility of risk management programs, protection of the entire supply management system, collective marketing, food sovereignty, and food safety are key priorities for the Bloc Québécois. We have fought tirelessly for the farming community and we will continue to do so. When we fight for agriculture, we fight for all of Quebec.

Bloc Québécois MP André Bellavance, who represents Richmond-Arthabaska, Que., is his party's critic for Agriculture and Agri-Food and vice-president of the Bloc Québécois Caucus.

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POLICY BRIEFING - AGRICULTURE

Global food crisis a wake-up call to world complacent about agriculture

The World Bank is doubling support for agriculture, earmarking U.S. \$9-billion in 2010-12. The international agricultural research system, known by the acronym CGIAR, is being reorganized, and many donor agencies are increasing support for agricultural research.



BY JEAN LABEL
AND MERLE
FAMINOW

The recent global food crisis was a wake-up call for a world that had grown complacent about agriculture. The soaring cost of staple foods such as rice and wheat hit the poorest people in the poorest countries hardest. It served as a reminder that a billion people still go to bed hungry, and that when more household income must be spent on food, other needs, such as educating children, go unmet.

Our organization, Canada's International Development Research Centre (IDRC), supports research that helps developing countries find lasting solutions to practical problems. Activities IDRC supports related to agriculture include applied research on conserving and improving seeds, land, and water; technologies to improve farming practices and productivity; and expanding access to markets.

Over the past four decades, IDRC has learned from successes and failures about what works best. We recognize the importance of paying careful attention to the local contexts in which agricultural innovations are introduced. And we know the value of a multi-pronged approach to agricultural development that encompasses both big and small-scale efforts.

Although some commentators dubbed the recent food crisis a "silent tsunami," in reality it did not come out of the blue but was years

in the making. Since the boost in food production known as the Green Revolution alleviated realistic fears of worldwide famine in the 1960s and 1970s, agriculture has fallen off the global radar screen.

Investment in agricultural research and development declined worldwide in the past two decades. As a result, growth in agricultural productivity began to lag behind increase in demand. Combined with demographics, economic success in parts of the developing world, notably China and India, created demand for more and better food. And global demand exerted pressure on world food stocks just as oil price rises and a rush into biofuels were handicapping food production.

Renewed support for agricultural research that will benefit the world's poorest farmers and consumers is urgently needed. Encouraging signs point to new activity on the horizon. The Minister for International Cooperation, Beverley Oda, has announced that food security will be one of three thematic priorities of the Canadian International Development Agency. The World Bank is doubling support for agriculture, earmarking U.S. \$9-billion in 2010-12. The international agricultural research system, known by the acronym CGIAR, is being reorganized, and many donor agencies are increasing support for agricultural research.

A welcome big push is underway for a new and truly Green Revolution aimed at increasing agricultural productivity and incomes for all, while safeguarding the environment. Naturally, efforts will concentrate on places where the biggest return on investments is likely to occur. They will reach farmers who live in better growing areas and are well posi-



Photograph by Jake Wright, The Hill Times

Food security: CIDA Minister Bev Oda has announced that food security will be one of CIDA's three thematic priorities. Renewed support for agricultural research that will benefit the world's poorest farmers and consumers is needed.

tioned to use improved technologies and access new markets.

IDRC has learned that small pushes are also needed—strategic efforts to fight poverty and hunger in places where the big drive will not reach. For example, it is likely to bypass almost half a billion of the world's poorest people, who lack the prerequisites for participation, which include education and market access. Most live in Africa and South Asia, with significant numbers also in Latin America and Southeast Asia.

We need to focus research and development efforts on finding ways for these communities to escape poverty. One good example of such an effort comes from the Indian state of Nagaland, where IDRC began working in 1995 in collaboration with CIDA. Located in the foothills of the

Himalayas, Nagaland is remote and isolated. Although the state has historically been food secure, rapid population growth has given rise to concerns about food and income security. The original Green Revolution did not reach Nagaland because its topography is not conducive to the high-yield rice varieties that were developed with flat lowlands in mind. Instead, Naga farmers continued to grow the hundreds of local rice varieties that are well adapted to their hilly and cold conditions.

The research we supported did not try to replace the Nagas' traditional farming system with something completely new, but innovated within the existing context. The main idea—to integrate tree crops into the traditional rice production system to generate income—came from the Nagas themselves.

After initially experimenting with timber trees, farmers introduced other crops, such as ginger and passion fruit, into the mix. Before long, poor rural people began accruing cash profits unheard of just a few years earlier. And how are they spending the money? Today, the most important investment the Nagas are making is in better education for their children.

At IDRC, we look forward to many more such collaborations, with CIDA and other donors, that support communities in the developing world as they find solutions to our shared global challenge of providing good food for all.

Jean Lebel is director of IDRC's environmental programming. Merle Faminow leads IDRC's rural poverty and environment program. news@hilltimes.com
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POLICY BRIEFING - AGRICULTURE

Agriculture industry 'second to none,' but farmers facing serious competitiveness issues

Farmers are complaining about fertilizer prices, access to credit, free trade and food sovereignty.

By BEA VONGDOUANGCHANH

Canada's agriculture industry is "second to none," but its future could be bleak if significant issues aren't addressed, say MPs on the House Agriculture Committee studying the sector's competitiveness.

"Along the lines of productivity on our farms and as far as being able to compete in quality and efficiency, I think we're second to none," said Conservative MP Larry Miller (Bruce-Grey-Owen Sound, Ont.) who chairs the committee.

Despite the productivity, however, farmers are facing a number of serious issues that need to be addressed, for example, fertilizer prices, access to credit, free trade and food sovereignty, something the committee has been hearing about over the last two months.

"There are a number of issues that we're studying and we're hearing. One is the Competition Bureau. I'm of the strong belief that the Competition Act and the role that the Competition Bureau plays has to be tightened up and given more powers," said Mr. Miller, who ran a cattle farm before entering federal politics in 2004.

Mr. Miller explained that one of the biggest issues the committee has heard is the lack of competition between suppliers, for instance in the fertilizer industry where farmers feel they are being gouged.

"Just a year-and-a-half ago we had record grain prices in Canada here—it was long overdue, they had some very bad years—but all of a sudden a lot of that profit got ate up by increased fertilizer prices," he said. "There's no doubt in my mind that there was some extra price taking there. Is it illegal? No, not at this point, but was it unethical? Yes, I think it was excessive and I think that we need to change some of our Competition Act and tighten it up so that it can't happen."

The same thing is happening in the meat industry, Mr. Miller told

The Hill Times last week, where some slaughterhouses are able to control the price of livestock. He said that if the price gets too high on the open market, slaughterhouses will introduce their own livestock to "take the pressure off the open market" in order to make the prices drop.

"As soon as the prices drop, they quit bringing their own cattle in and then start buying again. Whether it's deliberate, direct or not, they're controlling the price, and it's certainly not good for agriculture and I don't think for the long term guarantee of a sovereign food supply," he said.

For Liberal MP Mark Eyking (Sydney-Victoria, N.S.), vice-chair of the House committee, subsidized international competition is one of the biggest issues facing the industry.

"We have to stand up to these other countries that are subsidizing their products," said Mr. Eyking, who was a vegetable farmer. "It's also difficult when there's unfair barriers, even with the pork issue. China is the biggest consumer of pork in the world and we sell a lot of pork products to them, and for them to just cut off our pork exports to them, it's really a detriment. In order for agriculture to succeed, we have to have very strong leadership with the trade minister's file, the foreign affairs minister and the agriculture minister to make things work well."

Mr. Eyking said Canadian farmers need to be able to compete fairly on the world stage and said he will put forward some recommendations for the committee's report, expected in mid-June before the House rises, on the matter. "There are so many problems that farmers are facing, so many challenges, financial, part of it, availability of capital. There are so many different things that make success for agriculture and we have to change some of that."

NDP MP Alex Atamanenko (B.C. Southern Interior, B.C.), his

party's agriculture critic, agreed that international issues were also a problem, but said many who have come before the committee are concerned with Canadian food sovereignty. He said while high input costs, the costs of chemicals and fertilizers as well as access to credit "make it very difficult to compete," international trade needs to be looked at more closely.

Mr. Atamanenko said because of the several free trade agreements that Canada has signed on to, often products coming from outside the country which have lower labour, environmental, and quality standards than Canada's are undercutting prices here. He noted that agriculture exports have increased in the last 20 years, but farm income has dropped.

"I think the government could be looking at a way to gain more control of our food supply and still maintain our exports, and still try to open up markets, but encouraging local production. At times this may mean trying to do that within our trade agreements, if not, maybe we have to look at these trade agreements that we've signed that aren't really free, that make it more difficult for our producers," he said.

The committee has also been hearing about distribution issues which are concentrated in a handful of major players, Mr. Atamanenko said, noting that a Sudbury potato farmer testified that her potatoes are shipped to Toronto before ending up in local stores in her community. "That's kind of ludicrous," he said.

When it comes to competition in Canada, Mr. Miller said some grocery stores are also making it more difficult for Canadian farmers to sell to them because they control the wholesale market. "Basically big companies control it today. They will take a product and say if you want to sell at all our stores across Canada, we want you to save us \$5-million a year. That happens. I'm not saying it's \$5-million, but it's a huge amount of money," he said. "That isn't illegal either, but I want to see legislation in place, it's going to be one of my recommendations that I fight for, that these guys can no longer do."

Food sovereignty is another issue the committee has been hearing about, Mr. Atamanenko said, explaining that the number of farms has also decreased, making Canadians rely on imported food more.

"The future I'm hearing is we have to regain control of our food supply, that's the concept of food sovereignty, because if we don't we'll be reliant on markets to bring food in and markets for exports," he said. "It's going to be very difficult first of all to maintain control of our food system and secondly for our farmers to survive. The future then would probably be bleak because we would see many people moving off the farm as the operations get bigger in order to survive and the loss of a quality rural life. That could be the prognosis if we continue down this road."

Another issue for the future is the increasing average age of farmers, now around 60 years old, and the lack of a new generation coming in to fill in for them, both Mr. Miller and Mr. Eyking said.

"It's creeping up there and young farmers are not stepping up to the plate, they see the debt load and the cost of production and what they're receiving at the market place is a big concern. There still needs to be a lot of work done in rural communities and agriculture," he said. "There has to be something also for young people."

Mr. Miller said he has three sons who are not in the family farming business, and it's a continuing trend. To deal with the high capital cost of starting, buying or maintaining a farm for young people to enter the industry, the government introduced Bill C-29, the Availability of Agricultural Loans Bill, which is currently in the Senate. Mr. Miller said "it's good legislation" which "will help get money out to young farmers to give them a start."

Mr. Eyking argued however that there needs to be more programs for young farmers that do not put them in perpetual debt. "Many farms now, to start a farm of any size you need \$1-million to have any sort of production. I think

we have to look at ways that are more encouraging to get in without having such a high debt," he said. "If we're going to look at our future, we have to look at our future farmers and how can they get into producing food for us and the rest of the world. This whole thing we're doing [at committee] on competitiveness of agriculture is bringing things out like that and how we can help as a government."

The House Agriculture Committee created a sub-committee at the end of March on Food Safety, to study the issue in-depth following the listeriosis crisis in the summer of 2008. Mr. Miller, who also chairs the sub-committee, said Canadian food is safe and issues like listeriosis and previously BSE (mad cow disease), the avian flu and recently the H1N1 flu virus found in pigs are isolated cases.

"I think there's no doubt about it from the feedback that we hear. Canadians know our food is safe. Does that mean that it's fool-proof and that we can't ever have problems? Of course not. Accidents happen," he said. "You always learn from things that happen, like from BSE for example. We're doing a lot more testing, we're finding a lot more animals and at first people had it in their minds that this is out of control every time we found another animal. That wasn't the case, but what it means is your testing is working, you're keeping those animals out of the food chain and that's ultimately what you do. It's a never ending learning role."

Mr. Miller said the subcommittee also hopes to report back to the House by mid-June before the House breaks for the summer so that Parliament, the government and the public service can review it, as well as the competitiveness report over the summer. "We've been hearing from farmers and farmers groups and we're still not done. We still have a few more meetings here before the House breaks. It's very in-depth, it's covered a wide scope and we want to make sure that we do this right," Mr. Miller said. "We need to do this and I'm looking forward to the report."

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POLICY BRIEFING - AGRICULTURE



Photograph by Jake Wright, The Hill Times

Economic downturn: Liberal MP Wayne Easter, his party's agriculture critic, says farmers carry a debt in excess of \$54-billion and over the past two years alone that debt load has increased by \$4.1-billion.



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Government must respond to crisis confronting our agriculture sector

It's the generator of economic wealth in Canada but the government's ignoring it.

By LIBERAL MP WAYNE EASTER

The recent economic downturn, the emerging recession and the government's response has attempted to provide relief in some sectors while failing other sectors entirely. I refer specifically to the agriculture sector in the latter category although almost every major sector of our rural economy would fall in that category.

Rural Canada is the generator of economic wealth in Canada and not only agriculture, but forestry, fisheries, mining and tourism have been ignored by the current government. The recent report of the Federation of Canadian Municipalities confirms this government's failure to respond to needs of our rural communities.

The recession hit our manufacturing sector, and most particularly our automotive sector, extremely hard. Unemployment is rising and the future viability of some of our most significant industries is very much at stake. The federal government has been responding to the crisis and although we can take issue with the manner of the response, the effectiveness of it and the ultimate likelihood of success, they are making some effort.

The same cannot be said for the government's response to the crisis confronting key elements of our agriculture sector. Much like the manufacturing sector, some elements of agriculture have fared reasonably well. Recent information from Statistics Canada pointed to the fact that in the past year the grain and oilseed sectors have performed well.

However, Statistics Canada confirmed what has become all too evident across Canada; our livestock producers, most particularly the hog sector, have been encountering mounting difficulties with the result being economic catastrophe for many.

Statistics Canada reports that our livestock sector has been badly hit by rising input costs, has been negatively impacted by the rising dollar and is losing ground due to the ongoing issue of Country Of Origin Labelling (COOL) legislation in the United States. While the preceding issues have long been with the industry, the issue of COOL is one which should be responded to aggressively by this government. The consequences for our livestock producers, who to a great degree are export dependent, has been one of uncertainty. In this regard the role of the federal government, through the ministers of Agriculture, International Trade and the PMO, is to represent the interests of our primary producers in the U.S., indicating through negotiations and direct and aggressive action under the provisions of

the WTO and/or NAFTA that the use of COOL, in the manner it has been unfolding, is a non-tariff trade barrier that shall not go unchallenged.

While that challenge is undertaken, the government must backstop our livestock industries with the necessary cash to meet U.S. farm policy head on.

The hog industry has also been negatively impacted by the recent H1N1 virus. Through no fault of its own, and with absolutely no connection between the flu outbreak and any threat from meat products contributing to it, the hog and pork industry has been victimized. This outbreak coupled with the high input costs and other factors has resulted in an unprecedented crisis for the industry, which is quite literally comparable to that of the automotive sector. This is a sector which provides 70,000 jobs, which has receipts of \$3.2-billion and has exports valued at \$2.7-billion. Viable farming operations are on the verge of disappearing as a result; not of poor management by producers, but as a result of factors beyond their control.

On May 14, during the course of a debate on government spending on agriculture, I raised with the Minister of Agriculture, Gerry Ritz, the issue of the need to assist the industry. The request from the industry, a request to assist in their very survival, was for an immediate payment of less than \$1-billion. This was not a request made lightly and it is not one which should be dismissed out of hand.

Instead of recognizing the crisis, the response of the minister in the House was that the "pork industry has been very well served." That statement under the circumstances only serves to ensure that our pork producers are on their own. This does not bode well for the future of a critical sector of our nation's economy and a foundation of our rural economy. Crisis requires federal government action and that requires a willingness to use the national treasury to backstop sectors in critical difficulty. Immediate assistance to the hog industry is a matter of financial survival.

It is time that Canadians begin to understand that the growing indebtedness of our farm community ultimately threatens the future of domestic food production as we know it. Sadly while breaking the Prime Minister's commitment on cost of production this government's most enduring record has been to increase the burden of debt on Canadian farmers. Currently our farmers carry a debt in excess of \$54-billion. Over the past two years alone that debt load has increased by \$4.1-billion. The time has come for government to put farmers first, whether it is in addressing farm debt or on issues of trade restrictions. Strong action on a national basis for a national industry such as agriculture is critical. That action is needed now.

Liberal MP Wayne Easter, who represents Malpeque, P.E.I., is his party's agriculture critic.

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POLICY BRIEFING - AGRICULTURE

Agriculture sector needs long-term solutions, bigger government investments

The Canadian Federation of Agriculture says the federal government's \$240-million stimulus package is 'a little low' and the industry 'needs more than what is on the table.'

By BEA VONGDOUANGCHANH

While the government's \$240-million injection into the agriculture sector is a good start to dealing with the industry during this economic downturn, the government needs to look to the future and develop long-term solutions to help make agriculture a sustainable industry in Canada, say opposition MPs and stakeholders.

"I think we need to have assistance more for our rural communities to survive and I don't think investment in the stimulus package, the way it's laid out, [does that]," said NDP MP Alex Atamanenko (B.C. Southern Interior, B.C.). "We're talking about helping those in the auto industries and other industries, but far more farmers have been losing money for years; in other words, making a negative income. How many people would make a negative salary in other sectors? I think we've often taken the farming and agriculture community for granted and we need to really look at if the pork producers need immediate help, then we should. This is a disaster in their industry and we should be helping them as we look to long-term solutions. We should be ensuring in Canada that anybody who wants to farm can do so and make a living and that's not the case right now."

The government's 2009 budget stated that "Despite strong income gains in some sectors over the past two years, Canada's farm sector is not isolated from the current economic downturn. Some farmers, such as livestock producers, are facing higher input prices, and many are affected by low or volatile commodity prices."

The budget outlined a \$500-million agricultural flexibility program over five years to help the industry, but allocated \$190-million of the funding over the next two years with the balance coming from "existing unallocated Agriculture and Agri-Food Canada resources."

In addition, the government committed \$50-million over three years to increase slaughterhouse capacity.

"The program will make federal contributions available to match private sector investments in sound business plans aimed at reducing costs, increasing revenues and improving operations of meat slaughter and processing operations in Canada, with a view to ensuring that Canadian livestock producers have viable and sustainable slaughter options available to them," the budget, released on Jan. 27, said.

Canadian Federation of Agriculture president Laurent Pellerin told *The Hill Times* last week that he believed the stimulus package was "a little low" and that the industry "needs more than what is on the table."

Conservative MP Larry Miller (Bruce-Grey-Owen Sound, Ont.), who chairs the House Agriculture Committee, said no one can say how much is "enough" when it comes to helping the sector.

"The truth of the matter is, in the last three-and-a-half or four years, we've almost tripled the money for agriculture. To say it is enough depends on a lot of things. The commitment is there to try and do it," Mr. Miller said. "You can say what you want, 'talk is cheap but it takes money to buy whiskey.' That's an old saying in my riding. Unless you back up that talk with actions, what do you do? We've certainly done that. I'm very proud of the money we've committed to it. Do we need some tweaking to get it out? Absolutely, the job's never done."

Meanwhile, National Farmers Union board member Grant Robertson questioned how much of the money would actually get to farmers. For example, he said, when it came to helping farmers out of the BSE (mad cow) crisis a few years ago, most of the money went to Canada's largest meat packers, rather than farmers. "That's one thing that we think government should start looking at, where the money is actually being spent, because anecdotally, if you talk to farmers from one end of the country to the other, it doesn't end up at the farm gate," he said.

Liberal MP Mark Eyking (Sydney-Victoria, N.S.) said last week that the government is not listening enough to farmers and are more concerned with ideological fights against things like the Canadian Wheat Board instead of focusing on the future.

"Many of the MPs from the West are so focused on destroying the Wheat Board that sometimes they lose sight of what we really should be doing, which is making our whole industry, all commodities, viable and prosperous. I think the shame of it is that the Conservatives have focused so much on doing a character assassination of the Wheat Board that ... many times they could be putting a lot more energy into making the industry more viable."

Mr. Miller noted, however, that that is what his government is doing. "There's no doubt about it that this government is committed to agriculture. Ninety per cent of our seats that

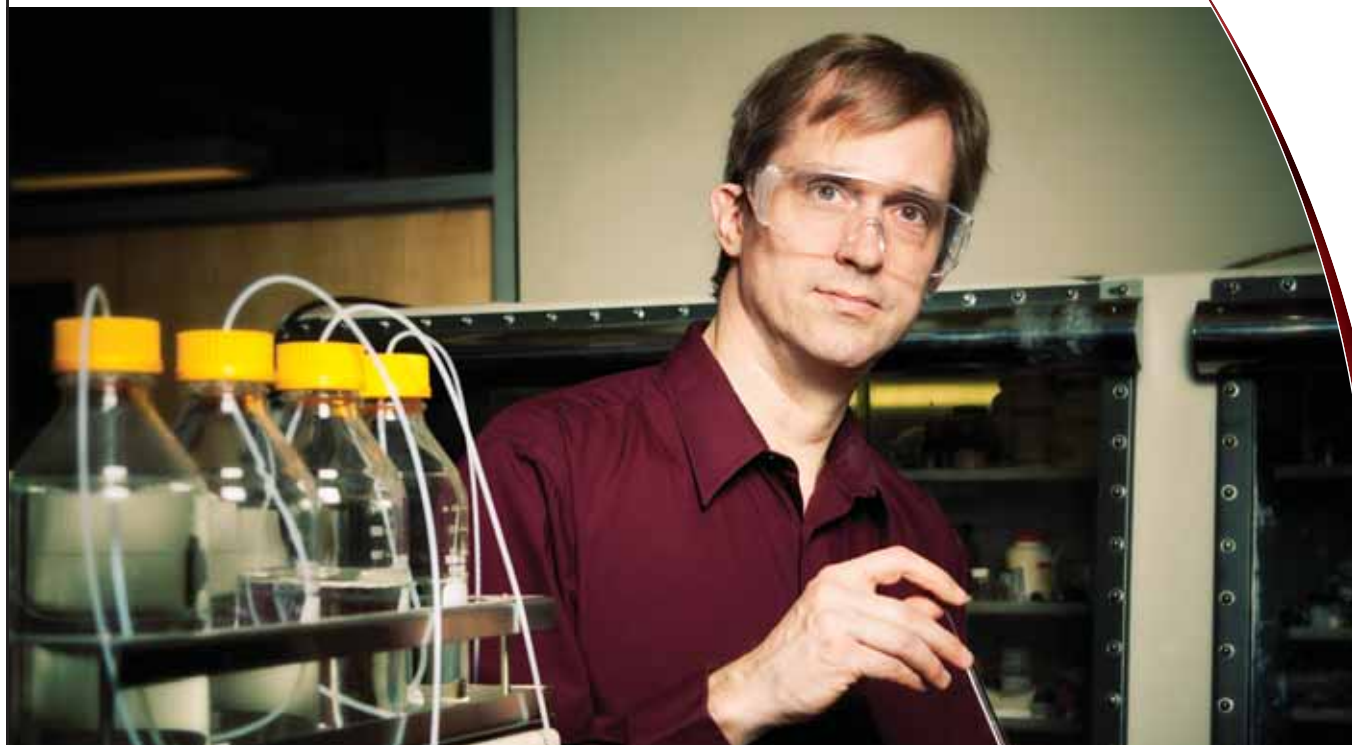
we have are rural ridings, which means agriculture," he said, adding that it's not only about investing the dollars, but also taking a look at the regulatory environment in order to make agriculture a sustainable industry.

"The system is not right obviously the way it is. Government can pour billions and billions of dollars in agriculture but at the end of the day we have to make it more profitable. We can't just continue to do it like that," he said, adding that there always needs to be programs in place for natural disasters or depleted stock because of diseases such as BSE and avian flu. "We have to have a mechanism for that, but we can't just fund something because it's not profitable on a regular basis. We can do regulatory things that I think will help to make agriculture more profitable and competitive."

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POLICY BRIEFING - AGRICULTURE

Farm families across Canada hit hard by economic crisis

Making matters worse, Canadian food producers face a fundamental failure of leadership from the Harper Conservatives.



BY NDP MP
MALCOLM ALLEN

Farm families across Canada are being hit hard on all fronts by this economic crisis. Making matters worse, Canadian food producers are faced with a fundamental failure of leadership from the Harper Conservatives.

Export markets are jumping at every opportunity to squeeze the door shut to Canadian commodities in order to protect domestic producers. At the same time Canadian producers are being smacked both internationally and domestically by one food safety crisis after another.

Over the past year, Canadian consumers have had to deal with contaminated imported peanut

butter, milk, baby food, meat products and spinach. On the producer side, cattle markets have yet to truly rebound from BSE, and COOL has severely limited (if not threatened to eliminate) the north-south livestock trade. Now consumer fears of swine flu are of great concern to pork producers.

Protectionism and consumer confidence in food safety and security are threatening the agricultural sector in Canada. These issues are the driver behind New Democrat Agriculture Critic Alex Atamanenko's national "Food for Thought" tour, an initiative aimed at raising the profile of the challenges of future Canadian food security and safety.

Farmers and food producers across Canada have told Atamanenko that the Harper government has no clear vision for agriculture. The Harper government doesn't know how to empower farmers in the marketplace, nor is there support for small farmers and organic producers to fill rapidly growing

demand for locally produced and sustainably grown food.

There is growing anger among farmers at Harper's refusal to renew his government's commitment to Farmers Market Canada. Hundreds of farmers' markets across Canada are hamstrung, waiting on a nominal funding commitment to support for an initiative that is ready to get up and running right away. On his food tour, Atamanenko received enthusiastic responses to his statement of New Democrat support for Farmers Market Canada.

Rebuilding the trust of consumers at home and abroad should be food policy priority No. 1. But instead of showing leadership, the Harper government has turned a blind eye to their own policy failures in food safety.

Harper policies of delegating food safety to agribusiness and food processing companies, rather than reinforcing the power of the Canadian Food Inspection Agency (CFIA), have failed. And

Harper's failure of leadership on food safety and security is compounded by significant over-concentration in the food industry.

Independent local and regional producers and processors have been increasingly bought out by large conglomerates, which now control the majority of our food supply from coast to coast to coast. In this over-concentrated market, we need strong, strictly independent safety inspections.

The costs of industry self-regulation became clear after the Conservative government transferred inspection of ready-to-eat meats from government inspectors to the meat industry in November 2007.

The Harper government took full-time CFIA meat inspection presence off the factory floor, placing the onus on industry to implement food safety control programs and to manage key risks. Arguably, this decision led to the tragic loss of 22 Canadians during the listeriosis outbreak in 2008.

In November 2008, the Professional Institute of the Public Service of Canada, representing scientists working for the federal government, called for an immedi-

ate moratorium on the deregulation of food inspection in Canada.

According to the Institute, by eliminating rules and handing responsibility for safety to industry, the federal government is putting the health and safety of Canadians at risk. Harper still refused to act.

Despite expert opinion, the death of 22 Canadians and contrary to public statements claiming increased spending, the Harper government has systematically cut funding for food safety programs and shifted more responsibility for safety assurance to the food companies themselves. That is unacceptable.

A food inspection system is only as strong as its weakest link and the weakest link in Canada's system is the commitment of the Conservative government to the safety of consumers, ensured by an independent regulatory body.

New Democrats are firmly opposed to Harper's deregulation and self-inspection policies in food safety. Deregulation has gone hand in glove with cuts to environmental regulations, ending food inspection programs and privatizing federal laboratories.

With our export markets continuing to withhold Canadian commodities from trade, our government should be demonstrating leadership and acting to rebuild trust in our food supply.

More than just the livelihoods of farmers, food producers and food processors are at stake. The lives of Canadians depend on food safety.

NDP MP Malcolm Allen, who represents Welland, Ont., is his party's food safety critic.

The Hill Times

Strong agriculture and forest industries require robust global demand for exports

In this regard, the committee is strongly supportive of some of the latest initiatives by the federal government to develop the international market for Canadian agriculture and forest products.



BY TORY SENATOR PERCY MOCKLER
AND GRIT SENATOR JOYCE FAIRBAIRN

The work of the Standing Committee on Agriculture and Forestry is firmly rooted in issues near and dear to farmers and rural Canadians in general. The committee has been in existence since 1986, when the Senate's Standing Committee on Agriculture, Fisheries and Forestry was divided in two. Over the years, the committee and its predecessor have studied a wide range of topical subjects and various crises (BSE in 2004, the collapse of livestock prices in 2007, etc.), while longer term issues (eg. soils at risk in 1984, adaptation to climate change in 2003, rural poverty in 2008) have provided in-depth analyses of changes that have shaped the agriculture sector in Canada.

Each study provided concrete recommendations to the federal gov-

ernment and its departments. The report *Beyond Freefall: Halting Rural Poverty* (June 2008) made 68 recommendations aimed at reducing rural poverty and rural decline in Canada and increasing the federal government's policy commitment to rural issues. The report "Growing" Costs for Canadian Farmers (June 2008) looked at the factors behind the large increase in farm input prices that occurred in 2007-2008.

Its seven recommendations addressed ways of helping farmers to cope with global factors through modifications to existing farm programs, while also asking the federal government to review domestic regulatory issues that have the potential to further exacerbate the effect of international factors in

increasing farm input prices. The report *Livestock Industry* (December 2007) looked at the farm income crisis in the hog and beef industry. Among its recommendations the committee asked for an immediate cash injection in the form of an interest-free loan to address farmers' cash-flow squeeze. It also proposed ways to help narrow the competitive gap between the Canadian and the American livestock industries.

While studying rural poverty the committee realized that forestry has been a side issue for the committee far too long. In fact, agriculture has almost monopolized the committees' discussions while forestry issues have been mostly dealt with by a subcommittee (eg. Subcommittee on Boreal Forests in 1999, and the Subcommittee on Forestry in 2001).

This has now changed. The committee decided this spring to undertake a thorough study of the forest industry. It is, however, too easy to think of agriculture and forestry as wholly distinct from one another when, in reality, there are significant commonalities between the two sectors. The extreme importance of

both sectors to the rural economy is the first that comes to mind. Both sectors also have land as a key natural resource input, are cyclical industries and Canada is a major player worldwide in both markets.

High energy prices represent both an important challenge as well as an opportunity for the agriculture and forest industries. It is true that the current world-wide recession has caused a collapse in energy prices. However, we cannot lose sight of the fact that oil prices have already doubled since the lows they reached last winter and that the current oil price of approximately \$60 per barrel was considered very challenging just three years ago. Energy is a major cost input in both agriculture and forest industries. Therefore, any price increase in energy could prove highly detrimental for farmers and forest stakeholders alike.

Paradoxically, high energy prices could represent for both sectors a tremendous opportunity as forest and agriculture biomass could play a key role in Canada's future energy supply. To be sure, governments must be cautious in pushing for the development of bio-products so that other agricultural and forest sub-sectors do not unduly suffer.

For example, we have to be mindful that food crops also represent an input for beef and hog farmers, while wood residues from

sawmill operations represent a key input for pulp and papers plants.

Nevertheless, if some analysts are correct in forecasting an era of "permanent high energy prices," agriculture and forestry could be, provided there is adequate government support, the industry of tomorrow rather than the industry of yesterday as some detractors too often try to portray them.

Canada is a major international exporter of agricultural and forest products. Strong and dynamic agriculture and forest industries in Canada therefore necessarily require a robust global demand for our exports. In this regard, the committee is strongly supportive of some of the latest initiatives by the federal government to develop the international market for Canadian agriculture and forest products.

The committee is particularly pleased with the recent announcements regarding the creation of a "Market Access Secretariat" for Canadian agricultural products and the amount allocated to the "Canada Wood," "Value to Wood," and "North America Wood First," programs to help forest companies market innovative products internationally.

Conservative Sen. Percy Mockler is chair and Liberal Sen. Joyce Fairbairn is vice-chair of the Senate Standing Committee on Agriculture and Forestry.

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