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**national farmers union**

***In Union Is Strength***

**FOR IMMEDIATE RELEASE**

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**CHANGES NEEDED TO EMPLOYMENT INSURANCE PROGRAM**

The majority of Canada's family farms are forced to rely on off-farm income and debt financing to survive in a marketplace dominated by a small number of multinational agribusiness corporations. The decline in average farm income over the past two decades has forced increasing numbers of women to turn to off-farm jobs in rural communities in an attempt to make ends meet.

But many rural workers – particularly women - are never able to access benefits from the Employment Insurance (EI) program, even though they must pay into it, says Joan Brady, Women's Vice-President of the National Farmers Union (NFU).

In a presentation to the House of Commons Standing Committee on the Status of Women in Ottawa March 24, Brady said the ultimate goal of farm families is to make a living from their farm operation. Even though Canadian farmers are among the most productive and efficient sectors of the economy, their net incomes have declined because they are squeezed by large multinational corporations which control inputs, processing and distribution of agricultural commodities. The NFU promotes policies which are designed to raise net farm incomes by restoring market power to family farms.

Farmers should not have to rely on off-farm income to survive, stated Brady. "Ideally, our farms should be our 'employment insurance'. There is always more than enough work to be done on a farm – and the farm operation itself should be a source of rewarding employment for those of us who commit our lives to the production of healthy, wholesome, safe food for our fellow Canadians."

"The reality is that dependence on debt and off-farm income is a fact of life for virtually all farmers in Canada," Brady told the committee. "In many farm families it is the woman that works off the farm to shore up farm income and provide for the family's needs. However, the EI program requires that an applicant's claim be based on gross farm income, rather than net farm income. This could easily stand in the way of their EI benefits and quite possibly maternity benefits. Since the changes to Employment Insurance in 1997 that doubled the required hours from the previous system, many women, who are more likely to work part-time, have been ineligible for benefits, job training and educational opportunities."

Brady cited figures from Statistics Canada which showed that farm debt has nearly tripled from \$18.3 billion in 1981 to \$54.3 billion in 2007. In addition, small and medium-size farms rely on off-farm income for approximately 90% of their total income, while large farms depend on off-farm income for over half (52.1%) of their total income. Even the country's largest farms, with gross revenues over \$500,000 annually, depend on off-farm income for between 25.9% and 33.5% of their total income.

Brady, who farms with her husband and family near Dashwood, Ontario, said the farm income crisis is evident across the country. She cited her observations during a recent visit to Nova Scotia's Annapolis Valley. "I spent a number of years working on farms in that area," she told the Committee. "Valley agriculture is currently in crisis as packing plants have been closed and the farmers who had supplied them are being forced out of business. My friends, who have grown apples for 40 years, have gone into receivership and have had to terminate their daughter's employment, There is a possibility that she will not be eligible for EI as they are required to prove that they are dealing with one another at arm's length. They are devastated. They have lost their business, their occupation and possibly their home and have to face the knowledge that one of their employees will not be treated equally by virtue of her relationship with them. Because my friends are self-employed, they are not eligible for EI benefits or the related job training."

In her presentation to the Committee, the NFU Women's Vice-President recommended:

1. The federal government restore the \$54 billion cumulative surplus in the EI account to the EI program;
2. That substantial changes be made to the EI program to ensure that women workers, particularly those in rural communities, are able to fully access benefits – including job training and other educational programs – and that those benefits be increased;
3. That the EI program be changed to enable self-employed persons, including farmers, to participate meaningfully in the program; and
4. That net farm income, rather than gross farm income, be one of the criteria that is used in the calculation to determine the eligibility of an applicant's claim for EI benefits.

The full text of the NFU brief is available online at [www.nfu.ca/briefs.html](http://www.nfu.ca/briefs.html) .

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