

**DOHA:****TAKE NO SOLACE IN ROUND'S COLLAPSE****Wendy Holm P.A.G.**

September. That corner-turn at the end of the growing season that says you've ALMOST got the weather behind you — what's in the ground and bins is your good-to-go for the next 12 months.

Or not. Corn still to get in. Barley, oats and peas should be nearly finished. Another hay cut is anyone's guess... Could still be snookered by the weather. But for many farmers, it's almost counting time: doing the math to see if you can still afford to farm next year. The difference between going to the harvest supper feeling sassy or feeling beat. For dairy farmers, buying feed means higher costs.

Not good when quota decisions are top-of-mind. Politicians like to talk the talk when it comes to supply management — particularly when speaking to farmers — but don't walk the walk at the WTO. Stone by stone, the policy wall protecting milk, feather and grain farmers is crumbling. Most farmers feel it's only a matter of time. If you want to keep milking cows, you need to get bigger or get out...

What a ridiculous precipice we, as a nation, have constructed for our farmers. And what fools us for allowing government to get away with it. On July 22, in a joint declaration presented to WTO Director General Pascal Lamy, farm leaders from developed, emerging and developing countries including Canada, Switzerland, the EU, Japan, India, Sri Lanka, and Kenya denounced the Doha proposal, which they said would only benefit USA, Brazil and Australia at the expense of smaller farmers and rural communities. They called on the right for each country to produce food for its own people. And demanded national concerns regarding the environment, animal welfare and rural areas be taken into consideration.

In the end, only three countries had the guts to "walk the walk" by standing up to the United States and insisting if nations are not allowed to put in place special safeguards to protect farmers in times of need, then the Doha round should fail.

Thank you India. Thank you China. Thank you Indonesia.

Talking is endless, farming is not.

Dairy and poultry farmers can feel no comfort in the collapse of the Round.

The pressure behind trade liberalization certainly did not begin, nor will it end, with Doha. The pressure comes from multinationals who view a borderless world as their rightful playground. And those players are already in our own backyard. In the dairy sector, Saputo and Parmalat already control half the dairy processing capacity in Canada. Our largest domestic cheese maker and second largest milk processor, Saputo is among the top three cheese makers in the U.S., and its Argentine operations, are third largest in



South America. At the time of writing, Saputo is one of three bidders for Australia's largest dairy cooperative.

Saputo's profits were \$83 million this year, up 21 per cent.

In less than a decade, Saputo has gone from a bit payer in the Montreal market to the 15th largest dairy processor in the world. Their strategy? Target farmer co-ops that are equity short due to modernization and expansion and make them an offer they can't refuse. Howard Zellmer, who shipped to Wisconsin's Alto Dairy Cooperative for more than 30 years and served as its last Chair, was ambivalent about Saputo's March 2008 takeover of Alto: "I've got an empty spot in my stomach, with the co-op being gone... Alto has been a good company to ship to... Everything is kind of going the Wal-Mart Way Saputo's got their mind made up on coming into Wisconsin, and if it hadn't been Alto, it would have been somebody else and competition (against Alto Dairy) would have been a lot greater."

Sound familiar? Facing unprecedented market concentration, Canada's policy support for farmers — through supply management and the Canadian Wheat Board — puts both producers and consumers in an enviable position relative to their counterparts in other countries.

A New Zealand survey conducted last spring shows Canadian milk prices to consumers remain amongst the lowest in the world and there is not one cent of taxpayer subsidy involved.

The seven-year Doha Round failed because three nations rejected WTO's one-size-fits-all prescription for agriculture and stood up for food policy sovereignty. It is time for Canada to do the same. In his April 23rd and May 15th 2008 letters to World Trade Organization Director Pascal Lamy, former Canadian Agriculture Minister Gene Whelan says it's high time the focus of WTO discussions shifted from food to energy. Noting the oil industry operates in a manner "contrary to everything the WTO is supposed to stand for", Whelan argues that no matter what the WTO tries to do, their efforts are "futile" when "when absolutely nothing" is done to control the way in which the oil industry operates.

"Is it a WTO policy to leave this group of robbers alone? Are they untouchables?" Whelan asks. "If this is the case, the WTO should be dissolved."

In his replies of May 21 and 28, Lamy admits WTO rules apply to trade in natural resources and that there is "a strong case among



— Anthony Kovats

economists" that the WTO should be "tackling distortions in the energy sector". Lamy goes on to note "the WTO is not run by economists but by the governments of its members. WTO members have decided to date, for whatever reason, to deal with OPEC matters outside the WTO framework." But Lamy goes on to assure Whelan that if any government, including Canada, were to bring a WTO dispute case against another WTO member or members who also belong to OPEC, the WTO dispute system was quite

capable of hearing the case in an "independent, impartial and unbiased manner." I agree with Gene. It's time to shift the WTO focus off food and onto energy. If Canada takes the lead here, many countries will follow.

And isn't leadership one of the things we Canadians used to be really, really good at?

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