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*union farmer* monthly

# NFU National Convention

**A**n NFU National Convention is a rewarding, enjoyable experience: filled with intelligent debates, great speakers, and opportunities to forge alternatives to the unsustainable global food system.

In an attempt to accommodate farm families with off-farm jobs, this year's Convention starts on a Thursday afternoon, continues through Friday, and ends Saturday at suppertime. This year's Convention hotel overlooks Saskatoon's beautiful riverbank.

Our Convention theme is ***Climate Change, Energy, and Agriculture***. It's impossible to overstate the threat posed by climate change. The effects could be relatively minor—erratic weather, more floods and droughts—or they could be catastrophic and civilization-shattering. The severity of climate change will be determined by critical decisions that we make over the next ten or twenty years.

This year's Convention will outline the climate change threat and examine alternatives and strategies that might, if we act immediately, lead us to a 'soft landing.' And it will explore the ethical and international and intergeneration justice issues that climate change forces upon us. While climate change poses a dire threat, it could also form the catalyst for moving the world toward more sustainable agriculture and economies, less-damaging energy sources, and a more just sharing of the world's resources between rich and poor nations.

We have again scheduled a **Thursday-evening panel discussion that will be open to NFU members and the public.** Entitled "Climate Change: Impacts and Ethics," panellists will outline the potential consequences of climate change; examine global strategies for altering our current, carbon-spewing course; and explore the possibility that, in dealing with climate change, the world may be forced toward a new era of increased equity and justice. Speakers include Tom Athanasiou, Dale Marshall, Ted O'Brien, and Peter Tabuns (*see speaker biographies elsewhere in this issue*).

*(continued on page 6...)*

## NFU works toward co-op beef packing plant in Manitoba

**“T**he BSE-triggered border closure demonstrates the urgent need for a new beef packing plant in Manitoba. With government and farmer co-operation, such a plant is easily within reach,” said NFU former Vice-President Fred Tait in a September 4 NFU news release.

NFU Manitoba Co-ordinator Ken Sigurdson, Fred Tait, Ian Robson, Lois Robson, and other NFU members met with Manitoba Minister of Agriculture Rosann Wowchuk October 2 to discuss the NFU proposal.

The most pressing need in Manitoba is for a medium-sized plant that will handle older, culled cows.

*(continued on page 4...)*

## Inside this issue:

Trade Harassment Penalties needed	2
NFU calls for immediate action on meat inspection	3
Chamber of Commerce resolution on CWB "shameful"	5
National Farmers Foundation report	6
NFU 34th Annual Convention	7
Technology and income	8

## Trade Harassment Penalties needed

In an October 3 news release, NFU President Stewart Wells reiterated the NFU's demand for Trade Harassment Penalties to stop ongoing U.S. attacks on the Canadian Wheat Board and other Canadian industries and agencies.

Wells' comments come in response to rulings by the U.S. International Trade Commission (USITC) on duties on Canadian wheat. The USITC ruled that duties on Canadian durum should be dropped altogether, and the Commission was split 2-2 on the issue of duties on Canadian spring wheat, so those duties remain.

"The ruling highlights the flimsiness of the allegations against the CWB," said Wells.

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"Over the past two years, we have asked the government of Canada to support a three-strike rule on trade harassment. Application of this rule would mean that any country that continually brings similar trade actions—and loses four times— would be assessed large financial penalties on the fourth loss. In the case of the U.S. harassing western farmers who use the Canadian Wheat Board, this Trade Harassment Penalty would have kicked in seven challenges ago," said Wells.

He also pointed out that the USITC is not actually an international agency, but an arm of the U.S. government with its Commissioners appointed by the U.S. President from the private and government sectors.

"Even with hand-picked commissioners—which can even come from the Board rooms of multinational agri-business—the government of the United States cannot justify its actions against the CWB," said Wells.

As an example of the pedigree of USITC Commissioners, Daniel R. Pearson—who did not participate in the CWB decision process—was Assistant Vice-President of Public Affairs for Cargill.

— nfu —

## Prescience

*"The confrontation between the multinational corporation and its enemies promises to influence the shape of human society in the last third of the century more than any other political drama of our time"*

—wrote Richard K. Barnet & Ronal Müller  
in *Global Reach* in 1974.

# NFU calls for immediate action on meat inspection

In a September 15 news release, Ontario NFU officials called on that province's government to "get its act together on meat inspection." Failure to do so may spell the end for many family farms and for consumer choice in Ontario, said the NFU release.

News reports have alleged that an Ontario beef packing plant was operating without inspectors and accepting dead livestock into the plant.

NFU Women's Advisory Committee member Ann Slater said, "The people of Ontario do not need one more reason to question the safety of our meat supply. The vast majority of abattoirs in the province are doing an excellent job but we need to know that the government has the safeguards in place to detect any potential problems."

The Ontario Conservative government reduced the number of full-time meat inspectors from 142 to 8. The meat inspection force is now made up primarily of low paid, low morale contract inspectors with limited experience and training. This situation has led to inaction on alleged difficulties at one facility, and it has also caused inconsistency and harassment of the many reputable abattoirs in the province and a high turnover rate among inspectors.

Dave Pullen, President of the Perth-Oxford Local of the NFU, said: "Small abattoirs represent a vital link between family farms and consumers because these abattoirs process meats for small farms who sell their

products directly to consumers. These products include certified organic, naturally-raised, and specialty cuts of beef, lamb, and pork. With so much uncertainty in the meat industry this year, more and more consumers are seeking out direct relationships with farmers to know where their food is coming from, how it is produced, and now, where it is being processed."

The NFU is concerned that the failure of the provincial government to address problems may erode consumer confidence in these important local, provincially-inspected facilities, reducing farm families' abilities to market their own products. Larger, federally-inspected meat processors are, in most cases, unable to give farmers back meats from their own animals to sell to their customers. The large packers are interested in processing large volumes of undifferentiated product for wholesale to supermarket chains and fast food chains.

Pullen notes that the Minister of Agriculture and her office failed even to respond to a June invitation from the NFU to attend an important meeting of farmers, consumers, meat inspectors, and small abattoir operators in Stratford. Following that meeting, a number of recommendations were put forward to the government including a call:

- to reinstate experienced, full-time meat inspectors specifically to work with small plant operators,
- to create incentive programs for small plants to meet standards,
- for training programs for aspiring meat cutters and butchers, and
- for standards tailored, and inspectors trained, for small plants.

NFU member Bruce Hunter said, "This continued neglect of a potential food-safety issue does little to support the small and medium-sized farmers of the province and the provincially-inspected abattoirs that we rely on. NFU members have a total and absolute commitment to provide safe, nutritious, and plentiful food to society. A strong government-run inspection system that is fair to small abattoirs and meat processors is essential to farm families and their communities."

— nfu —



(NFU works toward co-op beef packing plant, from page 1)

Manitoba has about 600,000 cows. About 10%, or 60,000, are culled and slaughtered in a normal year. A medium-sized packing plant could handle 250 cows per day for about 250 days per year for a total capacity of about 60,000 head per year.

Such a plant would cost several million dollars. The NFU proposed that Manitoba farmers would pay a \$10 per head fee on all cattle they sell to finance the farmer-owned co-operative plant. A \$10 per head fee would raise more than \$5 million per year in Manitoba to finance the construction and guarantee the ongoing viability of the slaughter plant. Without such a stabilizing revenue flow, the farmer co-op may quickly fall prey to the predatory pricing and immense market power of the foreign transnationals that dominate the Canadian meat industry.

The NFU recommended that the Manitoba government should accelerate the plant's construction by advancing a \$12 million loan to a farmer co-op. That government has previously shown a willingness to fund slaughter facilities and potato plants in the province. Most recently, it promised millions to the ethanol industry.

In addition to providing local processing capacity, there are other advantages to the farmer-owned co-op. Farmers could sell directly to the co-op, with savings on livestock-yard commissions and other costs. A farmer co-op could also co-ordinate trucking among several farmers, saving transportation costs and stress on animals.

Sigurdson noted in the NFU news release that: "The Manitoba government has offered support to a scheme to kill and bury 50,000 Manitoba cows. The NFU's proposal is vastly superior."

Manitoba has 35,000 producing milk cows. A significant number of those cows are culled each year. A local market for culled cows is essential to the profitability of our dairy farmers.

"With 3/4 of Canadian cattle slaughter capacity concentrated in the hands of two U.S.-based transnationals and located in Alberta, farmers need additional, local options in livestock markets. A farmer-owned culled-cow facility in Manitoba would bring numerous benefits to farmers and the provincial economy. This is our chance to bring the packing industry back to Manitoba and 'back to Canada'," said Sigurdson.

NFU members are working with co-ops in the Maritimes to help build co-operative meat packing plants in that Region.

— nfu —

## NFU presents detailed recommendations to Prime Minister on BSE crisis

In an August 13 letter to Prime Minister Jean Chrétien, the NFU outlined a series of actions needed to restore complete consumer confidence in our meat supply, to re-open export markets, and to support family farms facing huge losses as a result of the BSE-triggered trade crisis.

Please check your mail. You will have recently received a letter from the NFU that included information on our Convention as well as a copy of the complete letter to Chrétien on BSE. If you didn't receive that letter, check the NFU website at [www.nfu.ca](http://www.nfu.ca) or call our National Office.

## NFU active in Cancun

Youth President Martha Robbins represented the NFU in Cancun Mexico where negotiators were meeting at the Fifth Ministerial Meeting of the World Trade Organization (WTO). See Robbins' extensive report in the current *Union Farmer Quarterly Magazine*.

## Chamber of Commerce resolution on CWB “shameful”

“The Canadian Chamber of Commerce has no business working to undermine farmers’ collective marketing agencies, especially as the vast majority of farmers have repeatedly demonstrated their support for the Canadian Wheat Board,” said Harold Blodgett, President of NFU Local 636 in Saskatchewan, in a September 18 NFU news release.

Blodgett was commenting on a mid-September resolution by Canadian Chamber of Commerce delegates to recommend “...that the federal government implement the Federal Standing Committee on Agriculture and Agri-Food’s June 2002 recommendation” that “the Canadian Wheat Board authorize, on a trial basis, a free market for the sale of wheat and barley...”

Blodgett criticized Chamber members for not taking the time to understand the Canadian Wheat Board (CWB) or even to understand the trade agreements that the Chamber has supported. “You can’t have an open market on a ‘trial basis.’ NAFTA Chapter 11 is very clear: If you turn over wheat and barley marketing to transnational grain companies, you can’t reverse that decision unless you pay billions in compensation to those companies. Thanks to trade policies promoted by the Canadian

Chamber of Commerce, the open market option is not a path we can go down and look around; it is more like a cliff that we can jump off. Canada either has a farmer-controlled marketing system or one controlled by Cargill, ConAgra, and Archer Daniels Midland, and there is no going back,” said Blodgett.

He concluded: “All independent evidence conclusively demonstrates that the CWB increases farmers’ prices and incomes. Perhaps the membership of the Canada’s Chambers of Commerce includes grain companies or grain processors that would benefit if the CWB were destroyed and grain prices reduced.”

Blodgett and other NFU members will be meeting with the Swift Current Chamber of Commerce on November 12 and with other Chambers subsequently.

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*NFU members across Canada are encouraged to write to or talk to their local Chambers of Commerce. The NFU National Office will soon have information and resources for members wanting to put pressure on their local Chamber.*

— nfu —

## (Farm) media concentration

Glacier Ventures already owns Canada’s largest weekly farm newspaper, the *Western Producer*. Now Glacier is purchasing the publications formerly owned by grain company Agricore United including *Manitoba Co-operator*, *Grainews*, *Country Guide*, *Canadian Cattlemen*, and *Canola Guide*. Nearly every major farm publication in western Canada will now be owned and published by one corporation.

In addition to the concentration of ownership, the nature of ownership has changed. A few years ago, farmers’ papers were owned and controlled by farmers themselves through their co-operatives. Saskatchewan Wheat Pool published the *Western Producer*, Manitoba Pool Elevators published the *Manitoba Co-operator*, and a co-operative United Grain Growers published *Grainews*. Now, all of these papers have passed out of farmers’ control and into the hands of one for-profit corporation.

— nfu —

# National Farmers Foundation Report to the Membership

—by Stuart Thiesson

Another financial year for the National Farmers Foundation has been completed. Since we rely on membership support for the projects financed by the N.F.F., it is fitting that members be informed of how our funds are expended.

But first, let us recall that the N.F.F. was established under the Canada Corporations Act in April, 1987 under the sponsorship of the National Farmers Union. While a charter was granted at that time, tax exempt charitable status was not granted until 1997 by Canada Customs and Revenue Agency.

Projects financed by our voluntary Foundation Board of five persons operates at arms-length to the NFU, but the mandate is that funds received are to organize and establish programs of education and research beneficial to the rural community.

Under the CCRA regulations, 80% of tax-exempt receipts issued to individuals must be expended in the year following. On that basis, we were required to expend \$7,900 in 2002/03 based on receipts of \$9,900 in 2001/02. Actual project expenditures in this fiscal year were \$9,000. Of this amount, \$4,000 was granted to the Bruce County Museum and Archives for its history project on the Ontario Farmers Union. (This amount was in addition to \$3,500 granted the project last year). Preserving the historic records of the OFU was an important under-

taking. Also, \$5,000 was granted to the Prairie Alliance For the Future (PAFF) in its education and organization campaign to establish a producer-operated shortline rail grain delivery program in north-west Saskatchewan.

In addition, the Foundation has partially funded two other projects for which commitments for payment remain outstanding:

Duck Creek Cultural Productions has received \$500 of a \$1,000 grant, and based on its progress in creating a musical drama on the life of an early farm leader, L.P. McNamee, is entitled to receive the second half of its grant.

The International Program Committee (NFU) was granted \$1,200 and is to receive a further \$1,200 for its work related to international issues such as education and research on the implications to farm communities of the WTO.

We believe N.F.F. funding has been well invested in these projects, but with great member support we could do much more.

We all donate to charities of one kind or another. Some are more near and dear to our hearts than others. We urge you to include the N.F.F. as one of those social cause charities you can support.

Our special donation envelope is included in this issue of *Union Farmer* for your convenience. Please lend the N.F.F. your support! Thank you. — nfu —

## NATIONAL FARMERS FOUNDATION ACTIVITIES

### Report on Current Donations, May 1—September 30, 2003

The Board of the National Farmers Foundation expresses its sincere thanks to donors who have sent donations to us to date in this calendar year.

We regard your donations as an investment in the future of the farming community since all funding grants we are able to make are directed toward achieving that goal. Education and leadership development are extremely important in the NFU.

We issue tax-exempt receipts for all donations made: (1) On a direct personal basis; (2) In memorium to others; and (3) As bequests in wills.

**Memorial Donations:** Emma Robertson Pedersen—Wayne Easter; Jean Woodward—Marcella Pedersen.

**Donations:** Muriel Riegier; Fred Sanford; All Charities Campaign.

**Your tax-exempt donations should be sent to:**

**National Farmers Foundation**  
2717 Wentz Avenue, Saskatoon, SK S7K 4B6

## IMPORTANT NOTICE

The Foundation has discontinued offering the use of VISA or Mastercard payments since the operating costs of these payment methods have become prohibitive. Thank you for your continued support by cheque or cash.

(*NFU National Convention, from page 1*)

Our Convention will also feature a panel on **alternative energy sources** such as hydrogen and wind power; a panel on **ethanol**; and one on **energy use in our food system**. There will also be a special strategy session where NFU members can discuss our organization's responses to the **BSE crisis** gripping our livestock farms.

Members at Convention will also discuss a wide range of issues such as international trade policy and the fallout from the Cancun WTO talks, GM wheat and food safety, intergenerational transfer of farms and other issues facing farm youth, and measures to safeguard our supply management agencies and the Canadian Wheat Board.

This year's Convention takes place in down-town Saskatoon at the Radisson Hotel (see below). The Radisson is a modern hotel over-looking the South Saskatchewan River, just three blocks from Saskatoon's largest shopping plaza, and close to theatres, restaurants, and other attractions. — nfu —

## NFU 34th Annual Convention

**NOVEMBER 20-22, 2003**

**Radisson Hotel  
Saskatoon, Saskatchewan**

**Convention  
Registration:** Thursday, November 20th  
10:00 AM–1:00 PM

**Convention  
Convenes:** Thursday, November 20th  
1:00 PM

**Convention  
Hotel:** Radisson Hotel Saskatoon  
405-20th Street East

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**DIRECT LINE: 1-306-665-3322**

**\$85 plus taxes for queen rooms**  
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**NFU delegates and visitors MUST identify  
themselves as being part of the NFU  
Convention in order to receive the above rate.**

## CONVENTION SPEAKERS

**PETER TABUNS** is Executive Director of Greenpeace Canada. He has been a union organizer, an activist in the co-operative housing movement, and a City Councillor in the City of Toronto.

**DALE MARSHALL** is a resource policy analyst with the Canadian Centre for Policy Alternatives-B.C. Office. He researched employment impacts of Kyoto policies on the Canadian energy sector. He holds several degrees in resource & environmental management; environmental science & biology; and engineering.

**TOM ATHANASIOU** is the author of "Divided Planet: The Ecology of Rich and Poor" (1996) and, most recently, of "Dead Heat: Global Justice and Global Warming." He co-founded EcoEquity and his interests focus on class divisions and distributive justice within finite environmental spaces.

**LINDSAY TELFER** is National Director for the Sierra Youth Coalition. At SYC, she focuses on climate change, trade and the environment, and sustainable campuses. Her key interest is in urban agriculture and community food systems. She has a Masters of Environmental Studies from York.

**JAMES FOLLWELL** received his Master of Science from the Univ. of Guelph. He is an expert in alternative energy systems policy, planning, and economics. He currently works with Prince Edward Island's Department of Development and Technology with a special interest in the Atlantic Wind Test Site.

**WALTER MÉRIDA** is Assistant Professor at UBC's Department of Mechanical Engineering. He has researched and written extensively on sustainable energy systems, fuel cells and hydrogen technologies, and alternative fuels.

**TONY MCQUAIL** and his family run a diversified organic farm near Lucknow, Ont. The McQuails raise livestock and operate a community-supported garden for 60 families. They do much of their farming with horses. McQuail was an executive assistant to the Ontario Minister of Agriculture. He has a degree in Environmental Studies and a long-standing interest in wind power, solar heating, and photovoltaic systems.

**TAD PATZEK** is a professor of civil and environmental engineering at Univ. of California, Berkley. With a Ph.D from Silesian Technical Univ. in Poland, Patzek now studies and lectures on Petroleum, Chemical & Environmental Engineering.

**MARK STUMBORG** was raised on a mixed farm in Sask. He is the Head of the Applied Science and Technology Transfer Section at Agriculture Canada's Swift Current Research Centre. Mark's work has included renewable fuels research, including biodiesel, ethanol, and crop residue supply for biomaterials and bioenergy uses. He has a Master of Engineering from the Univ. of Saskatchewan.

**KEN SIGURDSON** is the NFU Regional Coordinator for Manitoba. He and his family run a large grain farm near Swan River. Ken has been active on environmental and forest issues and he is expert in the economics and community development issues surrounding ethanol.

**MARIE BOEHM** was born on a Saskatchewan farm. She is a Board Member of the Centre for Studies in Agriculture, Law and the Environment (CSALE). She has worked extensively on research on agricultural greenhouse gas emissions mitigation strategies. She has a PhD in Soil Science.

**NICOLE MCLAUGHLIN** is the Climate Change Coordinator at the Eastern Canada Soil and Water Conservation Centre. She grew up on a potato farm in N.B. She has a Masters degree in agriculture from Guelph, where she studied the effects of agricultural management practices on greenhouse gas emissions.

**ALEX MURRAY** is Prof. Emeritus, Environmental Studies, York Univ. His research interests include ecological and sustainable approaches to the production, distribution, consumption, and disposal of food. His work includes calculations on the true costs of food movement and the ecological footprint of food imports.

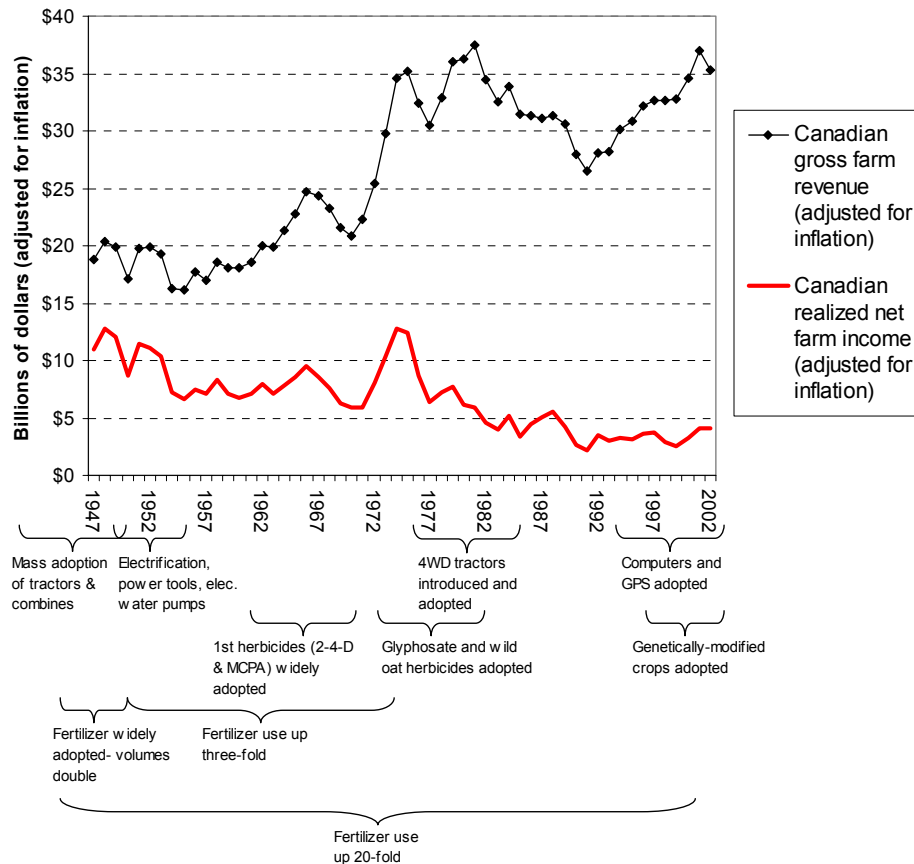
**JEFF HOEPPNER'S** research for his Master's thesis included examining the relative energy use in organic and non-organic food production. He currently works as a plant pathology technician at Ag Canada's Cereal Research Centre in Winnipeg.

**TED O'BRIEN** is assisting in the planning and establishment of a federal agro-climate strategy for Canada and he is leading the development of the Canadian contribution to the North American Drought Monitor. He has a degree in Physical Geography from Queen's.

# Technology and income

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**Gross revenue, net income, and technology: 1947-2002**



The graph above is taken from the NFU’s upcoming brief on the Myth of Efficiency. New technologies have helped Canadian farmers double their (inflation-adjusted) gross output—from about \$17 billion in the late 1940s to over \$35 billion today. Farmers’ net income, however, fell. Net farm income fell in the 1940s when many farmers were buying their first tractors and electrifying their tools, pumps, and barns. It fell as farmers doubled and redoubled their fertilizer use. It fell as farmers adopted new chemicals to control insects and weeds. Adjusted for inflation, net farm income today is one-third its 1940s level. While there are fewer farms today to share the net income pie, even calculated on a per-farm basis, net income today is far below its 1940s level. Per-farm, adjusted for inflation, net incomes today are the lowest since the 1930s.

While new technologies and inputs allowed farmers to increase production by about \$18 billion (from about \$17 billion in the 1940s to about \$35 billion today), the corporations that sold those inputs and technologies swallowed up, not only the entire \$18 billion in increased revenues, but an additional \$8 billion as well—driving farmers’ net incomes down. Input and technology sellers captured 144% of farmers’ increased revenues—for every additional dollar in increased revenues made possible by new technologies, farmers have been made to pay \$1.44.

The preceding analysis is not a rejection of technology, but it is a rejection of the simplistic assumption that the benefits of technology-enlarged production will automatically flow to farm families. As farmers become more reliant on purchased inputs and technologies, corporate suppliers multiply their opportunities to extract dollars from our farms.

— nfu —