

**Making the argument for funding food...**

Wendy Holm, P.Ag.  
June 9, 2009

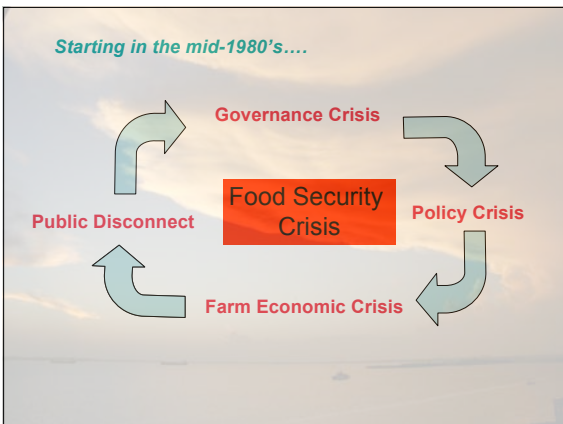
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**TODAY:**

- Issues facing Canada's farmers
- Where Canada stands vs other nations
- Economic impact on agriculture (food security)
- Crossroads
- New drivers for change
- Footpaths

**Sustainable (Bruntland):**  
*Sustainable development is development that meets the needs of the present without compromising the ability of future generations to meet their own needs.*

**Unsustainable (Pollen):**  
*To call a practice or a system unsustainable is not just to lodge the objection based on aesthetics, say, or fairness, or some ideal of environmental rectitude. What it means is that the practice or process can't go on indefinitely because it is destroying the very conditions on which it depends.*



**Not sustainable...**

**Issues facing Canada's farmers:**

**Globalization**  
Highly concentrated suppliers and buyers;  
withdrawal of local processing capacity  
Changes in market structure (large food conglomerates  
replace independent processors, distributors, retailers)  
Multinational contract integration of farm sector

**Loss of policy sovereignty**  
Elimination of subsidies/supports  
Dilution of crop disaster mechanisms

**Loss of trade protection**  
increased trade harassment by US  
+ import competition from monoculture, factory farms

## Issues facing Canada's farmers:

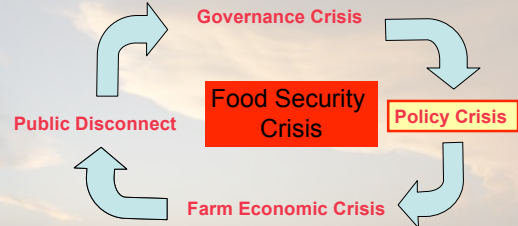
### Loss of Policy Support

Cooperatives undermined  
Supply management and CWB under attack

### Loss of Economic Sustainability

Dramatic fall in farm income (decapitalization)  
Dramatic increase in farm debt  
Increasing land, environmental compliance costs  
Loss of independence of Canada's farmers

Starting in the mid-1980's....



## Policy Crisis:

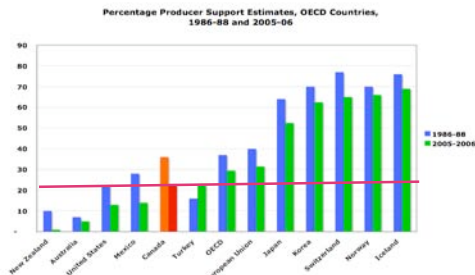
In Canada, main impediment to farm competitiveness is bad public policy...

- ✓ **BEEF**
  - ✓ mid 80's - imports boxed beef displace Canadian
  - ✓ packer concentration + ownership feeder cattle
  - ✓ BSE - Ottawa's failure to act
- ✓ **GRAIN**
  - ✓ CWB = premiums \$35-40 a tonne due to price and transport  
*(Richard Gray, Darryl Kraft, Harbort Fursten and Andy Schmitz)*
  - ✓ big grain companies, US farmers and "ginger group" driving attack
  - ✓ electoral interference, muzzling, board interference
  - ✓ unprecedented government attack on good farm policy
- ✓ **MILK**
  - ✓ Small cooperatives merge
  - ✓ Parmalat and Saputo take over
  - ✓ Butter-oil sugar blends replace milk in ice cream
  - ✓ Milk protein concentrates replace milk in cheese
  - ✓ Legal challenge of CFIA's cheese regulations
- ✓ **HOGS**
  - ✓ Right wing think tank solution
  - ✓ Disaster for farmers



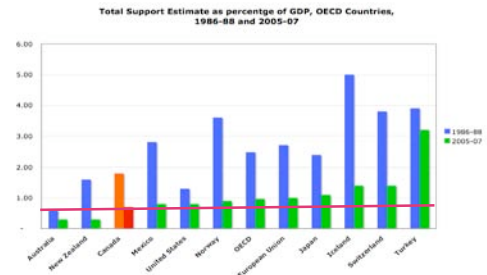
**MEASURING UP...**  
Where Canada Stands compared to other countries in support for farmers

## Canadian farmers are losing ground...



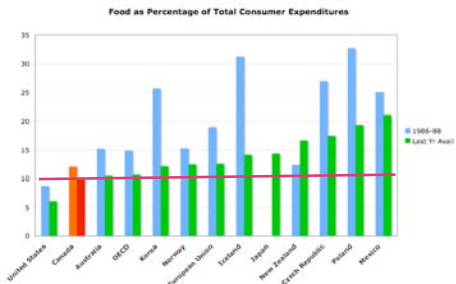
In 1986-88 Canadian support to producers equaled 36% of farm gate returns, this dropped to 23% in 2005-6 compared with 30% for all OECD and 32% for EU.

## Canada's farm support as % of GDP among lowest in OECD....



As a % of GDP, Canada's support to farmers in 2004-6 (.8%) was lower than all OECD nations other than Australia, NZ and Mexico. Support averages 39% higher as a % of GDP in OECD countries, 43% higher in EU.

Still, Canadians enjoy second lowest food costs...

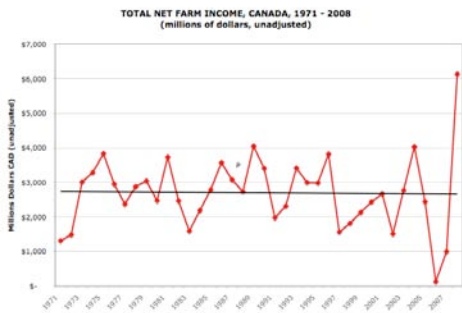


Canadians continue to enjoy the second lowest food costs (9.9% of total consumer expenditures) of all OECD member nations.

THE BAD NEWS: Starting in the mid-1980's....

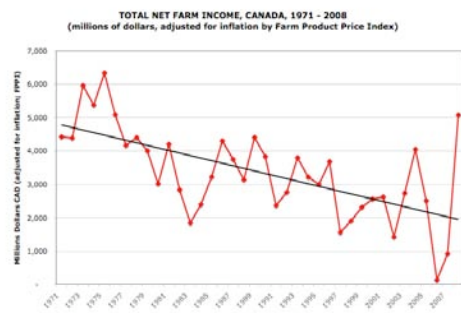


Net farm income, unadjusted...



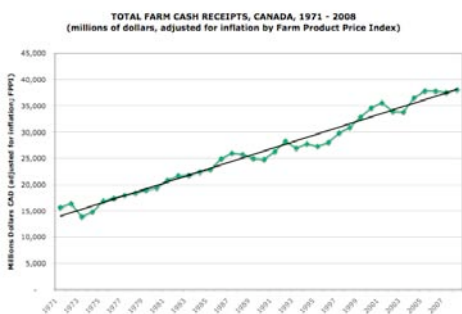
Source: Statistics Canada, Table 052-0009 - Income of farm operators from farming operations, annual.

Same numbers adjusted for inflation...



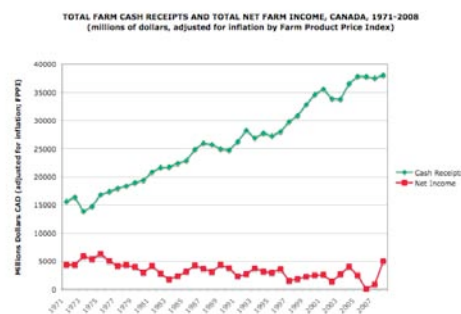
Wendy Holm, The Holm Team, 2009

Farm cash receipts adjusted....



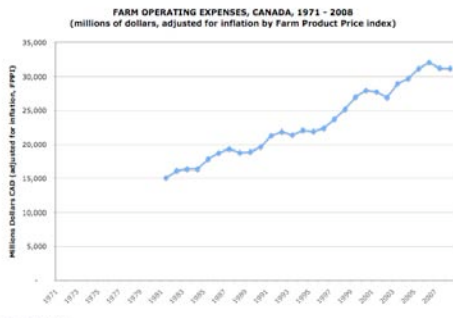
Source: Statistics Canada, Table 052-0009 - Income of farm operators from farming operations, annual; Table 052-0022 Farm product price index (FPI) annual.

Adding farm cash receipts to net income....



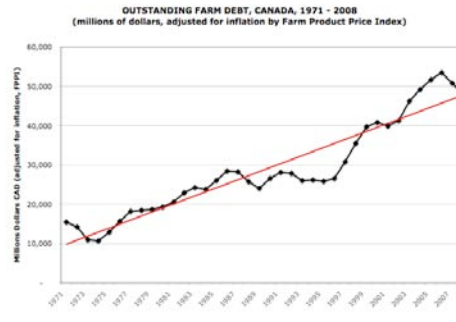
Source: Statistics Canada, Table 052-0009 - Income of farm operators from farming operations, annual; Table 052-0022 Farm product price index (FPI) annual.

Farm operating expenses...



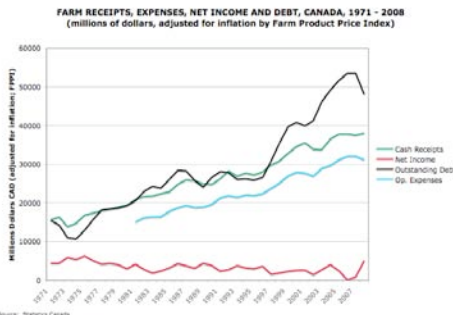
Source: Statistics Canada  
Table 002-0005: Farm operating expenses and depreciation charges, annual  
Table 002-0008: Farm debt outstanding, annual  
Table 002-0022: Farm product price index (FPPPI), annual

Farm debt....



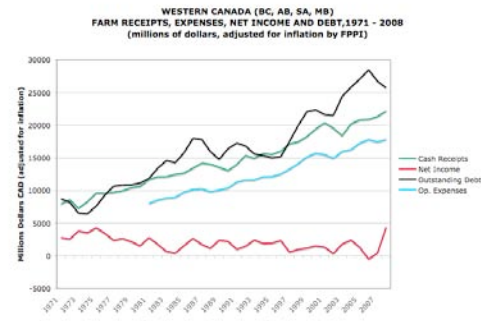
Wendy Hahn, The Hahn Team, 2009

JAWS OF THE CROCODILE...



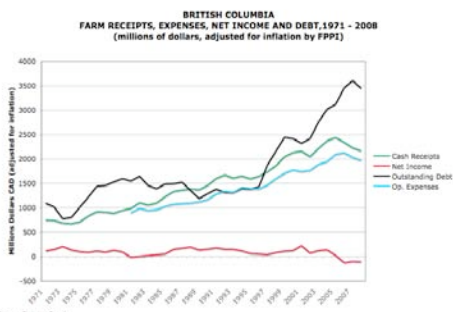
Source: Statistics Canada  
Table 002-0006: Income of farm operators from farming operations, annual  
Table 002-0008: Farm debt outstanding, annual  
Table 002-0022: Farm product price index (FPPPI), annual

NO DIFFERENT IN WESTERN CANADA...

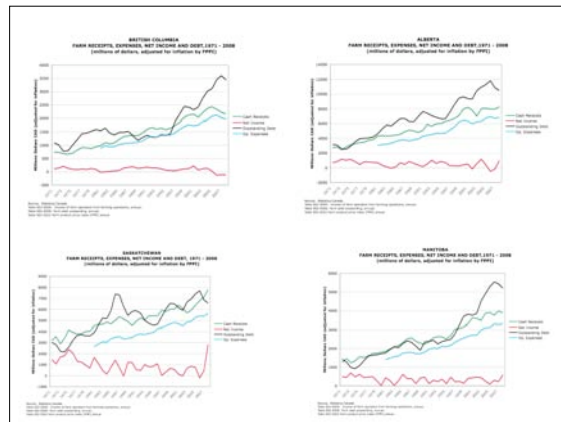


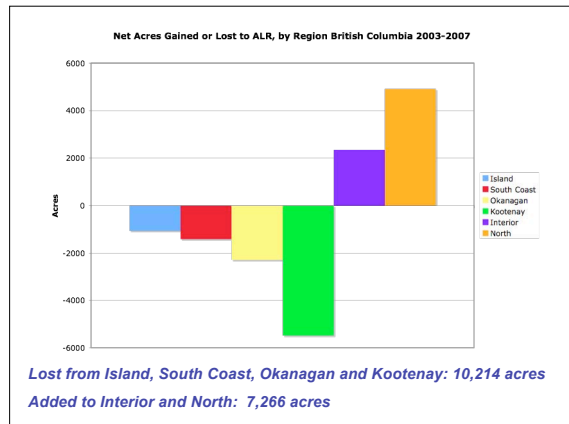
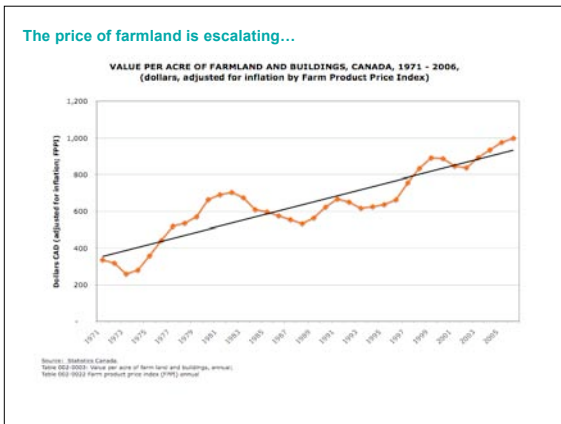
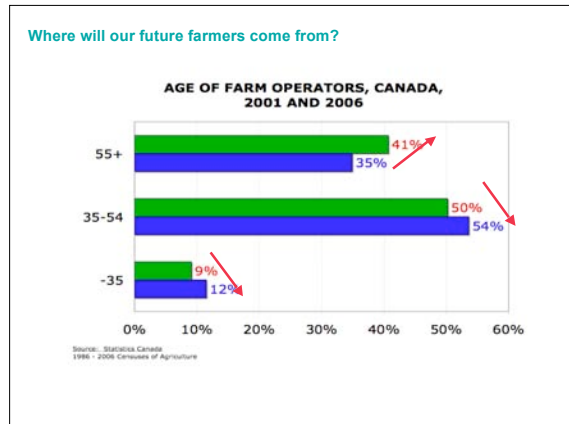
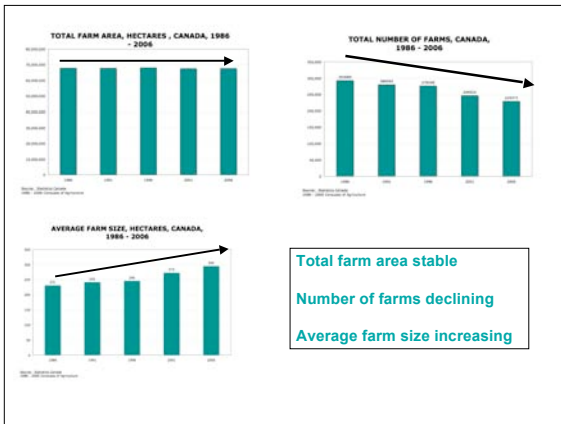
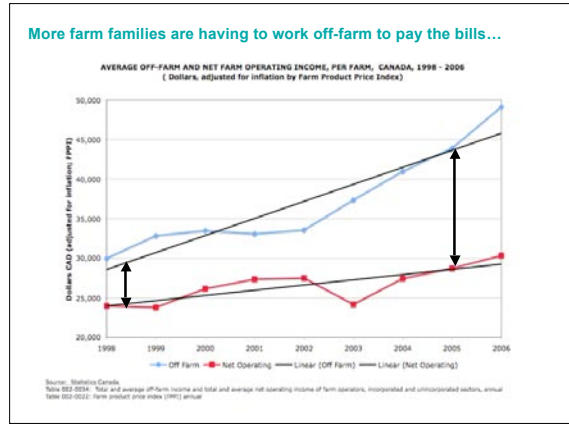
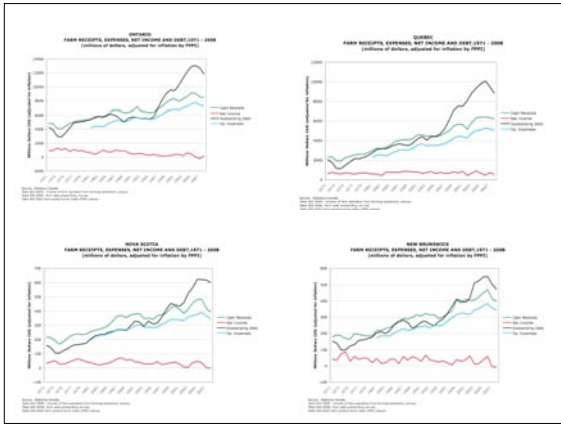
Source: Statistics Canada  
Table 002-0006: Income of farm operators from farming operations, annual  
Table 002-0008: Farm debt outstanding, annual  
Table 002-0022: Farm product price index (FPPPI), annual

NO DIFFERENT IN BRITISH COLUMBIA...



Source: Statistics Canada  
Table 002-0006: Income of farm operators from farming operations, annual  
Table 002-0008: Farm debt outstanding, annual  
Table 002-0022: Farm product price index (FPPPI), annual







Not sustainable...



## Crossroads:

Peak Oil  
Peak Food  
SPP and continental integration  
Sustainability concerns  
Policy vacuum



### THE GOOD NEWS?

#### The Perfect Storm:

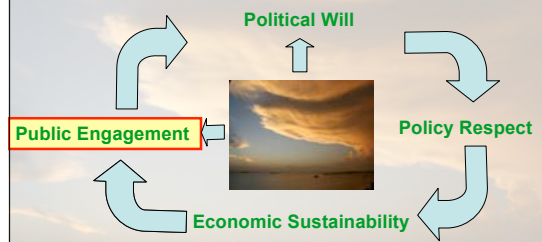
- peak oil
- peak food
- food sovereignty
- food democracy
- food safety
- food security
- food sustainability
- local food
  - food miles
  - 100 mile diet

Rise in influence of cities (...new Athens?)

HUGE OPPORTUNITY...



### THE GOOD NEWS: The perfect storm.....



FOOTPATH:  
THE KEY TO AG FUNDING IS  
POLICY RESPECT ...



FOOTPATH:  
THE KEY TO POLICY RESPECT  
IS URBAN AGRICULTURE...



### 1. Identify and showcase international models

This organoponico in Havana is one of many scattered throughout the city.

Cooperatives of local food professionals, urban gardens such as this provide most of Havana's vegetables.

There are other global leaders in urban food security. We need to animate them.



### 2. Develop business case for urban farming

Technical specs for raised bed farming in cities, on-site sales

Economics?

Crops?

Seasons?

Compost?

Geothermal?



### 3. Design the strategies to procure urban land

Density credits?

Land trusts?

Zoning?

Private/allotment?



### 4. Develop community case for urban farming

10 x's conversations in farmers' markets

Clearinghouse for donations (city gardens)

Training and jobs for urban youth

On-site education (balcony/back yard)

Footprint, fresh, healthy organic



### 5. Develop cooperative case for urban farming

Urban farming as incubator for young farmers

Apprentice on more extensive farms in peri-urban zone (cooperative?)

Once practical training, eligible for interest free loans to start farming.



### 6. Develop policy case for urban farming

Essential component of sustainable and livable communities

Changes place to live into place for living (Coyula)

Connecting urban population with food creates respect for farmers and support for good farm policy





## 7. Identify local infrastructure to support urban farming

Zoning and by-laws

Permanent indoor farmers markets

Incubator support for peri-urban zone

Protection for farmland (ALR)

Intergenerational transfer

Fair land rent costs



## Next Steps:

1. Identify international models and networks on urban farming
2. Develop business case for urban farming
3. Develop strategies to obtain urban land
4. Develop community case for urban farming
5. Develop cooperative case for urban farming
6. Develop the policy case for urban farming and incubator support for peri-urban agriculture
7. Identify local policy initiatives and players to shepherd process

THE FIRST STEP?  
A FOOD POLICY...

## Food Policy

*Canadians have the right to a daily supply of safe, nutritious, accessible and affordable local food produced in a manner that respects and enhances the land, the farmer, the community and the environment.*

If we don't do this,  
who will...  
?

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THE HOLM TEAM

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