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FOR IMMEDIATE RELEASE

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FEDERAL BUDGET: NO NEW AG. SPENDING

SWIFT CURRENT, Sask.—“With respect to family farmers, it appears that Ebenezer Scrooge is alive and well and working in the federal finance department,” commented new NFU President, Stewart Wells. Wells farms near Swift Current, Sask.

Adjusted for inflation, this year’s federal spending in support of agriculture will be the second-lowest level in 17 years or more.

“It appears that today’s federal budget contained no new agricultural spending and no reason for increased optimism among farmers reeling under the dual blows of low prices and weather-induced crop failures. The federal budget lacked any new initiatives to help farmers deal with the increasing risks arising from market volatility, climate change, and anti-competitive corporate behavior,” said Wells.

Any farmer wading through the 254-page budget document would be rewarded with just two paragraphs on agriculture. Those paragraphs contain only platitudes and a re-hash of old initiatives.

“Farmers aren’t asking for the moon. \$3 billion of new money across the country would have gone a long way to repairing some of the holes in the so-called farm safety nets. Compared to the ongoing \$100 billion in personal and corporate tax cuts, \$3 billion would have been a responsible investment in a \$130 billion-per-year sector,” said Wells.

Federal spending in support of agriculture this year (2001-2002) will be approximately 2.0% of federal government program spending. At its peak in 1991-92, spending in support of agriculture made up 5.3% of federal government program spending. During the first half of the 1990s, federal spending in support of agriculture averaged 3.5% of program spending.

“Deep cuts to agricultural spending have contributed to the federal government’s ability to balance its budget and cut taxes. Those deep cuts in agricultural spending, however, have also contributed to crumbling rural roads, displaced farm families, decimated communities, and a damaged rural economy. What we need is a budget that begins to rebuild the farm economy and enhance Canada’s food security,” concluded Wells.

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