

Ontario Office
R.R.#2
Godfrey, ON K0H 1T0
Tel (613) 273-5545
Fax (613) 273-6290



national farmers union
In Union Is Strength

National Office
2717 Wentz Ave.
Saskatoon, Sask., S7K 4B6
Tel (306) 652-9465
Fax (306) 664-6226

FOR IMMEDIATE RELEASE

DECEMBER 17, 2003

**ONTARIO NFU OFFICIALS SAY THAT
MULTI-MILLION DOLLAR PAYMENTS COULD BANKRUPT NEW FARM PROGRAM**

GRANTON, Ont.—“Government funding for the new Canadian Agricultural Income Support (CAIS) Program will probably prove insufficient. But a funding shortfall is almost assured if the government moves forward with plans to increase payment caps to \$3 million. If governments bankrupt the Program by making multi-million dollar payments, farmers and taxpayers will be outraged,” said Ontario NFU Coordinator Don Mills.

Recent statements from the Minister of Agriculture’s office say that Ottawa is considering increasing CAIS Program payment caps from \$975,000 per operation per year to \$3 million. The NFU has contacted Minister of Agriculture Bob Speller asking that program caps not be increased, but instead decreased to \$400,000 per year. 95% of farmers would be fully covered by a \$400,000 cap, and the remaining 5% would receive very significant coverage.

The NFU has told the new Minister that the CAIS Program includes several design improvements over previous programs: it has a more sensitive payment trigger and it allocates support money on the basis of need.

Inappropriately high payment caps, however, threaten the Program in three ways: they may bankrupt it; multi-million dollar payments risk destroying the generous support that Canadian taxpayers have demonstrated toward our family farms; and huge payments will prop up the corporate livestock operations that are destroying Canadian family farms. (Since 1988, corporate hog mega-barns have wiped out 2/3 of the independent, family farm hog producers.)

Mills concluded: “The CAIS Program, and farm support programs in general, will not survive the media spectacle of a corporate entity receiving a cheque for \$3 million of taxpayer money while the Program simultaneously runs out of money and is unable to make full payments to family farmers. Farmers have a vital interest in ensuring that farm safety net payments are properly capped and properly directed.”

— 30 —

For More Information:

Don Mills, Ontario NFU Coordinator: (519) 225-2163
Darrin Qualman, NFU Executive Secretary: (306) 652-9465