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**national farmers union**  
*In Union Is Strength*

**FOR IMMEDIATE RELEASE:**

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**CONCERNS OVER CAIS PROGRAM RISE AS DEADLINE NEARS: NFU**

**SASKATOON, Sask.**—A looming March 31 deadline to sign up for the new Canadian Agricultural Income Stabilization (CAIS) Program is pressuring producers to commit to a program that is still very much a “work in progress,” according to National Farmers Union (NFU) President Stewart Wells.

Wells addressed about 200 farmers, farm business managers, academics and policy makers during a panel discussion at a CAIS “update” conference February 3 in Saskatoon. The conference was organized by the University of Saskatchewan Department of Agricultural Economics.

“The CAIS program changes virtually with each passing day,” noted Wells. “This creates a lot of uncertainty among producers. Should they sign up for a program that promises one thing but delivers something completely different?” Wells suggested the program could more realistically be called the “Chartered Accountants’ Income Security” plan because of the massive amount of paperwork involved.

A round of information meetings currently underway in rural Canada is drawing a lot of interest among farmers, but has left many of those in attendance with as many questions as answers.

One of the biggest concerns for Wells is a recent amendment to the CAIS Program which would see the payment cap for individual businesses raised from \$975,000 to \$3 million. “This effectively eliminates the cap altogether,” noted Wells, adding the multi-million ceiling is designed to benefit a few hundred very large corporate mega-barns and feedlots. Meanwhile, 95% of Canada’s farm operations would be fully covered by a cap of about \$400,000, according to Wells. This latter figure approximately equals the combined caps of two previous farm income support programs: NISA (\$250,000) and CFIP (\$175,000).

“We are incensed that this proposal is included,” stated the NFU President. “It creates the illusion of a cap while accelerating the process of rural depopulation. Family farmers understand the value of having neighbours and healthy communities, and a meaningful cap is required to maintain a rural critical mass. The move to

multi-million so-called caps will have the effect of driving more farm families off the land while undermining taxpayer support for agriculture.”

Wells pointed out the Canadian public, while supportive of family farm agriculture, is “highly unlikely” to look favourably on a multi-million payment to a single agribusiness corporation under this program. In addition, redirecting large amounts of cash to a relatively few large operators ensures the CAIS Program will remain chronically underfunded.

The NFU’s views on this issue were reinforced at the meeting in Saskatoon February 3 when a U of S agricultural economics professor confirmed during a separate presentation that the proposed program payment structure will ultimately favour larger and more highly-specialized farm operations,

Wells concluded while the CAIS Program contains many good provisions, it fails to address the underlying causes of farm income shortfalls. “It’s not designed to tackle the real issue, which is inadequate farm incomes due to low returns from the marketplace,” he said. The majority of Canadian farm families rely on off-farm income, savings, the sale of assets, government payments and an ever-rising debt load to make ends meet because realized net farm income has plummeted over the past five years.

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