



Serving Two Masters: Implications of Seed Field Crop Inspection Privatization

The 2012 federal budget “refocused” the CFIA on its “core mandate”¹ and directed the agency to exit seed field crop inspection. Thus, seed crop inspection will be privatized starting in 2014. The NFU’s investigation and analysis of the new system brings disturbing implications to light. Our brief, *Seed Field Crop Inspection Privatization: Analysis of “Alternative Service Delivery for Seed Crop Inspection”* reveals the fundamental and inherent conflict between commerce for private gain and regulation for public protection embodied in a privatized seed field crop inspection system.

The pedigreed seed system for field crop seed is a key element in Canada’s food and agriculture system. Pedigreed seed can be traced back through just a few generations to the original breeder and must meet exacting standards for purity and germination. Farmers who specialize in the meticulous task of growing pedigreed seed must have their seed crops inspected to ensure they are grown according to the requirements specified in *Canadian Regulations and Procedures for Pedigreed Seed Crop Production*. Only seed that passes this inspection can be tagged for sale as Certified seed. Canada’s government-inspected pedigreed seed system verifies seed growers’ production processes and results. Farmers who use farm-saved seed rely on pedigreed seed when they choose proven new varieties or refresh their existing seed stock from time to time.

For the past 85 years the Canadian government has provided unbiased, third-party inspection of seed field crops (with the exception of a small amount of private, second party inspection of hybrid corn and hybrid canola seed crops authorized by the CFIA and done by seed companies). The soon-to-be-dismantled public inspection system serves the public interest, ensuring that all seed growers are treated fairly and pay equal per-acre fees regardless of size or location.

Pedigreed seed field crop inspection at the level of Certified seed for cereals and pulses, including soybeans, will be privatized first. Additional crops and more complicated inspection tasks will be privatized in the future. Seed potatoes and vegetable seeds are not included in these changes. The CFIA will authorize companies (Authorized Seed Crop Inspection Services, ASCIS) to inspect Certified seed crops, and will license the inspectors (Licensed Seed Crop Inspectors) employed by these companies. Eventually all inspection will be privatized and the CFIA’s role will be limited to training and licensing inspectors, providing oversight of seed crop inspection and setting performance standards for licensed seed crop inspectors.

To provide choice and competition, the CFIA plans to authorize more than one ASCIS in each region. Companies will offer inspection on a fee-for-service basis, and inspection fees are expected to triple or quadruple from the CFIA’s current rates as a result.

Initially, authorized companies will have to be at “arm’s-length” from the seed growers they inspect -- seed growers cannot inspect themselves, and seed companies cannot inspect the farmers who grow seed for them. However, the CFIA plans to relax this requirement in the future. The CFIA is using Canada Revenue Agency’s definition arm’s-length to determine if a company is a “third party.” This standard is much less rigorous than the Public Service of Canada conflict of interest guidelines CFIA inspectors must follow. For example, an ASCIS whose major customers are global seed corporations (such as AgCall Inc.) is considered to be arm’s length and will be allowed to provide inspection in spite of obvious conflict of interest issues.

¹ CFIA’s mission statement reads: “dedicated to safeguarding food, animals and plants, which enhances the health and well-being of Canada’s people, environment and economy.” Source: “About the CFIA” available at <http://www.inspection.gc.ca/about-the-cfia/organizational-information/at-a-glance/eng/1358708199729/1358708306386>

The implications are many and disturbing.

Seed growers will pay more than their fair share. Under the current public system part of the cost of inspection is covered by the CFIA's core budget, which is appropriate since seed inspection benefits the general public as well as the individual seed grower. In the privatized system seed growers' fees will rise dramatically, to cover not only the full cost of inspection (thus subsidising societal benefits), but also to provide the companies with a profit and to cover the increased costs of service due to the inefficiency of creating multiple new private bureaucracies and their associated overhead costs.

The CFIA will lose access to its pool of experienced seasonal inspectors when recruiting for senior positions. After inspection privatization, it will have to seek new personnel from the ranks of private companies who are less likely to have public service values, increasing the "revolving door" and thus the influence of agribusiness corporations in the regulatory system. Inspectors, meanwhile, will have more precarious terms of employment.

Privatization introduces conflict of interest even with inspection restricted to third party companies. Companies may provide incentives for their inspectors to look the other way on minor violations to cut costs, cross-sell products and maintain a given grower as a customer. The likely result is that standards in practice will weaken even if explicit requirements remain the same, to the detriment of the integrity of Canada's seed system and our international reputation.

Privatization institutionalizes discrimination. Currently the CFIA inspects all seed growers, and each pays according to the same fee schedule regardless of location or size. It will be more profitable for inspection companies to focus on larger operations in convenient locations. Growers with smaller acreages or in more remote locations will likely have more difficulty securing private inspections, pay a higher base fee and/or surcharges set by the company, or have their inspections delayed beyond the optimum stage of crop development.

The privatized inspection system significantly changes the lines of accountability and the application of regulatory authority. The inspection company needs to build and maintain relationships with its customers to stay in business yet it also has the authority to regulate them. The relationship between company and customer can thus colour how rules are applied. To maintain a customer, a company may wink at violations and wield its authority on a personal basis. When there is conflict between the duty to regulate and the duty to provide a return to the company, a decision has to be made. The profit-making imperative will likely win out. Canada's seed regulatory system may thus become governed by the owners and shareholders of private inspection companies instead of being accountable to the citizens of Canada.

If non-arm's length first and second party inspection is introduced as planned, there will be even greater conflict of interest that will affect not only the integrity of the seed system, but lead to further concentration in the sector. Independent third party inspection companies will be at a disadvantage because first and second party companies could benefit by subsidizing inspection fees to their clients, and/or by including mandatory use of the seed company's inspection services in seed production contracts. Growers' autonomy will be reduced if their inspector is also their supplier and their market. Growers who do not have, nor wish to have, an exclusive relationship with one seed company may find it impossible or very expensive to have their fields inspected.

World wide, only six multinational corporations (Monsanto, DuPont, Syngenta, Bayer, Dow and BASF) control 75% of all private sector plant breeding research, 60% of the commercial seed market and 76% of agrochemical sales. Through greater concentration in pedigreed seed production, these few companies will wield even greater control, compromising the economic, social and biological diversity of the seed production system to the detriment not only of Canadian agriculture, our food supply and our food sovereignty, but of the food system on a global scale.

With privatization of seed field crop inspection the potential for global seed corporations to control Canada's entire seed system has increased. Privatized seed field crop inspection, combined with other proposed changes to seed laws, regulations and policies, moves Canada towards a regulatory system based on expedience rather than integrity. Canada's international reputation for seed excellence will be harmed, as will the quality and value of our crops. If all of these policy and regulatory changes are allowed to proceed, global agribusiness corporations will control seeds, and by extension, our agriculture and food system. Such concentration of power is unacceptable.

The NFU has provided copies of our brief to the federal and provincial Ministers of Agriculture, as well members of the House of Commons and Senate Agriculture Committees. NFU members should feel free to contact their own MP about this irresponsible change to Canada's seed system. —nfu—

For the complete brief, *Seed Field Crop Inspection Privatization: Analysis of "Alternative Service Delivery for Seed Crop Inspection"* see <http://www.nfu.ca/story/analysis-seed-field-crop-inspection-privatization>

Agroecology: Production with food sovereignty in mind

Agroecology is a holistic approach to farming that uses – and creates – social, cultural, economic and environmental knowledge to promote social justice and long-term economic viability as well as healthy agricultural ecosystems. Increasingly, it is seen as an effective response to the deepening of multiple crises – hunger, landlessness, climate change, fossil fuel depletion, biodiversity loss, deforestation, social unrest, etc. – as global corporate agribusiness expands its reach into and its control over land and the food system.

Agroecology and food sovereignty are intimately linked; both recognize the inter-relationships among the technologies, techniques and methods and the values, knowledge and relationships that become possible (or impossible) as a result. Food sovereignty is a lens that the NFU has been using for several years. Its six pillars (Focuses on Food for People; Builds Knowledge and Skills; Works with Nature; Values Food Providers; Localizes Food Systems; and Puts Control Locally) promote the goals and values we desire for our food system. Agroecology is less familiar to the NFU, although, after several years of learning about it, La Via Campesina included agroecology in its new workplan, adopted in Jakarta this year.

Agroecology focuses on production: how to farm in ways that support food sovereignty. Its principles and methodologies are applied according to the particular situation in each location, always with the goal of fostering the enduring vitality of small farms, rural communities and their natural ecosystems.

Agroecology principles require that farming techniques:

- *optimize organic matter and nutrient cycling*
- *enhance functional biodiversity*
- *provide favourable soil conditions, especially by enhancing soil biological activity*
- *minimize losses of energy, water, nutrients and genetic resources*
- *diversify species and genetic resources over time and space*
- *enhance beneficial interactions and synergies among farm components to promote ecological processes and services.*

Thus, agroecology seeks to create farming systems that are diverse, productive, resilient and efficient. Agroecology not only uses the insights of ecological

science to make farms work better, it is also concerned with how farms affect the surrounding ecosystems and social relationships. The approach responds to today's pressing problems, such as climate change and fossil fuel use/depletion, in ways that empower farmers and the farming community. Agroecology relies on building, creating and sharing knowledge, and is embedded in natural processes and ecological relationships. It is not about "going back" to the good old days – rather, it is something new that is emerging from a sophisticated scientific and social analysis of the weaknesses inherent in capital - and chemical-intensive industrial agriculture. It consciously de-couples farming from a system that is input-oriented, inequitable and driven by corporate bottom line.

For agroecology to succeed, farmers need access to land, seed, water, fair credit and appropriate (often local) markets. By recognizing that farming occurs in a social, economic and political context, agroecology also demands a supportive policy framework. Agroecology is a practical and intensely political form of resistance to corporate control of the food system. By applying its principles, farmers depend less on purchased inputs. By freeing the farmer from the input supplier, agroecology enhances the autonomy of farmers. With better economic stability and resilience, farm communities can resist other political incursions of corporate power. Agroecology thus offers compelling possibilities for social transformation.

To help spread the word about agroecology's potential, the NFU is co-sponsoring a special live webcast event, *How to Feed 9 Billion on a Small Planet* on November 19. Miguel Altieri, one of the world's leaders in the field of agroecology, will present, followed by a panel discussion with young Canadian farmers. Originally from Chile and now a professor at Berkeley, CA, Altieri has done much to develop and popularize the approach in the global south. He is now working to promote adoption of agroecology on a much broader basis.

NFU members are encouraged to take part in the webcast, either as individuals or by organizing a public screening for fellow members and guests. (See box on page 4 for how to register.) If there will be more than 3 to 5 people at your screening you will need an appropriate sized screen and external speakers. A phone line with a speaker phone is optional, but would allow the group to participate in the Q&A session more easily.

—nfu—

LIVE WEBCAST with Miguel Altieri: HOW TO FEED 9 BILLION ON A SMALL PLANET

*Growing evidence suggests that agro-ecology will feed the world.
Business as usual will not.*

**November 19, 2013
7:00 PM—9:00 PM Eastern Time
Across Canada via Webcast**

To register for the webcast or to organize a screening, go to <http://usc-canada.org/feedingtheworld/>. Space is limited so book early.

Presented by USC Canada, Inter Pares, Food Secure Canada, Sierra Youth Coalition, ETC Group, CBAN, Ram's Horn, and the NFU, all members of the *Working Group on Canadian Science and Technology Policy*.

NFU CONVENTION 2013

*Come. Connect. Learn.
Discuss and debate.*

It's coming! Soon NFU members will be *Growing Resistance* at the Annual National Convention in Ottawa, November 27 to 30.

We have organized a stellar convention program featuring events and panels about issues that are important not only to you as farmers, but to all Canadians. That's why we can safely say – invite your friends, extended families and customers to come to Convention! Together, we will fine tune our skills for "Organizing Campaigns," and learn from the experiences of those involved in creating Unifor – Canada's newest and largest labour union. We will hear about and discuss issues as diverse as food sovereignty, temporary foreign labour, the myths of "Feeding the World," seeds and seed sovereignty, big oil and food sovereignty, and how our members dissent and resist in their every-day farming practices.

Please join us.

Meet fellow NFU members and NFU allies.

You'll be glad you did!

**Go to www.nfu.ca for more
convention details.**

Secrets of Successful Lobbying

The NFU Takes It to the Hill

Because this year's Annual National Convention will be in Ottawa, the NFU will lobby key MPs and senior bureaucrats on the morning of November 28. We want to have as many three-person teams on the Hill as we can put together. Each team will include a member who knows the Hill and has done a lot of lobbying, and new(ish) and youth members. In early November, interested members can take advantage of the opportunity to participate in one or more lobby information sessions via screencast and conference call. You'll hear members with years of lobby experience share stories and tips about what works and doesn't work when meeting with politicians, and have the chance to discuss or ask questions.

To participate in a pre-convention lobby information session (dates to be announced) and take part in the Lobby Day **please register by November 8**. Send an email to nfu@nfu.ca with the subject line **NFU TAKES IT TO THE HILL**. Put your contact information in the body of the email. **You can also call the office at 306-652-9465 and give your name and contact information.** Participants will need to have high-speed internet service. For more information, talk to a member of the Executive or the Board, or call Carla Roppel or Cathy Holtslander at National Office.