



Major initiative to safeguard the CWB: NFU's MP Write-In Campaign off to great start

Please read on. The following article shows you three actions you can take today that can help to safeguard the Canadian Wheat Board.

The vast majority of farmers support a strong, effective CWB, with its single desk working to increase farmers' prices and market power, government borrowing guarantees working to reduce borrowing costs, and price pooling working to reduce farmers risks and cut marketing costs. But many Members of Parliament (MPs) are unaware of this strong support. Conservative MPs are told by their Party and by MP David Anderson that farmers want "marketing choice." Many urban MPs are confused by media that often portray farmers as divided equally on the issue.

The NFU has launched a campaign to connect farmers with MPs. The plan is simple: farmers who support the CWB write letters to their MPs, but they don't send them to their MPs, farmers send the letters to the NFU office. The NFU office then forwards each letter on to the MP to whom it is addressed. Office staff will also fax a copy of that letter to each of the other 305 members—rural and urban; Bloc Québécois, Conservative, Independent, Liberal, and New Democrat. Elected representatives from all parties will learn about the support the CWB enjoys. If 1,000 farmers compose letters, over 300,000 letters will arrive in Ottawa.

(continued on page 2...)

Farmers' rights to save seeds under attack, again: Variety Registration changes

On October 4, the Canadian Food Inspection Agency (CFIA) posted a notice on its website (www.inspection.gc.ca) that it had already begun a 60-day consultation period on a "Proposal to Facilitate the Modernization of the Seed Regulatory Framework." That means farmers have only a few weeks to register their objections to a proposal that could strip them of their existing rights to save and re-use seed, and that could give seed companies even more power over the registration and de-registration of crop varieties.

This latest CFIA proposal attempts to accomplish some of the things the Agency tried to do in 2004, when it initiated a process to amend to the *Plant Breeders' Rights Act*. At that time, the NFU's "Seed Saver Campaign" and the hard work of thousands of rural and urban Canadians helped block the proposed PBR amendments. A similar effort is now needed to push back proposed changes to the Plant Variety Registration System that would harm farmers.

NFU Vice-President Terry Boehm first explained the CFIA's proposal last summer when he spoke at the NFU Regional meetings in Alberta, Saskatchewan and Manitoba. At those meetings, he outlined our success in the Seed Saver Campaign but also noted that powerful interests were redoubling their efforts to push through changes to Canada's seed legislation.

(continued on page 6...)

(NFU's MP Write-In Campaign, from page 1)

In the first two weeks of the Campaign, over 100 farmers and CWB supporters sent letters to the NFU office. That means each MP has received a copy of each of those 100 letters in his or her office. Before we're done, each of those MPs will receive 1,000 letters. The Write-In Campaign is just one part of a broad range of NFU activities in support of the CWB—meetings, educational pamphlets, protests, video productions, news releases, coalition work, and research papers.

The NFU is also reaching out to non-farmers. The struggle to defend the CWB touches all Canadians. It is a struggle over who will control a vital link in the Canadian food supply: local family farmers or US-based transnationals—this is an issue of privatization, deregulation, corporate takeover, and deep integration with US economic and political system.

For farmers who do not grow CWB crops or who farm in other parts of the country, the struggle to fend off political attacks on the CWB is part of an ongoing battle to retain a Canadian agricultural policy that works for farm families. Will we retain policies and agencies that benefit farmers, or will we turn the system over to the agribusiness giants? If the CWB falls, corporate interests will soon come gunning for supply management systems.

Each and every NFU member and supporter can play a role in this campaign. Here's three ways you can help:

- 1. Write a letter to your MP** and mail or fax it to the NFU office. If you take a few minutes to write a letter, we'll see that your effort is combined with the efforts of hundreds of others and that this collective effort results in hundreds-of-thousands of letters and faxes arriving in Ottawa. (see the tips and instructions on following pages);
- 2. Help get the word out.** The NFU has prepared a four-page flyer that explains this Write-In Campaign. That flyer is designed to be mail-dropped (about 12¢ per mailbox) to farmers, rural residents, and townspeople. Mail-dropping these flyers will result in hundreds of citizens sending letters to Ottawa via our office. *Triggering a mail drop in your area takes only a few minutes and just one phone call; the NFU office does all the rest.* You can view an online version of the flyer at <http://www.nfu.ca/cwb.html> (more details on following pages); and
- 3. Support this work financially.** The first printing of mail-drop flyers has cost the NFU nearly \$2,000. Faxing 1,000 letters (300 times each) to Ottawa will cost hundreds of dollars more. NFU members already support our organization through membership fees, time, and energy. Your financial contribution to this campaign can give us added support and increase our effectiveness in this vital campaign. The NFU office is at 2717 Wentz Ave., Saskatoon, SK S7K 4B6. You can also call in and give your credit card number over the phone (306) 652-9645.

HOW TO: #1. WRITING A LETTER

Take 15 minutes to write a letter to your MP outlining your support for the CWB and its single desk. Make the points you want to make, or look at the bullet points in the following pages for some inspiration. Your letter doesn't have to be typed; handwritten letters are as good, or better. Look on the following pages for a sample letter and some tips for writing yours.

- Address your letter to your MP.
- Make your letter no more than one page long.
- Write it to your MP and "cc" it to "All MPs".
- Sign it.
- BUT DON'T MAIL IT TO YOUR MP.

Mail your letter to the NFU office: 2717 Wentz Ave., Saskatoon, SK S7K 4B6. Or fax it to: (306) 664-6226

When we receive your letter by mail or fax, NFU office staff will forward your letter to your MP, and staff will fax a copy to each of the other 305 MPs. MPs from all parties will learn about the support the CWB enjoys. If 1,000 farmers compose letters, over 300,000 letters will arrive in Ottawa.

(continued on page 3...)

Sample letter

Include this "cc"

Address your letter to your MP. **BUT MAIL OR FAX THE LETTER TO THE NFU OFFICE.** We'll forward it to your MP, and to all 305 other MPs.

Write your letter using your own words and including your own points. Please consider including the point that farmers control the CWB now. The government shouldn't interfere by making major changes.

September 18, 2006

David Anderson, M.P.
House of Commons
Ottawa, Ontario
K1A 0A6

cc: All Members of Parliament

Dear Mr. Anderson,

I am a farmer and voter in your riding in southern Saskatchewan, and I do not agree with your position on the Canadian Wheat Board (CWB).

Elected farmers now make up the majority of the Board of Directors of the Canadian Wheat Board, and it is these farmers who should be directing the operations of the CWB – not the Federal or Provincial governments.

The CWB exercises some market power on behalf of Canadian farmers in a world marketplace dominated by a few huge players like Cargill and Archer Daniels Midland. The majority of farmers and the elected CWB Directors understand that this market power advantage exists only as long as the CWB maintains its position as a single seller facing hundreds of buyers around the world.

Orderly marketing of farm products continues to provide tremendous benefits to Canadian farmers and the country as a whole. The benefit of the Canadian Wheat Board to western Canadian farmers has been estimated to be at least \$800 million per year over and above what farmers would otherwise receive selling to the private grain trade.

Your government needs to let the CWB evolve under the direction of the farmer-elected CWB Directors.

Yours truly,

Stewart Wells
Stewart Wells
Swift Current, Saskatchewan

Your signature here

Include your phone and fax numbers and complete address.

REMEMBER:

- Handwritten letters are just as good as, or better than, typed ones;
- Address your letter to your MP, but send your letter to the NFU office;
- Include a "cc" to "All Members of Parliament";
- Include the points you want to make regarding a strong Canadian Wheat Board and its single desk powers;
- Include your address and phone and fax numbers; and
- Send the letter to the NFU, by mail (see front page for address) or fax (306-664-6226).

(continued on page 4...)

Some points to give you inspiration for your letter:

- The CWB puts an additional \$800 million in farmers' pockets every year.
- \$800 million is over \$10 per acre of western cropland—about \$20,000 per year on a medium-sized farm. We can't afford to lose the CWB.
- Farmers control the CWB, through the farmer-elected Board of Directors; government actions to dismantle the CWB are interference.
- Farmers have consistently demonstrated strong support for the CWB and its single desk. Farmers are not calling for changes.
- Working collectively through the single desk, western farmers control 10% of world wheat exports, nearly half of high-quality wheat exports, and 23% of malting barley exports. The CWB gives farmers clout.
- The CWB gives farmers a strong voice in grain transportation. Without the CWB, freight rates could rise to North Dakota levels—*double* current values. That would cost farmers \$1.35 billion per year.
- There is no CWB without its single desk. Stripped of its monopoly, the CWB is just an office tower—an undercapitalized co-operative without elevators. It's crazy to think that it would continue to wield power against Cargill and ADM.
- Price pooling gives farmers low-cost risk management; distributes the benefits of CWB branding, market surveillance, and market development; and allows farmers to concentrate on growing crops rather than on trying to out-compete their neighbours.
- Dismantling the CWB will set in motion a series of events that will lead to the end of regulated freight rates, producer car loading, the Canadian Grain Commission, and, ultimately, any vestige of a distinct Canadian grain system. We'll become an appendage of the US system—North Dakota North.
- Dismantling the CWB means deregulating and privatizing a key part of our food supply—turning control over to US-based transnationals. Ottawa's plan is to replace a farmer-controlled marketing system that returns profits to Canadian farmers with a system controlled by Cargill and ADM that returns profits to US-based investors.
- After watching Cargill abuse beef farmers and taxpayers during the BSE crisis, why would we hand that corporation control of, and profits from, Canadian wheat and barley sales?
- Under NAFTA (Chapter 11), if the CWB loses its single desk powers there is no going back. This is not a reversible experiment.
- We're coming up to CWB Board of Directors elections. The government should do nothing until after farmers have indicated their will and new Directors assume their roles.
- Canada's grain handling and transportation system is constrained. The US has one bushel of commercial storage for every two bushels of production. Canada has one-fifth as much—one bushel of storage for every *ten* bushels of production. It's not possible to push the Canadian crop through the system in a couple of months. Without the CWB's single desk and price pooling facilitating orderly throughput, our constrained system won't function.
- Section 47 (1) of the *CWB Act* requires a vote before any grain is removed from CWB single-desk jurisdiction; it's the law!
- The CWB returns 100% of prices to farmers. (The CWB's costs are completely offset by its government-guaranteed interest rate advantage.)
- Without the CWB, there would now be genetically-modified wheat in our foods and fields. The CWB was a key player in the struggle to stop GM wheat, thus preventing billions of dollars in market losses.
- The CWB is the world's most transparent grain marketer. Farmers have access to Auditor General reports, CWB Annual Reports, 1-800-ASK 4 CWB, Directors' meetings, Grain World, "Grain Matters" newsletter, calls to Directors, etc.
- Without the CWB advocating for farmers, it is unlikely that producer car loading, shortline railways, or producer car loading facilities would continue to exist and to form competitive disciplines on grain companies.
- US government and corporate interests have attacked the CWB 14 times, and each time the CWB and Canadian farmers successfully defended themselves. It would be an outrage for the Canadian government to now do what Cargill and Congress failed 14 times to do.

(continued on page 5...)

HOW TO: #2. TRIGGERING A MAIL DROP

The NFU has printed thousands of four-page flyers that explain our MP Write-In Campaign and that include information similar to the above. With one phone call you can trigger a mail drop to the rural post-office boxes in your area. There will be a small cost—about 12¢ per postbox, \$25 to \$50 for an average post office. We suggest that you can split this cost with other NFU members or with neighbours. Also, you can look into whether your NFU Local or District has funds on hand.

You can view an online version of the flyer at <http://www.nfu.ca/cwb.html>

Here's how this works:

- a] Phone Diane Neufeld at the NFU office: (306) 652-9465.
- b] Tell Diane your Postal Code; she'll tell you how many residents are in that Code and the cost of doing a mail drop.
- c] If you approve the drop, Diane will count the flyers, bundle them, fill out the paperwork, and deliver them to Canada Post.
- d] Send the NFU a cheque for the amount that Diane indicated.

It couldn't be easier. All you have to do is make the call, and then mail a small cheque; several hundred flyers will appear in your area mailboxes and your neighbours will learn about this important project to safeguard the CWB.

In addition to generating letters in our MP Write-In Campaign, the flyer is designed to raise awareness about the CWB issue, gain members for the NFU, and gain financial contributions for our work. For just a few dollars per member, hundreds of thousands of western Canadian farmers and non-farmers can learn about this issue and about the NFU.

How To: #3. Making a financial contribution

To contribute financially to the NFU's work in defence of a strong CWB, send a cheque to the NFU office: 2717 Wentz Avenue, Saskatoon, SK S7K 4B6. You can also give your credit card number over the phone (306) 652-9645. Contributions from farmers are tax deductible. You will receive a receipt.

— nfu —

Farm families can win this struggle; we can fend off these ill-conceived, ideologically motivated attacks on our marketing agency. Thanks to every NFU member and supporter for their past support and for any help they can give in this current campaign.

Send in your Seed Saver petitions

The first phase of the NFU's Seed Saver Campaign has been a tremendous success. Working with thousands of rural and urban Canadians, we managed to put a stop to proposed changes to the *Plant Breeders Rights Act* that would have dramatically reduced the ability of all Canadians to save and reuse seeds.

We've collected over 30,000 names on a national petition calling on Parliament to "enshrine, in legislation, the inalienable rights of farmers and other Canadians to save, reuse, select, exchange, and sell seeds."

The NFU wants to move forward with Seed Savers' Rights legislation and it needs to wrap up the signature-gathering phase of the petition drive. We need to gather up all the petitions for presentation in Ottawa in support of our work.

**If you have a petition with signatures on it,
please mail it to the NFU office as soon as possible:
2717 Wentz Ave., Saskatoon, SK S7K 4B6**

(Farmers' rights to save seeds under attack, from page 1)

“He who controls the seed controls agriculture and food,” said Boehm. “Tremendous wealth is generated from that control, which explains why farmers are being attacked on so many fronts,” he said. Those fronts include:

1. **Legislatively**, through proposed changes to the *Plant Breeders' Rights Act* (including calls for the introduction of ‘UPOV 91’-based legislation);
2. **Biologically**, through Terminator Technology (one version of a group of seed control tools called “Genetic Use Restriction Technologies” or “GURTs”);
3. **Legally**, through increased use of contracts to control seeds and through the use of patents and lawsuits; and
4. **Through regulatory changes**, including proposed changes to the Variety Registration System.

The CFIA’s proposal to change the Variety Registration System has the backing of many commodity organizations. The proposed changes would introduce the following tiered structure:

Tier 1. Merit-based assessment (“Performance assessment”)

This tier is similar to the existing system where new seed varieties must be “distinct, uniform, and stable” (DUS) and the varieties must be evaluated and approved by a Recommending Committee before they can be commercially grown in Canada. Current “merit” requirements would also be relaxed. The CFIA’s proposals say: “Whereas the current registration system requires the performance of varieties to be evaluated against established minimum merit criteria for agronomic, disease and/or quality characteristics, the proposed new model would allow increased flexibility to vary assessment parameters to suit the evolving needs of each crop-kind community, including registration assessment options to require assessment of the performance of varieties with no minimum merit requirements.”

Tier 2 “Listing”

This registration tier would retain the DUS standards required in Tier 1, but Tier 2 would be a simple listing of varieties approved by Ag. Canada and CFIA; and

“Contract registration” (The de facto third tier.)

This is a type of variety registration that imposes segregation requirements on seed of certain varieties that do not meet merit or other requirements (e.g., kernel visual distinguishability). As proposed, contract registration could require a documented quality control system and steps to keep contract varieties separate and to prevent system contamination. This type of registration has the potential to significantly erode farmers’ ability to save and re-use seeds, forcing them to buy seed each year. Currently there is limited contract registration—only nine contract-registered varieties. The seed industry would like to see this greatly expanded.

The move to a variety registration system that allowed expanded contract registration would allow companies to sell seed, charge fees, and register varieties without going through the process of field trials. Growers would lack independent information about the agronomic qualities of the seed. And companies would have complete control over seeds through closed loops, contracts, and Technology Use Agreements (TUAs).

Proponents of this de facto three-tier system claim that the current system blocks rapid introduction of new varieties. But there is a dark side to this fast-tracked registration. Consider this: If we had the proposed registration system in place two years ago, Roundup Ready wheat might have been rapidly “approved” and registered, depriving farmers and others of the time to assess the huge costs of that technology.

Looking to the future, one likely scenario is that seed companies will claim they are not competitive if they have to comply with requirements for Tier 1, and very quickly the vast majority of registrations would move to Tier 2 and or to contract registration, restricting farmers access to new varieties (through restricted on-farm seed saving), increasing seed companies’ control, and driving up farmers’ costs.

(continued on page 7...)

(Farmers' rights to save seeds, from page 6)

Looking to the future, one likely scenario is that seed companies will claim they are not competitive if they have to comply with requirements for Tier 1, and very quickly the vast majority of registrations would move to Tier 2 and or to contract registration, restricting farmers access to new varieties (through restricted on-farm seed saving), increasing seed companies' control, and driving up farmers' costs.

The establishment of Crop Specific Consultative Groups and the redefinition of Recommending Committees' roles also bear a very close look. These changes are couched in the language of increasing consultation, but the reality is that it is likely to become a new vehicle for industry-dominated commodity associations to extend their influence over the type of crops grown in Canada and the conditions they are

grown under. (Decreased on-farm seed saving and exchange and increased registration of genetically modified crops.)

Farmers need to act quickly. Unless we do, the Variety Registration System changes may be in place by March of next year. This may be a harder challenge than stopping the destructive *Plant Breeders' Rights Act* changes or staving off the introduction of Terminator Technology.

NFU members and others are encouraged to log onto the CFIA website and make their views known on this issue. We must also get the word out to others involved in the Seed Saver Campaign and enlist their help. Letters should also be sent to the CFIA and Agriculture Minister Chuck Strahl demanding that the consultation period be extended and that legitimate public hearings be held on this issue.

— nfu —

MAKE THE RIGHT CHOICE

The NATIONAL FARMERS UNION



The **NFU** is pleased to offer a **Health & Dental Plan** to all **members**, their families and spouses.

We all deserve some peace-of-mind when it comes to our health. Now, the NFU offers the membership outstanding health protection. Manulife Financial, a major health provider in Canada, has specially designed plans for individual farmers, farm corporations and employees who are not covered by group health plans.

Comprehensive and Affordable Coverage

- Prescription Drugs
- Ambulance, ground and air
- Homecare and Nursing
- Registered Specialists & Therapists
- Medical Equipment and Supplies
- Vision Care
- Accidental Death & Dismemberment
- Dental Care
- Hospital Benefits
- Hearing Aids

and much more....

The **NFU Health & Dental Plan is affordable**. A single adult, under age 44 years, can receive comprehensive health care coverage for as little as \$46.00* per month. **To find out how you can insure yourself against costly, routine and unexpected health expenses, call:**

Bilyea Financial Group

www.bilyea.com/nfu/ Toll-free: 1-800-584-2338



*Monthly premium based on the Base Plan for Ontario residents, as of February 2005. Plan underwritten by The Manufacturers Life Insurance Company. Manulife Financial and the block design are registered service marks and trademarks of The Manufacturers Life Insurance Company and are used by it and its affiliates, including Manulife Financial Corporation.

Feeling a little pinch?

Almost as long as farmers have been farming, there's been a cost-price squeeze. The problem is, after decades of narrowing, the cost and price trendlines are now crossing. Worse, as farming becomes more input-intensive, expenses have expanded to consume all income.

The graph below is taken from a February 2006 briefing to the Federal, Provincial, and Territorial Assistant Deputy Ministers (ADMs) of Agriculture. The briefing document is at http://www.agr.gc.ca/pol/pub/cp/pdf/cp_e.pdf

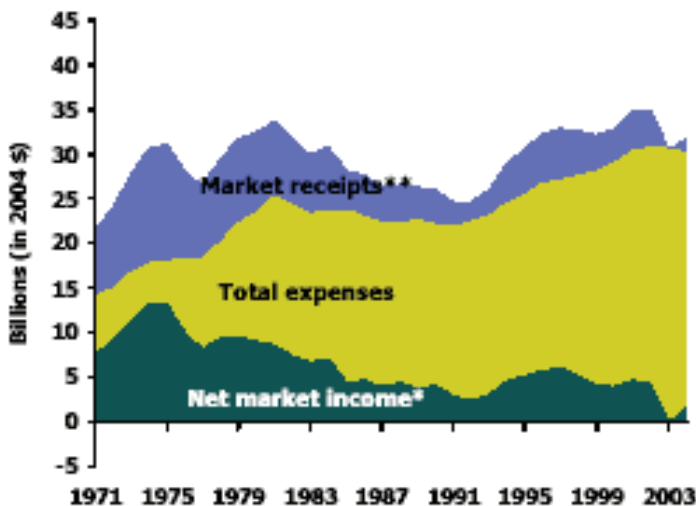
The graph shows the past 33 years of farm revenues (the top line), expenses (the middle wedge), and net income from the markets (the shrinking bottom wedge). Note how the centre wedge, "Total expenses" has expanded over the past three decades to consume 100% of farmers' revenues—driving net incomes from the markets down to zero. As economist Richard Levins quips: "The shortest possible economic history of...agriculture during the twentieth century would be this: non-farmers learning how to make money from farming."

In the mid-70s, farmers net incomes from the markets were nearly half of market revenues—farmers kept nearly 50 cents out of every dollar they generated. In the mid-80s, as expenses increased, farmers' net incomes fell to 10% to 15% of their revenues. Today, farmers' net incomes from the markets are essentially zero—expenses consume it all.

The NFU has published four reports on the farm crisis and the role of agribusiness profiteering in creating that crisis. Go to the "Briefs and Policy" section of the NFU website (www.nfu.ca) and look for the four reports that begin "The Farm Crisis...."

— nfu —

Real net market incomes and expenses (1971-2004)



*Net market income is before depreciation

**Market receipts are farm cash receipts minus program payments

Source: Statistics Canada and AAFC calculations