

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



**FOR IMMEDIATE RELEASE**

**MARCH 21, 2006**

**MULTI-MILLION DOLLAR CAISP PAYMENT  
ILLUSTRATES NEED FOR MEANINGFUL CAPS,  
AND STRUCTURAL FLAW IN FEDERAL AG. POLICY**

**SWIFT CURRENT, Sask.**—The NFU believes that the \$4.9 million-dollar Canadian Agricultural Income Support (CAIS) Program payment to Sask. Wheat Pool starkly illustrates two things: the need for appropriate caps on farm support payments; and a fundamental flaw at the core of the way Canadian governments approach ag. policy.

NFU President Stewart Wells said that “No one can believe that the CAIS Program is designed to save family farms when we see million-dollar payments to agribusiness corporations. The NFU has called for Program caps of \$400,000, we strongly opposed raising the caps to \$3 million in 2004, and we predicted that multi-million dollar caps would lead to exactly the situation we see today. The government must correct its error and implement appropriate caps to ensure taxpayer money is spent responsibly.”

But Wells says the problem isn't just with the CAIS Program and its inappropriate caps; the Sask. Pool payment illustrates a *structural* problem at the core of Canadian ag. policy.

Over the past ten years, half of western Canadian family farm hog producers have been driven out of the sector. Over the same period, the number of hogs produced went up by 35%. Large, corporate hog producers, vertically-linked to packers, have restructured the hog sector, taken over production, and forced family farmers out. Sask. Pool was one of the companies that expanded aggressively into hog production in the late-1990s, helping drive farm families out of the sector.

“The irony here is that we have a CAIS Program using taxpayer money to wipe out family farmers. We will be asking the new government to stop this attack on farmers,” said Wells.

Wells continued, “The problem with the CAIS Program mirrors a deeper, structural flaw at the heart of the very thinking at Agriculture Canada: they fail to discern between the interests of family farms and the agribusiness corporations that control the rest of the agri-food chain. As long as this flawed thinking persists, corporations such as Cargill and Sask. Pool will continue to reap millions in taxpayer-funded farm support, and the farm crisis will remain insoluble. Current ag. policies may not only fail to solve the farm crisis, but by failing to take seriously the differences in interests and power between farmers and agribusiness, such policies may be helping to intensify the crisis and to accelerate the destruction of family farms.”

— 30 —

For More Information:

Stewart Wells, NFU President:	(306) 773-6852
Darrin Qualman, Director of Research:	(306) 652-9465