



Wendy Holm  
OPINION

Summer. For those fortunate enough to have a crop to harvest, a busy time. For those who don't, a lot of stressful days scanning the sky for rain. In consideration of seasonally short attention spans, a summer column — a convenient handful of "mind-snacks" to chew on in those quiet morning hours when it's only you and the cows...

Federal court challenge by Saputo, Parmalat and Kraft Canada Watch this one closely. At time of writing, we still don't have a ruling from the Federal Court of Canada following its judicial

review of Canada's right to establish minimum domestic milk content of Canadian cheese under the Canadian Food and Drug Act. The review was initiated by Saputo, Parmalat and Kraft Canada last October. Hearings concluded in March and an early and favourable decision was anticipated. (For more see my January 2009 WDF column.) The delay is worrisome. At stake is the sustainable operation of Canada's dairy supply management system.

Fully 37 per cent of the milk produced by Canadian cows is destined for domestic cheese production. Until the new regulations came into effect last December, cheap milk protein derivatives imported by the big three cheese makers displaced domestic production, forcing \$250 million a year in surplus removal fees on Canadian dairy farmers. Our new

cheese regulations — put in place to stop this — are completely consistent with GATT, the WTO and the regulations of other cheese-producing countries. If the judicial review unexpectedly goes against Canada's dairy farmers, the federal Attorney General has 30 days to launch an appeal.

What will it take to move the Crown in this direction? Broad public pressure couldn't hurt. When my column Canadian cheese should be made from Canadian milk ran in the Vancouver Sun in mid-December, response was immediate. Readers called in record numbers, clipped the story, brought it to retailers and farmers markets, reprinted it in community papers and posted it across the Internet.

Uppermost in the minds of Canadians may be the economy, but foremost on their lips is Canadian cheese. A national opinion poll confirming "87 per cent of Canadians want Canadian cheese to be made with Canadian milk" would be a strategic addition to our back pocket going into this. And well worth the price.

#### ***Jaws of the Crocodile – Farm Income and Farm Debt***

The problem is, this crocodile don't tick... At least when Captain Hook was being stalked, there was that infernal ticking to warn him when the beast was near. Canadian farmers aren't so lucky. The crocodile stalking them has swallowed no clock, in fact its very existence is denied by Ottawa. Politicians jumped on the 2008 up-tick in farm incomes like fleas on a dog, telling Canadians that things on the farm were finally turning around. Consumers can be forgiven for not understanding the depth of the farm crisis. Politicians and bureaucrats cannot.

To begin with, higher farm incomes in 2008 were an anomaly — the result of substantially higher grain prices in the first six months of the year due principally to a combination of poor harvests and the diversion of grain for fuel. This helped grain farmers but did nothing for other sectors,

hurt anyone feeding livestock, and is clearly not something farmers can bank on for the future. If you look seriously at farm finances (farm cash receipts, farm operating expenses, net farm income and farm debt; from 1970 onwards, adjusted for inflation), the picture is as scary as I have seen in my 35 years as an Agrologist (see insert) and is completely unsustainable. The rise in farm debt is staggering and the situation is pretty much the same across the country.

Recently announcing \$1 billion in farm loan guarantees, Prime Minister Harper told farmers they "deserve to know that they can count on the credit they need to build and grow their operations."

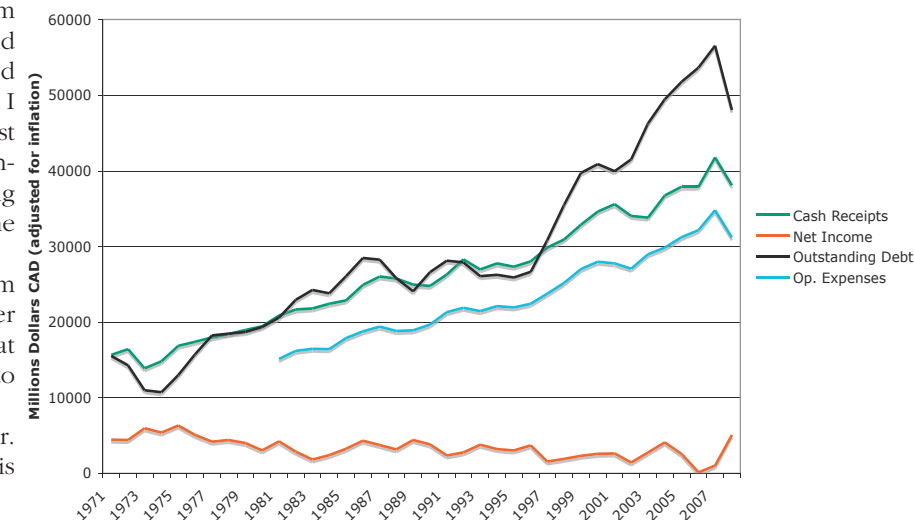
More debt is clearly not the answer. What about this picture do Harper and his policy-makers not understand?

While supply-managed farmers are much better off than many of their neighbours, this many farmers in trouble creates trouble for us all... Share this information with your neighbours and your local politicians. Demand better from governments.

#### ***A quickie update on Cuba...***

Just back from teaching my Cuba-based UBC AGSC 302: International Field Studies in Sustainable Agriculture Cuba course. Now in its fifth year, I had the pleasure of spending three weeks travelling through Cuba with 15 students from five Canadian universities studying how this tiny island nation went from monoculture to world leadership in sustainable farming practices in less than a decade.. Always looking for young farmers to join us, so keep this in mind

CANADA  
FARM RECEIPTS, EXPENSES, NET INCOME AND DEBT, 1971 - 2008  
(millions of dollars, adjusted for inflation by FPPI)



for next year. In early July, Juan S-nchez Martell and Martha Suarez Ramirez — two members of the Cuban dairy cooperative CPA 26 Julio — spend a few weeks at the Ontario dairy farm of Jim and Gladys Millson to receive training in herd management and calf rearing. We have been working with this co-op since 2005 to create a sustainable milk production model. Things are going very well.

Finally, if summer heat has you dreaming about winter escapes, I will take two more farmer tours to Cuba this winter — Jan. 11 to 25 and Feb. 1 to 15.

Tax deductible — love to have you along! For more information visit [www.farmertofarmer.ca](http://www.farmertofarmer.ca), write me at [wendy@theholmteam.ca](mailto:wendy@theholmteam.ca) or call me at 604.947.2893

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