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In Union Is Strength

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AGRICULTURE ASSISTANCE IN BUDGET A STOP-GAP MEASURE

The additional funding for agriculture contained in the federal Budget is a necessary stop-gap measure. But in the long run, farmers want to be able to earn more money from the marketplace, says Don Mills, NFU Ontario Coordinator.

Mills said the additional \$1.5 billion earmarked in the Budget by federal Finance Minister James Flaherty is an indication the government acknowledges the extent of the farm income crisis. He noted, however, that this level of funding appears to be on a par with what the previous government had allocated.

The former government allocated approximately \$4.5 billion in total funding for agriculture, including about \$1 billion in ad hoc payments. The present government appears to be setting aside a similar amount in this Budget.

“Clearly, the level of financial hurt in rural communities is severe,” said Mills. “Transitional funding is essential, but we also need cost of production programs in place while we seek solutions to the dysfunctional marketplace. It is unfortunate that the Budget is silent on the Conservative campaign promise of replacing the CAIS program with one that takes into account farmers’ costs of production.”

Mills said that after more than a decade of lobbying the previous government, progress appeared to be made with the release of the report by Wayne Easter entitled “Empowering Canadian Farmers in the Marketplace.” He said this report finally addressed the core issue of farmers’ lack of power in the marketplace. “We look forward to working with the current administration to pick up on Easter’s recommendations and enact programs to implement those recommendations.”

NFU Manitoba Coordinator Fred Tait noted that the additional funding in this Budget should not overshadow the potential economic loss to farmers if the Canadian Wheat Board single desk is eliminated by the current government.

“Calculations have shown the CWB single desk puts an extra \$1 to \$2 million per day into western Canadian farmers’ pockets,” said Tait. “If we lose the Wheat Board single desk, we’re looking at a potential loss of between \$360 million to \$730 million annually, and this is money that currently comes to farmers from the marketplace, not taxpayers.”

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