

Ontario Grain & Oilseed Safety Net Committee

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

March 7, 2006

Provincial grain & oilseed funding has missed by a mile

Ontario grain & oilseed farmers warn they're at a breaking point after yesterday's disappointing funding announcement that has failed once again to address a very real need in Ontario's second-largest industry.

Ontario's 29,000 grain & oilseed farm families have been suffering a farm income crisis with inadequate relief from either level of government.

"This year Ontario grain & oilseed farmers lost more than \$500 million," says Peter Tuinema, Chair of the Ontario Grain & Oilseed Safety Net Committee. "Yesterday's funding announcement provided a \$16 per acre band aid for a \$102 per acre wound."

After more than a year of lobbying for a long-term price insurance program to help them compete with heavily-subsidized farmers in the US and EU, grain & oilseed farmers are outraged that their proposal for the Risk Management Program (RMP) was ignored by the McGuinty government.

Last spring Ontario grain & oilseed farmers unveiled RMP, a proposed price insurance program created by farmers and modeled on programs in Quebec, Alberta, and the US that would require investment from the federal and provincial governments as well as premiums paid by farmers.

"RMP is a responsible program to take to taxpayers because it puts the onus on the farmers as well as the government," says Greg Devries, Chair of Ontario Soybean Growers. "We've spent the better part of a year telling our government that ad-hoc, emergency payments don't help us in the long term and an investment in RMP will help us make business planning decisions that we can take to the bank."

Under the traditional 60/40 Federal and Provincial funding split, growers require \$300 million from the Federal government and \$200 million from the Provincial government to fund RMP for the current 2005/06 crop year. This year is an exceptionally bad year – analysis shows that in more normal years, RMP would require only \$205 million from the Federal government and \$137 million from the Province.

"That's what we find so frustrating," says Eadie. "Farmers in Ontario are losing their businesses. They can't go on growing cheap food waiting for the government to do what's right. It's time for our Provincial government to show leadership and invest in our domestic food supply and rural communities. We're tired of being ignored and we'll fight right up until the next election in 2007."

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