

Ontario Grains & Oilseeds

Ontario Bean Producers' Marketing Board
Ontario Canola Growers' Association
Ontario Coloured Bean Growers' Association
Ontario Corn Producers' Association
Ontario Soybean Growers
Ontario Wheat Producers' Marketing Board
Seed Corn Growers of Ontario

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Long-Term Solution Critical as WTO Talks Collapse

GUELPH, ON – For months now, farmers from across the province have been sounding the alarm about the farm income crisis gripping Ontario's grain and oilseed sector. Facing record-low prices fueled by billions of dollars in subsidies paid to farmers in other countries, Ontario producers are against the wall.

Last week's announcement that WTO talks have been suspended just escalated that concern. "Farmers alone can't compete with the treasury boards of other countries," said Leo Guilbeault, Chairman of the Ontario Grain & Oilseed Safety Net Committee. "And that's exactly what we're being asked to do."

Guilbeault is frustrated that the 29,000 farmers he represents have been waiting for action on a year-long government promise to address this critical situation with a long-term solution. "While governments point their fingers and argue about who should lead the charge, farmers are losing their livelihoods growing cheap food for taxpayers," Guilbeault says. "It doesn't have to be that way."

More than a year ago, facing the lowest prices in a generation, the Ontario Grain & Oilseed Safety Net Committee unveiled a solution. The Risk Management Program (RMP) was created by farmers to address their unique situation caused by years of market-distorting foreign subsidies. Farmers are asking for a long-term commitment to the RMP so they can make business planning decisions. "We can't go to a banker and tell them there may be another ad-hoc payment from someone, sometime," says Doug Eadie, Chairman of the Ontario Corn Producers Association. "Nothing about the current approach reassures farmers, or the companies we do business with."

There is a permanent program – Canadian Agriculture Income Stabilization (CAIS) – but both levels of government have recognized it doesn't work for grains & oilseed producers. CAIS seeks to stabilize farm income year over year, but isn't designed to correct decades of low prices created by trade injury.

That's why the RMP was developed by producers. "It's a responsible program," explained Greg Devries, Chairman of the Ontario Soybean Growers. "It's a price-insurance program that requires an investment from everyone who benefits – farmers, governments and the public."

The public has a lot to lose if this situation is not addressed. "We all have access to safer, more reliable food because it's grown right here at home," says Alan Kerkhof, Chairman of the Ontario Wheat Producers' Marketing Board. "We can protect the way it's grown and transported to ensure it is safe by Canadian standards." But it doesn't stop with food. The environmental, economic and social benefits from the agriculture industry are far-reaching. "Many Canadians work, play and raise families in rural communities that would be decimated by the loss of the agriculture industry," Kerkhof explains.

In the face of the break-down at the WTO, there is reason to be concerned. Reports have speculated that it could take years for talks to resume. That means there won't be an opportunity to 'level the playing field' in the foreseeable future. According to Guilbeault, timing is critical. "We have a very short time-frame to ensure a program is in place. Canadian Governments must act immediately to support Grain and Oilseed producers until the trade distorting policies of the United States and the European Union are stopped."

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