Volume 65 Issue 6

Oct/Nov 2017

union farmer newsletter

A PUBLICATION OF THE NATIONAL FARMERS UNION, 2717 WENTZ AVENUE, SASKATOON, SK S7K 4B6

PHONE: 306-652-9465 ▪ FAX: 306-664-6226 ▪ E-MAIL: NFU@NFU.CA

Our National Food Policy Includes Farmers!

—by Cathy Holtslander, Director of Research and Policy

On October 5, 2017, National Farmers Union (NFU) Youth President, Ayla Fenton appeared before the House of Commons Standing Committee on Agriculture and Agri-Food to present the NFU's position and speak to our brief on the government's Food Policy for Canada initiative. To read the transcript of her presentation, go to Meeting 72 on http://www.ourcommons.ca/Committees/en/AGRI/Meetings and click on the "Evidence" button.

When Agriculture and Agri-Food Minister MacAulay was appointed he was given a mandate to "Develop a food policy that promotes healthy living and safe food by putting more healthy, high-quality food, produced by Canadian ranchers and farmers, on the tables of families across the country." The national food policy development process was then set up. Its goals are to increase access to affordable food; improve health and food safety; conserve our soil, water, and air; and produce more high-quality food. A series of public engagement sessions were held, starting with an event in Ottawa in June, which Ayla attended. In September, Ian Robson and Dean Harder, NFU Region 5 (Manitoba) Board members, participated in the Winnipeg event. The government also invited Canadians to do a survey over the summer.

The NFU has asked the government to view the Minster's mandate as a green light to go ahead and create a national food policy that will transform Canada's farming, food processing and distribution system to one that embodies food sovereignty. Food sovereignty is the right of peoples to healthy and culturally appropriate food produced through ecologically sound and sustainable methods, and their right to define their own food and agriculture systems.

This transformation would move Canada away from the global "free trade" agenda that has not only failed to deliver prosperity to farmers but instead has concentrated the power and wealth of multinational corporations and diminished our democratic space.

At the June national food policy engagement event, government officials in attendance appeared to be wrestling with a contradiction: they could listen to the people in the room who were clearly asking for food sovereignty—or they could listen to the 2017 federal budget directive which set a goal of increasing Canada's agri-food exports to at least $75 billion annually by 2025 (a 33% increase over current exports of $56 billion).

Our key message, "our national food policy includes farmers!" brought this contradiction into sharp focus.

Whether voluntarily, or because they had no choice, generations of young people have left Canadian farms and rural communities to pursue better economic opportunities in cities. With rural depopulation, the rural social fabric has frayed, as fewer people remain to look after community needs. The average age of farmers is now 55 and the number of farmers under 35 has declined by 70% since 1990. 75% of farmers do not have someone lined up to take over their farm when they retire and only 8% have a written succession plan. Historically, the farm population has been renewed by transfer of knowledge, culture, assets

(continued on page 2…)

NAFTA Fact Sheet – a tool for organizers

On pages 3 and 4 there is a 2-page fact sheet that shows how the situation of Canada's farmers and agriculture sector has changed during the time the Free Trade Agreement and NAFTA have been in effect. **We encourage you to make copies to share in your local organizing activities, at public events and in conversations with other farmers, friends and politicians.** If you want to contact Canada's Minister of Foreign Affairs, Hon. Chrystia Freeland about NAFTA, you can phone her at 613-992-5234 or send an email to Chrystia.Freeland@parl.gc.ca .

If you would like more information about NAFTA, please visit the NFU website at www.nfu.ca . Type NAFTA in the "search" window to find relevant articles, press releases, op eds and briefs.

(Our National Food Policy..., from page 1)

and land from parents to their children on the family farm. But in Canada today, this system is broken. Declining profitability has led to the crisis in intergenerational transfer. Farm profits are down as a direct result of policies that allow agribusiness corporations to extract ever more wealth from farmers. On his blog, former NFU Research Director Darrin Qualman notes that from 1985 to 2016 agribusiness corporations captured 98% of farmers' revenues—$1.32 trillion out of $1.35 trillion—that Canadian taxpayers have had to help out with approximately $100 billion in farm income support since 1985, and that farmers have had to borrow so heavily that farm debt is now close to $100 billion. (See www.darrinqualman.com/canadian-net-farm-income)

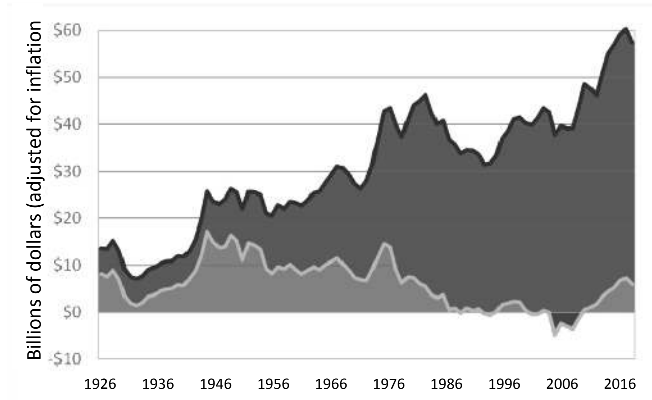
Their intense focus on agri-food exports seems to blind free trade promoters to imports. Since the first Canada US Free Trade Agreement came into force in 1988, Canada's agri-food imports have increased faster than our exports. Canadians are consuming more food that is not grown or raised by Canadian farmers, food that is not processed by Canadian workers. Our rising exports are high-volume, low-priced, bulk commodities such as canola, wheat, soybeans and lentils while our imports are higher-value prepared foods, bakery products, wine, fruits and vegetables – many products that we could easily produce here instead.

If the Canadian government makes its priority the $75 billion per year export target, this bad situation for farmers will get worse.

The export-centred approach to agriculture is supported by the Finance Minister's Advisory Council on Economic Growth led by Dominic Barton, an executive in a multinational business consulting firm. Its February 2017 report on agriculture expressed a vision that is incompatible with the national food policy goals. It single-mindedly focuses on massive increases in agricultural exports and promotes methods that would sideline farmers, consumers, food sector workers, and the democratic process that defines the rules and regulations governing our food system. It urges Canada to ramp up food exports by increasing scale, reducing regulations, and automating production. It recommends that this transformation of Canada's agri-food system should be led by corporate executives. Farmers, consumers and workers are not intended to be decision-makers in this vision but, Barton suggests, farmers can be disciplined to increase output through the design of income support programs tied to productivity as reported via big data systems.

If the Barton report's advice is followed we will have even fewer farmers, higher greenhouse gas emissions from agriculture, fewer workers, and less protection for our soil, air and water. Increasing scale of processing facilities will mean longer distances between the farm and the plant – or concentration of production close to processing facilities – and longer distribution chains to deliver food to consumers. The increased scale would also increase standardization, taking diversity out of our food system, making it more brittle in the face of inevitable economic and climate stresses. The very infrastructure that would be needed to super-size our exports would create roadblocks for the development of the more localized food system that Canadians want. Our food system would not only become more export dependent, it would lose its diversity and complexity – it would lose its culture.

This graph shows the difference between gross farm revenue (black line) and realized net farm income (gray line). The dark grey area between the two lines represents farmers' expenses: the amounts they pay to input manufacturers (Monsanto, Agrium, Deere, Shell, etc.) and service providers (banks, accountants, etc.)



http://www.darrinqualman.com/canadian-net-farm-income/

We ask the Agriculture Committee to make the choice to support a food policy that will provide sustainable livelihoods for farmers today and into the future. We know that more new entrants in agriculture are coming from non-farm backgrounds. They often start businesses in small-scale ecological production of vegetables and livestock, likely because it is prohibitive to start a farm business that requires enormous financial investments in land, equipment and infrastructure. Most of these new farmers are practicing direct marketing – selling directly to eaters in their local communities. A national food policy that provides the economic and regulatory framework in which local direct marketing can thrive will ensure that these new farmers – and others like them – will be able to make a life for their families and a decent living by producing food for their communities. By supporting new farmers from diverse backgrounds entering all sectors of agriculture, we can create a more resilient and just food system.

(continued on page 5...)

What impact has Free Trade had on Canadian farmers?

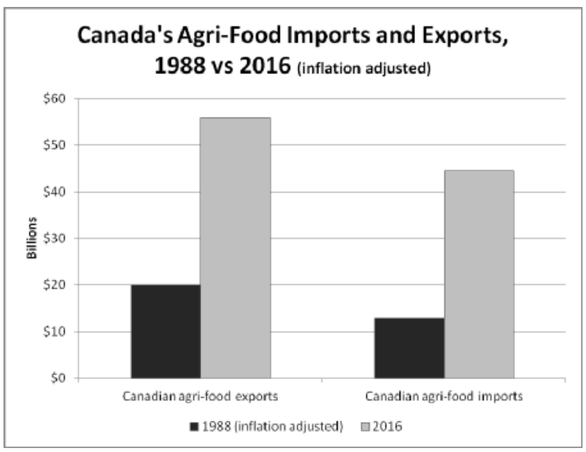
National Farmers Union
Union Nationale des Fermiers

The Canada-US Free Trade Agreement (FTA) came into force in January 1989. Five years later, it was replaced by NAFTA, which expanded the agreement's scope and added Mexico. The 2017 efforts to renegotiate NAFTA are poised to intensify impacts on farmers by strengthening measures to protect the corporate sector from any democratic initiatives that would promote the interests of the farmers, communities and the environment of North America. How has the free trade agenda affected Canadian farmers so far? Let's look at the numbers! (Note: all 1988 indicators are adjusted for inflation)

Number of farmers

FARMS and FARMERS	1988	2016	Difference
Number of farms	239,089	193,492	- 45,597
Number of middle-sized farms	169,535	90,358	- 79,177
Number of young farmers	77,910	24,850	- 53,060
Population of Canada	26,791,747	36,286,425	+ 9,494,678

Since the FTA went into effect Canada has lost one in five farms. The trend is more dramatic for middle-sized farms of 130 to 1120 acres — nearly half have disappeared. In 1988 we had nearly 78,000 farmers aged 35 or younger. Today we have about a third as many. The family farmers who are left must increasingly rely on off-farm jobs to maintain their households. Meanwhile the total Canadian population has increased by almost 10 million.



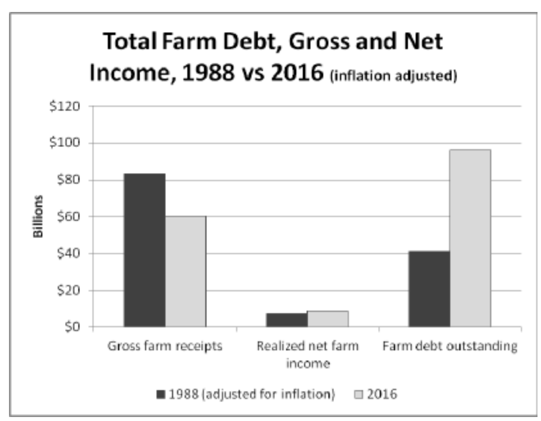
Imports and Exports

Canada's agri-food exports have increased since the FTA took effect; imports have increased even more. The value of our exports has nearly tripled, while imports went up nearly three and a half times. While Canada now sells more to other countries than prior to the FTA, our trading partners have more of our domestic market. Increasing international movement of agri-food products, along with the geographic concentration of domestic processing, accelerates climate change. Global CO_2 is up by more than 50 ppm since 1988 and is now over 400 ppm.

ATMOSPHERIC CO2 (ppm)	1988	2016
Annual average	351.57	404.21

Farm income and debt

Inflation-adjusted gross farm revenues have actually gone down since 1988. The decline reflects the increasing market power of multinational corporations that dominate grain, livestock, food processing and retailing. Realized net farm income (gross market income plus program payments less operating expenses) has increased slightly, while farm debt has increased dramatically. Farmers' debt load is more than twice what it was when the FTA went into effect. Today, it would take nearly 11 years worth of total net farm income to pay off total farm debt outstanding; in 1988 farm debt equaled 6 years' worth of net income.



Farm input costs

Farmers are paying more for fertilizer and fuel. Nitrogen fertilizer is up a third while diesel has nearly doubled. Farmers may be willing to buy more fertilizer in spite of the price to increase yields on the same number of acres in order to compensate for falling commodity prices and rising land costs.

LAND AND INPUTS	1988	2016
Nitrogen Fertilizer (anhydrous ammonia) per tonne	$701.45	$931.44
Diesel fuel per litre	$.46	$.8513
Farmland average price/acre	$850	$2,871

National Farmers Union, 2717 Wentz Ave., Saskatoon, SK S7K 4B6—P: (306) 652-9465, F: (306) 652-9465, nfu@nfu.ca, www.nfu.ca

Seed costs

SEED per bushel	1988	2016	% change
Wheat seed: Certified No. 1, bulk	$9.87	$14	+ 142%
Seed: canola, conventional, treated	$78.20		+ 601%
Seed: canola, GM herbicide tolerant Roundup Ready and Liberty Link		$469.77 (RR) $617.86 (LL)	+ 790%

Certified seed wheat now sells at just under one and a half times its 1988 price; canola seed has gone up 600 to 800%. Many farmers use farm-saved seed for cereal crops, so they do not need to buy wheat seed every year. In 1988 only conventional canola seed was available. NAFTA was the first international trade agreement to include rules for intellectual property such as Plant Breeders Rights and gene patents. Two years after NAFTA came into force, genetically modified (GM) canola was introduced. The patent-holders on GM canola do not allow farmers to save seed from one harvest to plant the next year. After the 2004 Supreme Court decision on the Schmeiser case, conventional seed use dropped dramatically, as farmers feared being sued if volunteer GM canola was found in their fields.

FARM vs RETAIL PRICES	1988	2016	Difference
Cattle: A1 Steers, Alberta/lb	$1.47	$1.36	- $0.11
Cattle: A1 Steers, Ontario/lb	$1.59	$1.30	- $0.29
Cattle: D1 & D2 cows, Ontario Alberta/lb	$1.08	$.72 (ON) $.84 (AB)	- $0.36 - $0.24
Steak: sirloin/lb	$9.23	$10.90/lb	+ $1.69
Hamburger: regular/lb	$2.88	$5.66/lb	+ $2.78
Number of federally inspected beef packing plants	119	23	- 96
Wheat: farm price, SK per bushel	$9.03	$6.25	- $2.78
Bread: grocery store price	$2.05	$2.96	+ $0.91
Value of wheat in a loaf of bread	$0.20	$0.13	- $0.07

Farm price vs grocery store prices

Since the FTA came into effect farmers are getting less than 2/3 of what they got for cows and less than half what they got for steers. Beef consumption has not increased in spite of population growth, perhaps because retail prices have gone up. Steak costs 20% more now, and ground beef prices have nearly doubled since 1988. Farmers' inflation-adjusted price for wheat is down over 30% since 1988, while bread prices went up. Farmers got 20 cents from a $2 loaf of bread then and today, just 13 cents per $3 loaf.

Market Power: Farmers versus Corporations

FARMER CONTROLLED	1988	2016
Grain handling: # of farmer-owned co-ops	4	0
Dairy: % processed by co-ops	66%	26% in 2012
Number of single desk selling agencies for wheat, hogs	Wheat: 2 Hogs: 9	Wheat: 0 Hogs: 0
Number of marketing boards (Supply Management)	44	44

Input sellers and food processors benefit the most from trade deals: they use market access provisions to buy from the cheapest sources in the globally. They also use trade agreement rules to attack farmer-controlled marketing institutions in order to weaken farmers' market power. Each trade agreement has nibbled away at Canada's unique and successful supply management system for dairy, eggs and poultry, putting downward pressure on farmers' prices and opening market space for corporations. Agribusiness's gains are not passed on to consumers, as evidenced by climbing food prices. Instead they use their increased market power to expand their reach and control through mergers and acquisitions, resulting in fewer and larger global agribusiness companies buying, selling and processing. Since the FTA, Canadian ownership of our food processing sectors has nearly disappeared.

CANADIAN-OWNED CAPACITY	1988	2016
Grain handling	93%	29%
Flour milling	50%	33%
Beef packing plants	100%	Under 5%
Breweries	95%	~ 30 %
Malt plants	95%	~ 2-3 %

In 1988 93% of Canada's grain handling capacity was in Canadian hands, and over 60% belonged to farmer co-operatives. Now the co-ops are gone and 3 private multinationals own over half of the capacity. In 2012 the federal government ended the single desk authority of the Canadian Wheat Board then did not sell, but gave its assets to G3, a partnership of Bunge and a Saudi state enterprise.

The beef sector has gone from a Canadian industry to virtually all foreign-owned: Cargill and Brazil's JBS own over 95% of Canada's slaughter capacity. Nearly all of our breweries were Canadian before the FTA. Today, Molson-Coors and InBev own about 60% of Canada's capacity, while Japan's Sapporo owns about 5%. Our malting sector went from almost all Canadian ownership to virtually none, while flour mills went from half Canadian-owned then to one-third today.

National Farmers Union, 2717 Wentz Ave., Saskatoon, SK S7K 4B6—P: (306) 652-9465, F: (306) 652-9465, nfu@nfu.ca, www.nfu.ca

(Our National Food Policy, from page 2)

The development of a national food policy has the potential to resolve or heighten contradictions within Canada's food system. This is an opportunity to move Canada's food system towards one that better serves Canadians and creates a foundation for better international relations.

Our question is: which process – the National Food Policy for Canada or the Advisory Council on Economic Growth – will carry the day?

To read the complete NFU brief in English or French, visit http://www.nfu.ca/policy/2017 . ഇ

A food sovereignty-based food policy for Canada would promote healthy living and safe food and put more healthy, high-quality food, produced by Canadian ranchers and farmers, on the tables of families across the country by:

— developing domestic markets and localized distribution systems with direct, fair and transparent distribution chains;
— safeguarding farmer power in commodity markets by keeping supply management and farmer-controlled marketing boards intact;
— providing incentives and support for land stewardship practices that maintain the land's productivity for the long term;
— setting up a national farmland succession strategy that does not rely solely on loans and interest payments;
— curtailing farmland transfer to investment companies and/or non-agricultural uses;
— realigning Farm Credit Canada's mandate to support food sovereignty and offer financing to a wider diversity of farms;
— creating a core food and agriculture school curriculum without corporate sponsorship;
— creating training and employment support programs for farmers to employ and train workers and apprentices;
— linking with poverty reduction measures such as a Basic Guaranteed Income to benefit farmers directly and indirectly by enabling eaters to afford healthy food; and
— removing agriculture and food from trade agreements so that Canadians, not corporations, make the important decisions around trading

Private Corporation Tax Reform
—*Implications for Canada's family farms*

—by Cathy Holtslander, Director of Research and Policy

The federal government's proposal to change tax measures for private corporations has been a hot topic in the news this fall. Unfortunately a lot of questionable information has been circulated that provokes fear and anger instead of reasoned discussion. In this article, we strive to provide accurate information, as well as some analysis of the larger context of farm incomes, fair taxation and the interests of family farmers.

What was the tax consultation about?

From July 18 to October 2, 2017, the Finance Department held a public consultation on three proposed policy responses to certain tax measures that apply to private corporations. These proposals would address:

- ***Income sprinkling*** (dividends paid to family members who do not contribute to the business for the sole purpose of avoiding taxes)
- ***Passive investment*** (a wealthy person uses their private corporation to make investments in mutual funds, the stock market, bonds, etc. instead of investing under their own name, allowing them to pay less tax and thus increase their private fortune faster)
- ***Converting income into capital gains*** (setting up shell companies, then using the corporation's income to buy and sell shares in these companies so the money from these transactions can be counted as capital gains instead of income from their corporation, and thus taxed at a lower rate)

The Government also asked for views and ideas on whether and how to use the *Income Tax Act* to help with genuine intergenerational business transfers while protecting the fairness of the tax system.

(continued on page 6…)

(Private Corporation Tax Reform, from page 5)

What was the consultation not about?

The proposed tax changes:

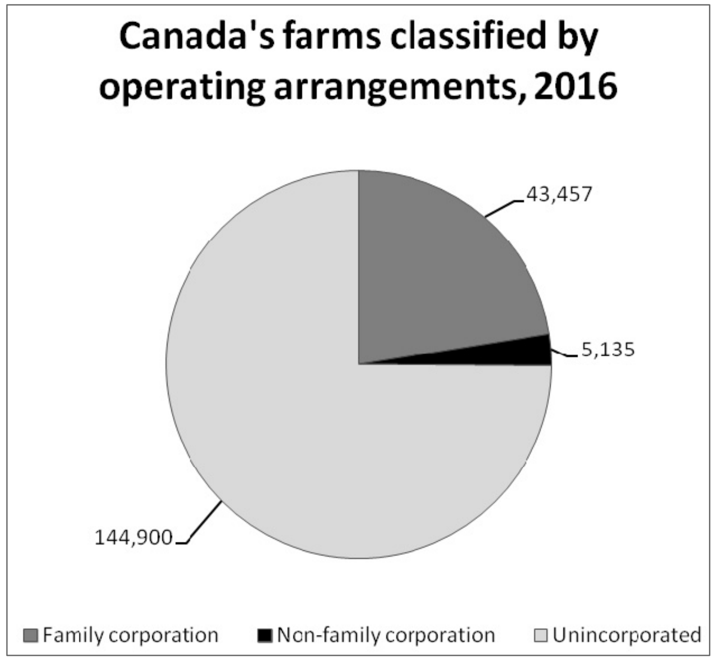
- would not affect the existing provision for a lifetime capital gains exemption of $1 million when passing a farm to the next generation.
- would not apply to unincorporated farms.
- would not tax total revenue, but would only apply to **net** income.
- would not affect taxation of farm profits invested in equipment, land or other assets that help the farm become more productive.
- would not stop a farmer from paying dividends to family members as long as the amounts reasonably reflect the person's contribution to the farm.

Most farms can't use the loopholes, most loophole users are not farmers

Most family farms are not incorporated, and thus have no access to the tax planning measures under discussion. According to the 2016 Census of Agriculture, only 43,457 farms, or less than 25% of Canada's farms, are family farm corporations.

The proposed changes to tax measures would apply to profits (net income left after all expenses are paid, including inputs, wages and salaries), not gross revenue. A farm's profits would need to reach approximately $200,000 year to make it worthwhile to pay the various legal and accounting fees required to benefit from the tax measures. According to Statistics Canada, in 2014 (most recent published data) the average farm net operating income was less than $50,000. Even if we only consider the biggest farms (31,000 farms with gross revenues over $500,000), their average taxable income (net income from the farm adjusted for capital cost allowance) was $72,081, of which $16,420 was from government program payments.

There is no proposal to change the $1 million lifetime capital gains exemption for farmers. There have been many irresponsible reports in the media that falsely implied that this lifetime capital gains exemption for farmers was in jeopardy. Many media stories also implied that family farms were a primary target of the tax reform proposals. Yet Canada's 43,457 incorporated family farms make up only about 2.4 % of the 1.8 million private corporations that could be affected by changes.



Source: Agriculture Census, 2016

Tweaking taxes versus market power for farmers

The NFU is in favour of social justice, and this includes fair returns to farmers so farmers can make a living and young people will see farming as a viable career choice. Neither keeping nor eliminating tax loopholes will address the real farm income problems we face. Gross income – the value of what farmers produce – has gone up steadily for decades, yet realized farm income – the amount farmers get to keep after paying expenses - has not increased. Adjusted for inflation, farmers' net income has actually gone down.

Farmers are price-takers when we buy inputs and price-takers when we sell our product. We have excess debt and insufficient income due to the imbalance of power in the market place. Each individual farmer is small in comparison to the corporations we have to deal with or compete with, whether it is a multinational grain company, a retail conglomerate, a railway company or a big seed company. This power imbalance cannot be corrected by having wealthy individuals avoid paying taxes. This is why the NFU advocates for fair agriculture policy and strong institutions that make it possible for farmers to work together in the marketplace.

(continued on page 7…)

(Private Corporation Tax Reform, from page 6)

Help intergenerational farm business transfers succeed

Only 8% of Canadian farms have a written succession plan. Most would pass the farm on to a family member. The current $1 million capital gains exemption facilitates within-family succession. But we know that this is not always possible. Families are smaller, sons and daughters often pursue non-farm careers while parents continue to farm, and most farms do not return enough to support older parents with adult children raising young children. Adult children may not want to return to the farm when their parents are ready to retire. There are older farmers who do not have children. With total farm debt close to $100 billion, farmers generally need to sell their farms in order to pay off debt and have an income in retirement. At the same time, more young people who want to farm are from families that either don't farm or are not in a position to pass land on to them. Farm size has increased significantly over recent decades and farmland prices have gone up. The barriers to entry for young farmers are massive.

A genuine national farmland succession strategy would be inclusive of non-family members, go beyond the capital gains exemption, and prevent abuse by speculators. The NFU recommends governments set up intergenerational farmland transfer mechanisms that do not rely on loans and interest payments so young and new farmers can gain secure access to farmland without taking on massive debt. Such mechanisms could include:

- Community-owned land trusts and land banks;
- Community-based financing options;
- Government agencies that support seller-finance options;
- An income-assurance plan for beginning farmers to help them get established and support their long-term success; and
- A retirement savings program or pension plan specifically designed for farmers that would reduce the need to rely on selling land to fund their retirement.

The NFU would like the government to consider increasing the lifetime capital gains exemption amount for farmers in light of the increase in farmland prices, but only if there are effective controls to prevent farmland investment companies and foreign buyers from accumulating more land and promoting speculation.

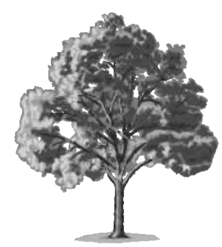
Tax fairness

Taxation can seem unfair when we can't see tangible results, but this is how some of the most important things are funded, such as universal health care, building and maintaining rural infrastructure, agricultural research, and farm support programs such as AgriInvest, AgriStability and Crop Insurance.

We would like to see more fairness in the tax system in general. The measures proposed in this fall's consultation do not address the many strategies big businesses use to avoid paying their share of taxes (for example paying their CEOs stock options and structuring their company so that most of their profits go into off-shore tax shelters instead of being taxable in Canada). We urge the government to amend the *Income Tax Act* and use other tools to ensure that large corporations and their shareholders pay their fair share of taxes too. ℘

Save a tree, save a stamp <u>AND</u>

save the NFU some money!!



Postage rates and printing costs keep going up and it's easier than ever to distribute documents electronically so we have begun offering the ***Union Farmer Newsletter*** via email. We would like to encourage you to switch from paper to PDF so we can allocate more money to organizing, research and advocacy for family farmers.

If you would like to get the electronic version of the newsletter in your email in-box instead of getting the paper version in your mail box, please let us know.

Send an email to nfu@nfu.ca with the subject line "Newsletter by Email". <u>Include your name, NFU membership number and/or mailing address</u> in the body of the message.

Thanks for helping lower our publication costs!

Publication Agreement No. 40063391 Postage Paid at Muenster, SK

Bill C-49 Will Amend Canada's Transportation Laws

In September 2017 the NFU provided input to the House of Commons Committee on Transportation as it studied Bill C-49, the *Transportation Modernization Act*. For the full brief, see http://www.nfu.ca/policy/nfu-brief-bill-c-49-transportation-moderation-act. Highlights:

Common Carrier Obligation: Canada's common carrier obligation requires railways to move a duly loaded car to its destination in a timely fashion. It is clearly set out in the current *Canada Transportation Act.* If a shipper makes a level of service complaint, the Canadian Transportation Agency (CTA) must decide if the railway has met its obligation. Bill C-49 would weaken the railway companies' duty by allowing the CTA to rule a railway meets its service obligations if it merely provides "the highest level of service in respect of those obligations that it can reasonably provide in the circumstances." As is, Bill C-49 would mean some shippers would have to put up with poor, or no service. Railways would be able to discriminate against some shippers and locations, justifying their actions as reasonable under the circumstances. A weak common carrier obligation would lead to reconfiguration of Canada's railway system to serve the interests of CN and CP.

Maximum Revenue Entitlement: Bill C-49 does not propose major changes to the Maximum Revenue Entitlement (MRE or Revenue Cap). We need regulated freight rates to stop grain companies and railways from taking more than their fair share from farmers. We asked for amendments to Bill C-49 to require a full railway costing review, and to change the MRE costing formula so that freight rates can be reduced when costs go down. We need this to restore fairness, as the railway system has changed significantly since the last review.

Bill Gates CN ownership amendment: In 1995, the privatization of CN was controversial because Canadians recognized that railways are essential infrastructure and their public ownership has strategic value. The government addressed concern over who might control this vital asset by enacting a limit on any single entity's ownership. Bill Gates, who currently owns nearly 15% of CN, has been lobbying the Transport Minister for amendments to allow more direct foreign investment. Bill C-49 would increase the CN's ownership limit to 25% of voting shares. We oppose this increase in private ownership concentration regardless of the buyer.

Producer cars: Producer car provisions were set up to counteract the power of grain companies and railways by ensuring farmers have access to rail transportation and an alternative to delivering to grain elevators. We asked the committee to amend Bill C-49 to take away railways' authority to close producer car loading sites and to reinstate the right of producers to petition to have a loading site built. This would ensure that farmers, not railways, decide on the availability of the producer car loading option. We also asked the Committee to reinstate the regulation that put producer cars first in line for railcar allocation. And we asked for *Canada Grain Act* amendments to establish an independent *Producer Car Receiver* with the authority to negotiate producer car sales with the receiving terminal and ensure prompt unloading and grading. With an independent *Producer Car Receiver*, the producer car option would become a more powerful tool for farmers.

National Transportation Policy: We asked the committee to update the *National Transportation Policy* to address climate change by reducing greenhouse gas emissions and promoting rail transportation to increase Canada's overall energy efficiency. The policy should govern and regulate railways as vital infrastructure to serve the public interest and support Canada as a diverse, vibrant society with rural and urban communities across the country connected by our transportation system.

Take action: Bill C-49 was returned to the House of Commons without any of our recommended amendments. You can encourage the government to make these changes with your emails, phone calls and letters to Hon. Marc Garneau, Minister of Transport at marc.garneau@parl.gc.ca, 613-996-7267, or House of Commons, Ottawa, ON K1A 0A6 (no postage required) and your own Member of Parliament.