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NFU Members: Please write CFIA

NFU members should send letters and emails to the Canadian Food Inspection Agency (CFIA) and make farmers' views known on proposed amendments to the Plant Breeders' Rights (PBR) Act. This is urgent.

n November 8, 2004, on its website, the CFIA posted its consultation paper: "Proposed Amendments to the Plant Breeders' Rights Act to bring existing legislation into conformity with the 1991 UPOV Convention."

So far, the CFIA has chosen passive "consultation": posting documents on its site, relying on farmers to find the documents, and allowing comment. Consultations close March 8, 2005.

The CFIA discussion paper is nine pages long, relatively easy to read, and available at www.inspection.gc.ca/ english/plaveg/pbrpov/ammende.shtml or you can call the NFU office and we will fax or mail you a copy.

The larger context for the consultations

The CFIA's consultation paper is one part of a much larger thrust by government and the dominant seed corporations to restructure our seed and food systems. That restructuring plan is laid out in the May 5, 2004 report of the Seed Sector Review (for details on that report, see the June Union Farmer or go to www.nfu.ca/seedsector.pdf).

The Seed Sector Review's multipart plan to overhaul our seed and food systems include:

- ext. 4393. • Encouraging or compelling farmers to buy certified seed (by linking Crop Insurance rates or CWB contracts to the use of certified seed);
- Terminating the right to sell common seed (by requiring that all seed be sold by variety name an impossible requirement for most farmers);
- Weakening our variety registration system (to remove "merit" requirements);
- "Streamlining" regulatory approval of genetically-modified (GM) crops;
- Overhauling the grain quality system (replacing Kernel Visual Distinguishability;
- Collecting royalties on farm-saved seed;
- Extending royalty payment periods and giving seed corps, powerful new enforcement and collection tools

The proposed changes to the PBR Act, the focus of the CFIA's consultation, would deal mainly with the last two points. But the NFU is clear: these proposed PBR Act amendments are just one step in a comprehensive plan to increase seed company control and profit.

The PBR Act, UPOV, and proposed amendments

Currently, our PBR Act is based on the 1978 version of the UPOV (Convention of the International Union for the Protection of New Varieties of Plants) treaty. The government of Canada is drafting amendments to the Act to make Canada compliant with the 1991 version of the UPOV treaty (for more on UPOV, see the Seed Saver Fact Sheets in last month's Union Farmer Monthly Newsletter).

Please send comments to:

Plant Breeders' Rights Office

CFIA

59 Camelot Drive Ottawa, ON K1A 0Y9

Fax: (613) 228-6125

Email:

cfiamaster@inspection.gc.ca

CFIA asks that all who comment indi-

cate "whether the views expressed

are those of an organization or an

variety or varieties of plants." The NFU will send in comments on behalf

of the organization, so members can

comment as individuals. Most grains,

Questions related to the interpret-

tation of the proposed amendments or the operation of the current PBR

Act should be directed to Elizabeth

Prentice-Hudson at (613) 225-2342

oilseeds, vegetables, etc. are

protected varieties.

individual.... It would also be appreciated if you could identify if you are ... a user of a protected

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The NFU is providing the following list of points that our members may wish to make in writing to the CFIA. Please read the CFIA's consultation document and consider making some of the following points in your response to the CFIA.

(1) "Rights" and "Privileges"

Farmers strongly object to a conceptual or legislative framework that enshrines "rights" for plant breeders, and a framework which may or may not give farmers a "privilege" or an "exemption" that would allow farmers to save and re-use their seeds.

Talk of Monsanto's 'rights' and farmers' 'privilege' is offensive and it turns reality on its head. Farmers' rights to their seeds are real and based on thousands of years of tradition. Farmers developed the seeds on which our food systems rest.

Talk of "rights" for corporations is irrational for two reasons. First, corporations are non-human and exist at the pleasure of society— Corporations cannot have rights. Second, the protection from competition we grant to these corporate non-persons—through patents and so-called Plant Breeders' Rights—is a privilege, granted so that we, as citizens, may realize certain outcomes for the public good. The monopoly protection in our PBR and patent acts is not a corporate 'right'. And saving and re-using seed is not a farmer 'privilege'.

Properly-conceive legislation would begin by enshrining farmers' rights to their seeds and then, perhaps, give seed corporations certain limited privileges designed to facilitate the public good of plant development.

(2) The Right to seize

The most important aspect of the government's proposed Plant Breeders' Rights amendments the part that farmers need to keep their eye squarely fixed on—is the creation of "cascade rights." UPOV '91 requires such rights. "Cascade rights" means rights for Monsanto and other seed companies to seize your crop if the companies can show that you are using their PBR protected variety without proper permission and royalty payment. But the first choice of Monsanto et al won't be to empty your bins or take ownership of your grain at the elevator. Their first choice will be to make a discrete visit to your farm, allege that you have violated their Plant Breeders' Rights, propose a farm-destroying settlement amount, and then suggest a smaller amount if you agree to a gag order. This is how Monsanto currently enforces its "rights" to its gene-patented canola, soybeans, and other crops.

"Cascade rights" extends the powerful and punitive royalty extraction tools that seed companies have now over patented genepatented seeds to the vast majority of seeds and plants that have no patented genes. Cascade rights will create hundreds of new Percy Schmeisers.

(3) Reverse onus

If Monsanto or other "rights-holders" say you are growing their varieties without proper authorization, it will be up to you to prove that the variety is not theirs or that you purchased the seed in question. And if Monsanto doesn't accept your proof, you can go to court or pay up. The onus is on the farmer.

(4) Rights to clean and possess

The current *PBR Act* restricts only the right to sell or grow for the purpose of selling. Proposed *PBR Act* amendments would add to the rights of the corporate rights-holder the following: exclusive rights to clean seed or to possess significant quantities of cleaned seed ("farmer privilege" may modify this somewhat, as we will explore next).

These changes, required in order to comply with UPOV '91, are the key legislative changes that seed corporations need in order to move to a system where farmers are restricted from saving and re- using seed without paying royalties. These changes "criminalize" seed saving, and while a farmer privilege (see point #5) may give farmers a limited exemption,

(continued on page 4...)

Klein administration bungles scientific trade protocols and worsens BSE crisis

-Prepared for the NFU by Alberta member Ken Larsen.

or the past 80 years an international scientific body, known as the OIE (l'Office international des épizooties), has set medical standards for the containment of a long list of virulent animal diseases. Most are highly contagious, many can infect humans, and all are judged to be economic and health risks to the global animal and agricultural community.

These OIE standards are used as rules for disease containment under the agreements of the World Trade Organization (WTO). Canada is a signatory to both the OIE and the WTO. Farmers and the Canadian public have benefited from a largely diseasefree food source and environment.

The established OIE protocols for containing bovine spongiform encephalopathy (BSE), so-called mad cow disease, treat countries according to the source and severity of the infection in their cattle herd. The OIE also requires countries to follow certain internal monitoring and sanitary processes as well.

Until last year, Canada was considered a "BSE-free country or zone." Canada had retained this status because the first Canadian BSE infection, identified on a farm near Red Deer, Alberta in 1993, was shown to have been an animal imported from Britain. As such, no international embargos on Canadian exports of live cattle or beef products were implemented. That changed when a cow born in Canada was diagnosed with BSE in May 2003.

The next level of OIE sanctioned containment would have been "BSE provisionally-free country or zone." This would have allowed exports to continue last year.

Unfortunately this is where Alberta's Klein administration's bungling of the BSE file comes back to haunt us. In 1993, under the OIE/WTO rules, the Alberta Conservative administration and the Canadian Food Inspection Agency (CFIA) had two responsibilities. One, to inform the farm community not to give cattle and calves feed which might contain bovine material. And secondly, to follow the rules and to make sure that "no meat and bone meal or greaves have been fed to ruminants" (http://www.oie.int/eng/normes/mcode/ en_chapitre_2.3.13.htm). They did neither.

Instead, soon after the discovery of the first case of BSE near Red Deer in 1993, the Klein administration cut Alberta's Animal Health division by 90% and disbanded the system of local agricultural offices and District Agriculturists who should have been taking this information to the farming community.

Until at least 1996 animal feed from BSE-infected Britain and Europe was imported into Canada. Of the British cows imported to Canada, about ten from BSE-infected herds could not be traced by the CFIA and were likely rendered into the cattle feed system in Canada. The Klein administration also fought the Federal CFIA for three years and managed to delay the ban on the use of bovine protein in bovine feed. The Klein administration argued that a ban would cost the packers too much money. In 1996 a partial ban on only "specified risk materials" was implemented. However this still allowed bovine bone meal and blood to be used in cattle milk replacer and bovine protein continued to be used in other animal feeds. A meeting of Health Canada scientists raised the alarm about this in 1998 citing studies showing BSE could be transmitted via blood, the same blood that is still being fed to Canadian cattle. (See: Western Producer, July 3, 2003, page 60.)

With the discovery of the BSE-infected cow born in Canada last year, Canada could not show that "for at least eight years no meat and bone meal or greaves have been fed to ruminants" (OIE - International Animal Health Code, Chapter 2.3.13). Klein's cutbacks and opposition to the CFIA's compliance with international rules meant our border was then closed to cattle exports.

Alberta, and the Federal CFIA, then vigorously argued that Canada should be considered a country at "minimal risk for BSE." If accepted, this would mean (continued on page 7...)

(NFU members: Please write CFIA, from page 2)

that exemption is almost certainly temporary. Seed companies, in their Seed Sector Review, admit that their goal is to have farmers paying royalties every year on seed that farmers save and re-use on their own farms.

(5) Farmer Privilege

Seed companies and their captive commodity groups say that there is no agenda to interfere with farmer seed saving. These people point to the exemption or "farmer privilege" that UPOV '91 allows and that any *PBR Act* amendments will likely include. It is true that a farmer privilege section will permit seed saving and re-use on farm, but the duration of such a section will almost certainly be temporary and it comes tied to a package that creates new razor-sharp royalty collection tools for seed transnationals.

(6) Royalty grab

Currently, the PBR Act functions on a You-Snooze-You-Lose principle—if the rights-holder doesn't catch a seller in the act of selling or advertising a protected variety (without authorization), the rights-holder loses its ability to pursue remedies. Under the proposed amendments, unauthorized *possession* is prohibited, so a seed company can catch a farmer years after the unauthorized transaction.

But even more disturbing, and at this time unclear, is the potential for proposed *PBR Act* amendments to dramatically multiply the extent of a farmer's liability. Under the current *Act*, if a seller sold 25 bushels to a farmer and didn't pay royalties, the seller, if caught, might be liable for royalties or other damages on 25 bushels. But consider the following scenario:

A farmer buys 25 bushels of wheat seed from a neighbour. The seed is a recent variety for which a private seed company holds the Plant Breeders' Rights. The seed is "brown bagged"—neither the buyer nor the seller submit royalties. The farmer plants the 25 bushels of seed on 25 acres and harvests 1000 bushels. The farmer re-seeds that 1000 bushels on 1000 acres and harvests 40,000 bushels. The farmer then uses a portion of that crop to seed 3,000 acres. The rights-holder learns that the farmer is using the variety. When "caught", would the farmer be liable to the rights-holder for royalties and damages on 25 bushels? ...or on 3,000 bushels? ...or on 4,025 bushels (the total amount used for seed over all three years)?

Further, with such large volumes involved, the issue of how much the company could demand is also in question. Can rights-holders demand only their usual per-bushel royalty on the seed used? Or can rights-holders demand other payments, damages, punitive charges, etc.? The NFU has put all of these questions to the CFIA.

(7) Duration of royalties

It is almost certain that any amended *PBR Act* will increase the royalty protection period, from the current 18 years, to 25 years.

(8) The end of public breeding

The move to re-cast our *PBR Act* in the mold of UPOV '91 is designed to increase the profitability of private seed development in order to entice corporate plant breeders to create and introduce more varieties. Parallel to this profit-enhancement scheme is the planned withdrawal of the federal government from variety development. Documents given to the NFU show that Ag. Canada is currently planning to withdraw from plant breeding and other key ag. research. Changes to the *PBR Act* are designed to underpin a private, for-profit, high-cost, farmer-funded seed system for Canada.

Public plant breeding is key. Until the 1990s, seed development in Canada was public. Researchers on the public payroll at public universities and Ag Canada facilities developed new varieties to meet farmers' needs and then turned those varieties over to farmers at low cost. In the early '80s, the public sector did 95% of plant breeding in Canada and 100% of breeding for cereal crops and oilseeds. During that time, Canadian agriculture was prosperous and world-leading.

Even today, over 80% of Canadian wheat acreage is planted to varieties developed by Ag. Canada or University researchers. The same situation prevails for most cereals. Corn, soybeans, and canola are different, with most of the varieties developed by private firms.

Instead of a corporate-controlled, profit-hungry system that must impose round after round of (continued on page 5...)

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restrictions and costs on farmers, Canada needs a publicly-funded, publicly-controlled plant breeding system to inexpensively and efficiently develop the seeds needed by farmers and the Canadian economy. If we, as a nation, continue to withdraw from plant breeding, then foreign transnationals will own and control all new seeds.

Conclusion

Here's how the proposed *PBR* Act amendments stack up:

The dominant seed transnationals get

Longer royalty collection periods The ability to collect on more bushels Suppression of competition from other companies The end of competition from public breeding The beginning-of-the-end of farmers' right to save seed Legislation that can facilitate royalty collection on saved seed Powerful new royalty extraction tools The power to seize crops Higher profits

<u>Farmers get</u>

More varieties????? Higher costs Increased risk

There is not one thing in the government of Canada's proposed UPOV '91-compliant *PBR* Act amendments that farmers would want or that would benefit farmers. *Not one thing*. These amendments are a seed company wish list.

Seed companies and their captive organizations might object to the preceding two sentences and point to the promise of a proliferation of new, high-yielding varieties. But even if we grant the extremely unlikely contention that Monsanto et al will be better at generating new varieties than are our current system of public research stations and university researchers, we are left with the question: Who benefits from new crop varieties and higher yields?

Until recently, everyone knew the answer to the preceding question and that answer went something like this: The benefits of increased yields do not stay on the farm. Because of the intense competitive pressures that exist at the farm level, these benefits are passed on down the line to the benefit of processors, retailers, consumers, and the economy in general. This flow-through effect is the reason that it has always been deemed appropriate that all of society, and not merely farmers, should pay for plant breeding.

Call to action

NFU members are strongly encouraged to write or email to the CFIA and let that Agency know that farmers do not want pro-corporate changes to our *PBR Act*, that farmers do not want a government withdrawal from plant breeding and other vital ag. research, and that farmers are strongly opposed to the overhaul of our seed and food system outlined in the Seed Sector Review report. *We need many, many submissions to the CFIA. Please take the time to intervene on this important issue.* For more information, see the NFU's website at www.nfu.ca . For those requiring an extremely detail analysis of the proposed amendments to the *PBR Act*, the NFU can provide that analysis: call (306) 652-9465.

These responses by the NFU and its members to the CFIA consultation process are just one part of a larger NFU campaign that includes tradeshow booths, radio and print ads, coalition building, newspaper commentaries, meetings with citizens and policy makers, news releases, and petitions. The NFU is working, not just defensively—to head off damaging changes to the *PBR Act*—but also offensively: We have launched a multi-year, national campaign to enshrine, in legislation, the inalienable rights of farmers and other Canadians to save, re-use, select, exchange, and sell seeds. Finally, and perhaps most important, the NFU is working toward a well-funded, public, not-for-profit plant breeding program.

Thank you for your work on this issue.

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Convention videos available

For the first time, the NFU is offering video tapes of some of its Convention panels and addresses. As a trial offer, the NFU is offering three tapes:

TAPE I: SEEDS OF HOPE

This professionally-edited documentary focuses on the seeds issue and features many of the highlights from the NFU National Convention. Its length makes it perfect for use at Local meetings as a conversation starter, or as an introduction to NFU Conventions for non-members or for members who have never attended a Convention. Approximately 30 minutes.

TAPE 2: ANDREW NIKIFORIK ON BSE

Nikiforuk paints a detailed and troubling picture of the U.S. meat packing system as "corrupt" and "diseased." And he exposes Canadian government complicity in our BSE crisis. Approximately I $\frac{1}{2}$ hours.

TAPE 3: DAVID SUZUKI ON GENETICALLY-MODIFIED FOODS.

Suzuki uses his vast experience in genetics to show that our understanding of the science is still in its infancy and that government claims about making decisions based on "sound science" are nonsensical. Approximately 2 $\frac{1}{2}$ hours.

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Note that the National Farmers Union will have a limited number of the Seeds of Hope documentaries available free for loan to Local and District officials for use at meetings. These tapes are very educational and are great resources for our Seed Saver Campaign.

Convention audio tapes available

For copies of convention AUDIO TAPES, please see the back cover of the Union Farmer Quarterly for ordering information.

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(Klein administration bungles..., from page 3)

that if no further indigenous cases of BSE were discovered for a consecutive period of four years, exports could resume. Unfortunately, while doing the trace backs on last year's BSE cow, the CFIA found that meat and bone meal continued to be fed to Canadian cattle, largely through cross contamination of cattle feed with pig and chicken feed containing bovine protein. Under OIE rules (Article 2.3.13.6.) this extended the quarantine period to eight years. Quarantine of disease is one of medicine's oldest and most well understood practices. It would be unprecedented to lift a quarantine until the last of the disease vectors (sources) is contained. The cross contamination of feed demonstrates an important vector for BSE had yet to be contained in Canada.

(http://www.cbc.ca/news/background/madcow/) (http://www.oie.int/eng/normes/mcode/en_chapitre_2.3.13. htm)

Industry leaders have been quick to point out that Canada can be considered a country of "moderate risk" for BSE in its cattle herd. However, this would allow an incidence of 100 cases per million head of cattle, or about 600 cases a year for Canada. Consumer confidence in their food supply would be shaken if this became the accepted standard, and of course that could only further hurt the farm community.

A few weeks later, in June of 2003, in a typical political game of diversion and spin, an international panel of eminent scientists was invited to Alberta to evaluate Canada's response to BSE. (See: "Foreign experts to review mad cow probe," CBC News, 07 Jun 2003, http://www.cbc.ca/story/canada/ national/2003/06/07/madcow 030607.html)

Contrary to domestic propaganda, the international scientists did not issue any sort of clean bill of health for Canada. In fact they recommended exactly what the OIE / WTO standards call for: the elimination of bovine material from the animal food chain. The then Alberta Agriculture Minister, Shirley McClelland, chose to ignore what the scientists and the OIE /WTO rules said, and instead "spun" their report as favourable by claiming they could not give Canada BSE-free status because they could not test every cow in Canada. (See: "Mad cow report calls for new rules on feed," CBC News, 27 Jun 2003, http://www.cbc.ca/story/canada/national/ 2003/06/27/madcow_030627.html)

With such a demonstrated failure of the surveillance and enforcement systems required under OIE / WTO rules, Canada, and the Alberta Government are now claiming, at least domestically, that the continued ban on exports of live cattle are "unscientific" and "political," with the implication that criteria supporting the ban are some sort of new form of trade harassment. If they really believed this, they would have immediately launched a NAFTA challenge to the U.S. ban. They did not, because the reality is that Canada, and Alberta simply failed to police an industry to the scientifically required levels agreed to internationally. Both levels of government failed to ban contaminated feed imported from a BSE infected Europe, and they failed to trace back all the British cattle imports that came from BSE infected herds and had been in Canada for at least seven years. Both of these sources of BSE were put into the Canadian feed rendering system and then fed to Canadian cattle. It would be unbelievable that the level of BSE contamination in the feed system was not amplified many times over the almost 12 years between the British outbreak and the attempts started in 1996-97 to limit those sources in Canada. Now the authorities are playing fast and loose with the issue by testing for "clinical symptoms" of BSE in older animals. Like many other diseases, an animal may be a carrier of BSE without showing any clinical signs of the disease. The Japanese, with their more stringent testing program, have found young cattle, under 24 months of age, infected with BSE. The fad for government cut backs and deregulation led by the Klein administration has now shown its results in animal health. The people paying the price are the independent farms of Canada.

But it gets worse. The Alberta Auditor General's report found the profits of the two giant packing firms had increased by a factor of 2.8 since the start of the BSE quarantine. This is because they can purchase slaughter-ready Canadian cattle at government-subsidized prices and export the high quality boxed beef to the lucrative U.S. market. As the Auditor General noted, "Producers now receive less for their cattle than prior to the discovery of BSE and to that extent, the decrease in value represents a transfer of value from the producers to the packers." (Pg. 4.) He also said this was exactly how the Klein administration had designed the plans to work.

Meanwhile, the independent cattle producers and feedlots of the west are seeing their equity evaporating. Only those directly tied to the giant packing plants can survive, at least for now. As happened with the cooperative farmer-owned grain handling system, several generations of work and thrift in the cow-calf and independent feedlot sector will be squandered on the altar of free trade and the illusion that there can be an open free market in agricultural products. By the time the BSE quarantine is lifted, sometime in the next eight years, the shape of rural Canada will be fundamentally changed and the integration of Canadian agriculture into the American system will be much closer to completion. — nfu —

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Global attack on farmers' rights to their seeds

round the world, farmers' rights to their seeds are under attack. As information from Mexico and Iraq shows, the world's dominant corporations and dominant countries are working hand in hand to strip farmers of their age-old rights to save, re-use, and exchange seed.

In Mexico, the ad at the right appeared at least ten times in the daily newspaper *El Orbe* in Chiapas.

In translation, the ad reads, in part:

Friend farmer:

The Soya Solution Faena is a genetically modified product that is tolerant to Faena Ultra [Roundup].

Remember that the use of the Soya Solution Faena seed or any other genetically modified soya is regulated by Mexican laws....

The Penal Code states that the **illegal** importation, planting, saving, marketing and exportation of genetically modified seeds like Soya Faena, or any other genetically modified soya, is a federal crime that can result in a prison sentence of up to 9 years and major fines.

Do not let yourself be tricked, avoid turning into an accomplice of illegal situations. If you are now in an irregular situation, have doubts, or have knowledge of any irregular situation, we ask you to contact the representative of Monsanto Commercial in your region.

Similar threats are being made against Mexican corn farmers. Ironically, it was in Mexico where corn was developed and first cultivated. Recently, it was found that genes from genetically-modified (GM) varieties had contaminated remote Mexican corn crops, threatening biodiversity and future plant breeding efforts.

In Iraq, U.S. authorities have imposed Order #81 which strips Iraqi farmers of their rights to save and reuse their seeds. Ironically, Iraq is part of the region

Amigo Agricultor:

La Soya Solución Faena® es un producto genéticamente modificado y tolerante a Faena Ultra®.

Recuerde que el uso de la semilla de Soya Solución Faena® o de cualquier otra Soya genéticamente modificada está regulado por las leyes, mexicanas, por lo que antes que pueda ser comercializada o sembrada se tiene que cumplir con una serie de reguisitos legales, como son la autorización para su liberación al ambiente por el Servicio Nacional de Sanidad, Inocuidad y Calidad Agroalimentaria (SENASICA) de la SAGARPA, y la firma de la licencia para su uso.

El Código Penal dispone que la importación, siembra, guarda, comercialización y exportación **ilegal** de semillas genéticamente modificadas como son la Soya Faena[®] o cualquier Soya genéticamente modificada, es un delito federal que puede resultar en una pena de prisión de hasta 9 años y multas mayores, por lo que le pedimos que se abstenga a realizar cualquiera de las actividades descritas.

No se deje engañar, evite convertirse en cómplice de situaciones ilegales. Si actualmente se encuentra en situación irregular, tiene dudas al respecto o tiene conocimiento de alguna situación irregular, le pedimos que contacte al representante de Monsanto Comercial en la zona.

Monsanto Comercial cuenta con las aprobaciones de los organismos regulatorios, la validación del Instituto Nacional de las Investigaciones Forestales. y Pecuarias (INIFAP) y la certificación del Servicio Nacional de Inspección y Certificación de Semillas (SNICS) sobre nuestra Soya Solución Faena® para garantizar la seguridad y alta calidad de los productos que ofrecemos. Monsanto Comercial es una empresa que trabaja desarrollando

nuevos productos para proporcionar a los agricultores soluciones con tecnología de punta a los problemas del campo mexicano.

where peasant farmers developed wheat and many of the other grains on which the North American food system is based. Many of those Iraqis who are now prohibited from re-using their seed are one-hundred or two-hundredth generation farmers.

The recently-proposed changes to Canada's Plant Breeders' Rights Act are based on the same UPOV (Union for the Protection of New Plant Varieties) 1991 agreement that forms the base of the seed laws imposed on Iraq. The U.S.-imposed Iraqi law looks eerily similar to Canada's Bill C-80—the failed 1999 attempt to "update" our Plant Breeders' Rights laws.

For more on the Iraq situation, see www.grain.org/articles/?id=6 .

For a text of Order #81, see www.iraqcoalition.org/regulations/20040426_CP AORD_81_Patents_Law.pdf

Or call the NFU office at (306) 652-9465 and give us your fax number.

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The five-member Board of Directors of the National Farmers Foundation (N.F.F.) publicly thanks all who financially contributed to further the work of the Foundation in 2004.

As the charitable arm of the National Farmers Union, the Foundation granted over \$44,000 to projects initiated by NFU members over the past five years. There are many more educational and organizational projects that need to be undertaken which are only limited by available funding.

Although the N.F.F. is a fully registered charity, our sources of funding are very limited. There is plenty of competition for charitable funding as everyone is aware. Seldom a week passes without mail or telephone requests seeking support for one good cause or another. That's not difficult to understand when we realize that there are over 80,000 registered charities in Canada licensed to issue income tax receipts for donations.

Many of these registered charities support worthwhile causes but, of course, we can't support them all. That's why it's important to select some priorities in our giving plans and make choices that reflect the values we consider worthwhile.

We are pleased that our 2004 donors have included the N.F.F. as a personal "charity of choice". We are truly grateful for their support and urge all others to include the N.F.F. as a cause of choice in the coming year. After all, as an NFU member it's your charity too! An envelope to assist you in making your choice is included in this issue of <u>The Union Farmer</u>.

We thank you for your consideration and extend our best wishes for the holiday season and the New Year.

Stuart Thiesson, Secretary-Treasurer

Excellent Book Available on Industrial Livestock Production

Last fall, the Canadian Centre for Policy Alternatives–Sask. Office published a collection of essays on factory farming. The book spans the distance from local struggles to stop individual barns all the way to the global realm where trade agreements and powerful corporations are restructuring farms, communities, and our food system.

Fred Tait, Manitoba farmer and NFU former Vice-President, in his essay in the book, states: "The story of pork, politics, and power is the story of the corporate takeover of Canadian hog production and the effects of unrestrained economic power on governments and communities. The transnational-controlled hog mega-barns of today are just one example of the growing corporate control of agriculture in Canada..."

Robert F. Kennedy, Jr., President of the Waterkeeper Alliance, has this to say: "This book is a rousing call to arms and its relevance extends far beyond the farm. I wish it were required reading for every politician and every citizen in Canada and the United States.".

"For some, especially those in government and agribusiness, the image of the corporate farm is one of clean efficiency. Behind this façade lies the grubby reality of unsafe working conditions, family farmers indentured through exploitive contracts, and a food production system that pays little attention to the environment of its community. Read this book to understand the reality too many face in the brave new world of rural North America"—Ken Larsen, Alberta NFU member.

The cost is \$19.95 (GST included) plus \$5.00 shipping & handling. To order, send a cheque to CCPA-SK, 2022 Montague St., Regina, SK S4T 3J7 or email ccpasask@sasktel.net

DECEMBER 2004

Beyond Factory Farming

Will there be any jobs left?

ecades ago, North America began exporting its garment trade jobs. Today, it's nearly impossible to buy a shirt made on this continent. Not long after corporate leaders moved the clothing jobs to low-wage countries, shoe assembly followed. The next wave saw North America move "our" entire machine tool production system to low-wage, low-benefit, low-workerprotection countries. In the '80s and '90s, our computer manufacturing sector waved goodbye, looking for more "liberal" economies. Our home appliance factories were similarly relocated. Increasingly, our automotive components are produced outside off-continent.

While it has long been clear that the globalized division of labour would strip us of our manufacturing jobs, it has recently become clear that many of our service jobs will also go. India has become a software development centre and, more surprisingly, it has become a leading call centre— Canadians are getting calls on behalf of their local bank or insurance company and these calls are not originating in the next city or province, but in call centres in India or the Philippines or elsewhere. (For 14 months, the George Bush Campaign used a call centre in India to solicit donations in the U.S.)

Recently a new development has made the news that should make even the most devoted acolytes of globalization ask a few questions. A sharp entrepreneur named Steve Bigari has outsourced order taking at his MacDonald's restaurants.

When we pull up the menu and speaker at the drive-through and hear "Would you like fries with that?" we assume that the disembodied voice belongs to someone in the building a few feet away. But if you are idling beside one of 12 MacDonald's in Colorado, you'd be wrong. Bigari has created a centralized call centre in Brainerd, Minnesota where a reduced number of employees can serve his twelve Colorado drive-throughs from one central location. A highspeed data link relays the customer's voice to the call centre and the call centre employees type up the order and flash it, and a picture of the customer (so that restaurant staff can match orders to faces), back to the remote restaurant where the order is assembled.

Minnesota's minimum wage rates are lower than Colorado's. And India and Russia have still lower rates. Is there any doubt that once the kinks are worked out of the drive-through outsourcing experiment that employers will look overseas for even cheaper and more pliable employees?

As NFU former Vice-President Fred Tait has observed: "The Plan is clear: develop the economy by eroding the purchasing power of the consumer class." — nfu —

NFU briefs still available

"The Farm Crisis, Bigger Farms, and the Myths of Competition and Efficiency" is the title of the NFU's November 2003 report on the real causes of the farm crisis and the lies that our political and corporate leaders tell us about that crisis.

The report has been very popular and the NFU has distributed several thousand copies. The brief has had international impact, generating dozens of letters to the editor in Australian farm papers as well as interest in the U.S., U.K., and elsewhere.

The NFU National Office still has several hundred copies of this report available and we don't want them languishing on our shelves.

If you can use additional copies to distribute to farmers or urban residents, please contact the NFU office and request as many as you need. Donations to cover postage are welcome but not necessary.

Contact Diane at the NFU office at 306-652-9465 or by email at neufeld@nfu.ca

NFU works hard for farmer hopper car ownership

The NFU continues to work hard in the struggle to win farmer ownership of the federal government's hopper car fleet. The NFU was a founding member of the Farmer Rail Car Coalition (FRCC). For years, Nettie Wiebe represented the NFU in that Coalition and served as its Vice-Chair. Now, long-time Transportation Committee member Jim Robbins has taken over as the NFU's representative. Robbins was recently in Ottawa to help represent the FRCC in front of the Standing Committee on Agriculture and he travelled to Winnipeg earlier in the month for an industry meeting with the Transportation Minister.

In a press release on November 1, the NFU emphasized its opposition to a last minute bid by railways to snatch away from farmers the federal government hopper car fleet. The NFU noted that farmers have already paid for the hopper cars. CN and CP have overcharged for maintenance on the cars—by up to \$3,000 per car per year. On 13,000 cars, that's \$39 million annually. Over the past 20 years, the total amount of overpayment to railways may be in the neighbourhood of \$780 million. That amount exceeds the total value of the car fleet by hundreds of millions of dollars. "Farmers have been forced to pay for these cars once, through maintenance overcharges. To give the cars to CN or CP and make farmers pay again is inconceivable," said Robbins in that release.

The NFU also noted that it is unfair to make farmers bid against CN or CP, because the railways can bid nearly any amount they want, confident that they can simply recover the money from farmers.

In a November 12 letter to Transport Canada, the NFU formally stated its support for farmer ownership.

Hearings by the Standing Committee are expected to continue and the NFU has asked to appear. ____nfu__

Yikes, agrarian socialists

The following is an excerpt of a letter from Dennis Rice of Starbuck, Manitoba that appeared in the November 4 Farmers' Independent Weekly. Rice was commenting on FIW coverage of a Food Security Workshop held earlier in Winnipeg.

Granted, many farmers have failed and had to seek other work. The idea that a particular individual might simply not be competent to be a farmer never seems to occur to the conference participants. Career turnover occurs in every other conceivable industry; on what grounds should farming be exempt?

If not in this business for profit, then what should farmers be in business for? In order to lose money and squander precious capital? What is the alternative to a cheap food policy? An expensive food policy? Should consumers feel it is their duty to pay \$10 for one apple? When a corporation puts a billions in capital at risk to market grain and other products in an unpredictable world wide trading sphere, have they not earned the right to the marketing power they possess?

In trotting out their vacuous slogans, the agrarian socialists at the conference haven't really enlightened anyone. In viewing taxpayers as expendable draft animals so that farmers may be cast in the role of docile Soviet peasants, all they have accomplished is to fuel the collectivist fantasies of the likes of Nettie Wiebe and Darrin Qualman.

NEW REPORTS OF INTEREST

You can count the studies on two hands

s a government, we will make decisions about genetically-modified foods on the basis of 'sound science'." How many times have we heard that one?

Well, how sound is the science on risks posed by genetically-modified (GM) foods to human health? Well, as of late 2003, there existed only ten peer-reviewed papers published in academic journals that examine the safety of GM foods. And only five of those studies are independent (not "performed more or less in collaboration with private companies") And all five of these independent studies reported adverse effects from feeding GM foods to lab animals. These are the findings of a 2003 study by Ian Pryme and Rolf Lembcke entitled *In Vivo Studies On Possible Health Consequences Of Genetically Modified Food And Feed*—With Particular Regard To Ingredients Consisting Of Genetically Modified Plant Materials published in Nutrition and Health, 2003, Vol 17, pp.1-8.

At one point, Pryme and Lembcke comment on the studies that found adverse health effects, saying that "It is remarkable that these effects have all been observed after feeding for only 10 - 14 days."

Pryme and Lembcke conclude: "...we feel that much more scientific effort and investigation is necessary before we can be satisfied that eating foods containing GM material in the long term is not likely to provoke any form of health problems. It will be essential to adequately test in a transparent manner each individual GM product before its introduction into the market."

According to Pryme and Lembcke, 100% of all independent, peer-reviewed academic studies of the safety of GM foods show that they have adverse effects. And we are making decisions based on sound science.

This report is available at

www.soilassociation.org/web/sa/saweb.nsf/0/80256cad0046ee0c80256d66005ae0fe/\$FILE/NutritionHealthstudy.pdf

Manipulating life at the molecular level

own on the Farm: The Impact of Nano-scale Technologies on Food and Agriculture is the name of a new report by ETC Group (Formerly RAFI).

Nanotechnology is the manipulation of matter at the scale of atoms and molecules. Nanotech is rapidly converging with biotech and information technology to radically change food and agricultural systems. Over the next two decades, the impacts of nano-scale convergence on farmers and food will exceed those of farm mechanisation, the Green Revolution, and the introduction of GM crops.

A handful of food and nutrition products containing invisible and unregulated nano-scale additives are already commercially available. Likewise, a number of pesticides formulated at the nano-scale are on the market and have been released in the environment.

As with GM foods, the government is essentially taking the position that nano-tech modified foods, chemicals, and toxins are substantially equivalent to their conventional analogs, despite clear evidence that nano-tech

(continued on page 14...)

(News Reports of Interest, from page 13)

modified compounds can behave in radically different ways (that altered behaviour, after all, is one of the great attractions of nano-technology).

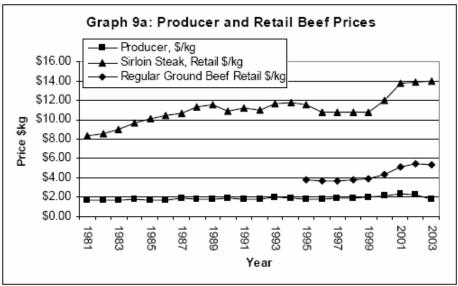
ETC Group's report surveys the likely impacts of a future food system shaped and warped by nano-tech and provides important recommendations to regain democratic control of what could be the most powerful technology in human history. "First and foremost, society—including farmers, civil society organizations and social movements—must engage in a wide debate about nanotechnology and its multiple economic, health and environmental implications. In keeping with the Precautionary Principle, all food, feed, and beverage products (including nutritional supplements) that incorporate manufactured nanoparticles should be removed from the shelves and new ones prohibited from commercialisation until such time as laboratory protocols and regulatory regimes are in place that take into account the special characteristics of these materials, and until they are shown to be safe. Similarly, nano-scale formulations of agricultural input products such as pesticides, fertilisers and soil treatments should be prohibited from environmental release until a new regulatory regime specifically designed to examine these products finds them safe." recommends ETC.

"Down on the Farm" is available at www.etcgroup.org/article.asp?newsid=485

And the farmers' share continues to fall

Compare the Share graphs the farmers' share of common food items. This popular report has recently been updated.

Begun by Ralph Ferguson MP and now updated by the Centre for Rural Studies and Enrichment in Muenster, Sask., *Compare the Share* is Canada's best compendium of farmgate and retail price data for food. Graphs such as the one at right depict with dismal clarity the simultaneous corporate abuse of farmers and consumers alike.



Compare the Share is available at http://www.stpeterscollege.ca/crse/CTSFINAL%202004_color_cover.pdf

One CFA solution to the farm crisis

uring the recent federal election, the Canadian Federation of Agriculture put out a pamphlet entitled "Cast a Vote for Agriculture." The pamphlet fell a bit short in its analysis of the cause of the farm income crisis and far short in its proposed solutions.

In a well-intentioned section entitled "How much does the farmer get paid for the food we eat?" there is a comparison of what the farmer is paid and what the consumer pays. But it is the last column that is most problematic, the column headed "How much the retail price would have to change for the farmer to earn a profit."

The implication is clear: If farmers are to make a living, consumers will need to pay more for food. Regrettably, the CFA failed to draw the obvious and rational conclusion: in a country where a Tbone steak costs \$22.00 in the store and where the farmer only gets \$2.80, couldn't the additional \$1.25

How much does the farmer get paid for the food you eat?

How does that compare to how much you paid for it? For many products, farmers are paid less than it cost them to produce the food. In many cases, just a few cents more is all it would take for the farmer to see a profit.

Product	Cost of production	What the farmer is paid	What you pay in the store	price would have to change for the farmer to earn a profit
1 kg carrots	\$0.30	\$0.20	\$0.74	+ \$0.11
1 litre dill pickles	\$0.30	\$0.25	\$2.00	+ \$0.00
10 lb bag of potatoes	\$0.84	\$0.40	\$3.10	+ \$0.45
1 litre 2% Milk	\$0.73	\$0.00	\$1.30	+ \$0.14
1 kg T-bone steak	\$4.13	\$2.80	\$22.00	+ \$1.25

needed to restore farmer profitability come out of retailer or packer profit instead of out of the consumers' pocket? If consumers are already paying \$3.10 for a bag of potatoes and the retailers and processors are keeping \$2.70, couldn't the extra 45¢ that farmers need come from the middlemen?

Until farm organizations have the courage to ask tough questions about corporate power and profit, the farm income crisis is insoluble. -nfu - nfu -

Global warming, the end of oil, no worries

Amount of oil consumed every day worldwide: over 80 million barrels per day.

That's about 30 billion barrels per year.

Postage Paid at Muenster, Saskatchewan Publication Agreement No. 40063391

Portion of Farm Market Receipts from Export Sales, 2001 and 2002

Percent of Market Receipts 80 70 2001 60 2002 50 40 30 20 10 0 Grain Oilseeds Red Meat Poultry Eggs Dairy

Source: Statistics Canada and AAFC calculations.

Export dependency is calculated in terms of volume to Note: avoid export and farmgate price differentials. Grain and oilseeds export dependency is calculated on a crop year basis and dairy on a dairy year basis.

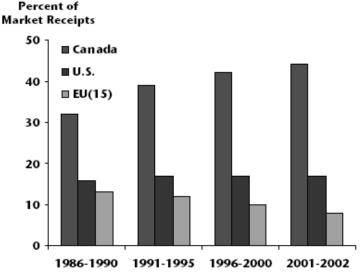
Export-focused ag.

hese two graphs are from Ag. Canada's Overview of the Canadian Agri-Food System. The top graph shows a clear correlation: the farm sectors in crisis are those most dependent on exports.

The bottom graph shows that Canada is becoming *more* export dependent—with market receipts from exports rising from approx. 32% in the latter '80s to approx. 44% today. Over the same period, U.S. export dependency held steady at approx. 16%. And the EU reduced its export dependency, from 13% of farm receipts to 8%.

As Canadian export dependency has risen, net farm income has fallen. Exportmania has been a disaster for Canadian farmers. — nfu —

Portion of Farm Market Receipts from Export Sales for Canada, the U.S. and the EU(15), 1986-2002



Source: Statistics Canada, OECD and AAFC calculations.

Note: Export dependencies are calculated as a value of production weighted average of the export dependencies of the following commodities-wheat, coarse grains, oilseeds, beef, pork, dairy and poultry. These commodities cover about 50% of the EU(15)'s total farm production, 60% of the U.S.'s total farm production and 75% of Canada's total farm production.