

Laid low — the taking of Canada's water; November 1999 Column, Country Life in B.C.

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November... A time for finishing fall chores in the North. Pruning time in the Okanagan. On the south coast, farmers are up early - one eye to the weather - preparing to haul in late season crops and seed cover before the rains.

For all, the seductive scent of autumn on the farm— open soil, wood smoke and something like the sea — pull at your heart and turn your mind to next year's crop. Should be an optimistic time. Water. Soils. Farmers. Sustainability. It's so simple, really.

Yet we seem to have made such a mess of it.

This column focuses on two issues of great concern to farmers: US access to Canada's water and the recent announcement by corporate Canada that it is about to subsidize US farmers. Both with the blessings of the Canadian government.

THE TAKING OF CANADA'S WATER

Twelve years after the fact, saying "we told you so" is cold comfort but do we remember that it WAS BC farmers who were first off the mark opposing the inclusion of water in the FTA and the NAFTA?

(When, as President of the BC Institute of Agrologists, I traveled to the 1988 AGM of the Agricultural Institute of Canada to present a resolution calling for water's exemption from the FTA, I also read out the names of the 20 or so BC farm commodity groups whose faxed resolutions I held in my hands. "From the poultry industry to the cattlemen and everyone in between" I told them, "this resolution represents them all..." It passed unanimously. And was ignored by Ottawa.)

On October 12th, 1999, California-based Sun Belt Water Inc. filed a Claim under NAFTA's Chapter 11 for \$1.5 to \$10.5 billion (\$US) in compensation for British Columbia's denial of access to tanker exports of water for the California community of Goleta. A claim to be adjudicated by a NAFTA panel of three. A claim that could cost Canadian taxpayers anywhere from \$2.2 to \$15.3 BILLION (\$Cdn).

In the seven months leading up to this filing, Sun Belt's lawyers have been involved in informal negotiations with the federal government concerning their claim. In late January of 1999, BC was invited to attend the first of these meetings, but when the Province showed up with trade lawyer Barry Appleton — who'd just bested his federal counterparts in his defense of Ethyl Corporation's Chapter 11 compensation claim — Ottawa told the BC Delegation that unless it jettisoned Appleton, it was not welcome at the Table. BC refused, the meeting was called off, and BC was not invited back...

It's strategically important, before the NAFTA Chapter Eleven process goes further, that Canada take a very high profile stand on this one:

- We said it back then and we are saying it now: Canada's water is not for sale.
- This was made perfectly and unequivocally clear to all parties prior to signing both the FTA and the NAFTA. And because Canada never put our water "on the NAFTA table", water's exclusion is not a point of renegotiation, nor of negotiation. It is simply a matter of clarification and/or correction.

- Like raw logs and unprocessed fish from the Maritimes, water must be immediately included in NAFTA Annex 301.3's list of exemptions from Part Two (Trade in Goods); similar provisions must be made to exempt water from NAFTA's services and investment provisions.
- Canada must back this up with federal legislation prohibiting the export of bulk water and an international declaration that we will require similar exemptions in all further trade agreements.
- If the US and Mexico do not wish to sign such an amendment, we as Canadians regrettably cannot agree to continue to participate in the NAFTA.

Of *course* American markets would go "nuts"... And there'd be *all sorts of* saber rattling and chicken little-ing. The finger waggars at the National Post would be in seventh heaven. But at the end of the day (and, I wager, within two weeks) the Americans would back down and agree to exempt water because we all know there are just too many goodies on the table for them to not do so.

And the tail would wag the dog, and Canada would emerge as the new international voice that blends environment and economics with a balanced hand. And most importantly has the capacity to hold government to an ethical trust.

THE ABUSE OF CANADA'S FARM COMMUNITIES

The same week as news of the Chapter 11 challenge on water came to light, Vancouver-based GEMCo (Greenhouse Emissions Management Consortium, representing ten of Canada's largest greenhouse gas emitters) announced its proposal to pay American farmers a per hectare payment for adopting sustainable farming methods which increase carbon sequestration in soils. This payment to American farmers will result in carbon dioxide emission reduction credits (CERCs) that will eventually be cashed in as compliance credits against future environmental regulations to reduce greenhouse gas emissions consistent with Canada's commitments under the Kyoto Protocol (1997)

GEMCo and partners put a very polished spin on it. An innovative program to support sustainable farmland stewardship: minimum-till and no-till farming practices, cropland retirement, buffer strip development, afforestation, reforestation, improved timber management, on-farm power generation from biomass and methane abatement from livestock waste. Such a lovely market trade. And, as the CBC reporter pointed out — in a reverential burble that made GEMCo sound positively saintly— GEMCo gets to "bring all those credits back to Canada to achieve progress towards this country's emission reduction targets." Almost made it sound like a prize, an accomplishment.

- Never mind that the credits purchased by GEMCo and "brought back to Canada" will be used by companies like Ontario Hydro and Trans Alberta to buy their way out from under compliance with Canada's emission reduction regulations.
- Never mind that this subsidization of American farmers for stewardship practices Canadian farmers are required to take on at their own cost will give American farmers a further competitive advantage at the international trade table. (Already, government transfers to US farmers - in Canadian currency - total \$234 per hectare as compared with \$96 per hectare in Canada.)
- Never mind that this subsidy to US farming is being done with capital siphoned up from the pockets of Canadian energy consumers and pumped into American farmers' pockets, only to be taxed back by the large transnational food giants who long ago economically colonized America's farmlands.
- Never mind that per hectare payments to farmers for the positive benefits society gets from sustainable farm management practices are precisely what **our government should be implementing for Canadian farmers** not what Corporate Canada should be doing
TO BENEFIT AMERICAN FARMERS.

Can we say duuuh? Collectively? Please? Soon?

Water and food are inextricably linked. Today's \$15 billion claim against Canadian taxpayers over water is the result of failing to listen to warnings on this issue 12 years ago. And concerns raised back then about water "ain't nothing" compared to concerns raised today over the future of farming.

A country that fails to respect its farmers is a country that will soon be without farmers. And a country without farmers is a country on its knees...