The erosion of public policy support for agriculture

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December. Vast fields of stubble in the Peace buttoned up snug under a blanket of snow and a seamless prairie sky. Skiffs of white here and there in the central Province. Rain on the coast. The beginning of Winter. That part in the seasonal dance where things slow down a bit for many farmers. Time for family. For a little figuring with a sharp pencil to see whether you can afford to do a few things different next year. With luck, maybe enough left over to plan a little January get-away — somewhere warm and inexpensive where you can kick back, catch up on some reading and get your mind seriously prepped for Spring.

Used to be a time you looked forward to, you think, standing in the fading winter light, eyes scanning the horizon or answers you know won't be easy coming... Throwing your workgloves in the back of the pickup, you pour yourself a coffee from what's left in the thermos and take five before returning to the house. Steam rises from the wide brimmed thermos cup, warming your face and hands against the encroaching night... In simpler times...

In simpler times, farmers produced the food that was required by their communities. And communities, in turn, paid farmers a fair price for that food. One that allowed the farm family to continue to be good stewards of the land.

Today, several generations down the road, the distance that separates city-dwelling consumers from the farmers who produce their food goes well beyond geographic.

Not many Canadians understand farming any more: what it is to hold stewardship domain over the land; to be governed by the seasons and the weather; to awake with one eye to the sky and a chore list in your head, to be the productive shepherd of beast and soil, sun and climate, coaxing forth the best the land can provide in a nurturing and sustainable fashion... Keeping both the land and her communities "in good heart".

Nowadays, when Canadians go to the market-supermarket-big box discount outlet-superstore-mega-store, they have enough on their minds. It appears beyond reasonable to expect consumers to contemplate where and how the lettuce they are about to purchase was grown and whether the farmer received his/her fair share of its retail price, particularly when Canadian product is indistinguishable from imports. For many, food shopping and selection becomes a matter of balancing "convenience" with "price". And anyway, isn't the government supposed to worry about the fate of the farmers?

Well, yes and no. "Yes" in an ideal world in which government is both imbued with and effective at discharging it's public policy responsibilities in areas such as agriculture; food safety, nutrition, and health; resource and land use planning; and the economic, social and environmental sustainability of communities. Sadly, Canadians are about as far from that ideal shore as they are from their rural roots.

But how has this happened? Wasn't it only a decade or two ago that we were so proud of our vibrant farm sector? That farmers on the Prairies were switching to Canola, a profitable new crop? That Canada received international recognition for the high quality of her dairy herds? That production cost formula based on one person efficient family farms allowed poultry and egg producers to keep flock sizes within environmentally manageable limits?

What occurred to bring Canada's farmers to such a vulnerable place in so short a time? Much of it has to do with a profound shift to the right in the way government views it's role in the economy and the marketplace.

For Canada's farmers, two events are of significance: the Uruguay Round of the GATT (now WTO) and the signing of the Free Trade Agreement with the United States (now all but subsumed into NAFTA). Both are about the lifting of trade restrictions and the elimination of subsidies which distort market signals. And both are responsible, in large measure, for evoking wholesale change in the way government views its role in the public policy arena.

Over the last decade, chiefly as a result of the shift in thinking embodied in these two agreements, Canadian farmers have seen a dramatic reduction in farm support payments, an erosion of crop disaster mechanisms; a removal of tariffs, an increase in competition from low priced imports for domestic markets; and a reduction in Canada's commitment to defend farmers against "dumping" of imported product at less-than production costs.

At the same time, many Canadian farmers have faced sharp cost increases for feed, fuel, labour and the management practices necessary to comply with tough new environmental regulations that are amongst the most stringent in the world. In some regions of the country, rapid population growth has placed speculative pressure on farmland (increasing its price to many times its farmland value) and increased farm management costs.

The agri-business sector has also experienced dramatic structural change over the past decade. Increased concentration at the processing and retail level has meant the closure ("rationalization") of many smaller local processing facilities and a shift in retail buying decisions from local stores to corporate head-offices, often in another province. When large integrators get involved in farming, both farmer returns and sustainable farm management practices suffer as integrators seek to attach larger and larger shares of the farm margin, causing decapitalization of the farm sector

When farm costs escalate and returns plummet, farm margins shrink dramatically, leaving no money in the farmer's pockets at the end of the day to put back into the land, to leave that field fallow, to plant those cover crops, to withstand an economic downturn in the market.

Throw in the sudden and unpredictable vagaries of climate change (drought, floods, hail, wet springs, early falls) and you have a recipe for disaster. As farm equity is traded for farm debt, Canada's farmers — like prime topsoil left open to the winter's wind — will be gone in a decade; the victims of a profound erosion in public policy support for agriculture.

Excerpted from a chapter by Holm titled: "Sowing the Wind: The Erosion of Public Policy Support for Agriculture" from the just-released book: JUST MAKING CHANGE (Nystrom, Lorne, Editor, The Golden Dog Press, Ottawa, Canada, 1999 ISBN 0-919614-87-6). The chapter goes on to identify long term policy choices needed to protect Canada's family farms and make them profitable again in the face of the worst farm crisis to hit Canadian farmers since the 30's.

COME TO CUBA THIS WINTER FOR THE TRIP OF A LIFETIME!

WE ARE NOW BOOKING RESERVATIONS FOR THE SECOND ANNUAL BRITISH COLUMBIA TO CUBA FARMER TO FARMER EXCHANGE.

This year, there will be TWO EXCHANGES: The first will be from JANUARY 17 to 31st and the second will be from FEBRUARY 7 to 21st. COST? Under $3,000 per person for two full weeks, all inclusive (covers air fare and all meals, accomodation and local travel; I'm going to Havana in early December to negotiate the best deal!).

BC farmers who participated in last January's exchange described it as "the trip of a lifetime". This time, we will be travelling to the farming regions of eastern Cuba. Come check out the business opportunities, enjoy Cuba's fabulous beaches and warm hospitality, and see a side of Cuba that tourists never experience. Fully tax deductible for most farmers, deductions can be taken for this calendar year if paid in full by the 31st of December!. Space is limited so please call me ASAP if you would like more information. Phone: 604-947-2893. Fax: 604-947-2321. Email: holm@pinc.com.