

Experts weigh in about how the federal parties should help future farmers

Pundits' Platform: young farmers

BY KEVIN MA
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There are no easy ways to get farmers back on their feet, say agriculturalists, but there's plenty governments could do to help new farmers break into the business.

Agriculture hasn't been a hot topic at the national level in this year's election, but it's certainly on the mind of some voters, such as Humphrey Banack. "We lose six farms in Canada every day," says the president of the Wild Rose Agricultural Producers, citing information from Farm Credit Canada. "That's a huge number of farms."

The House of Commons agriculture committee spelled out the problem in a report released earlier this year: our farmers are getting old, and young people aren't stepping in to replace them.

Money troubles

One reason is profitability, says Ken Rosaasen, an agricultural economist at the University of Saskatchewan. Cow and grain prices are on the rebound, for example, but for years were in the pits due to low commodity prices and mad-cow disease. People won't go into farming unless they think they can make money from it.

The Conservatives emphasize international trade in their platform as a way to improve farm profits,

and have vowed to invest more in groups like the Market Access Secretariat. The Liberal and Green platforms put more weight on local food production and farmers' markets, with the Greens particularly heavy on organic farming.

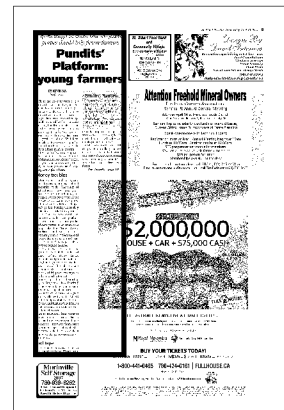
The Conservatives are on the right track with their Product of Canada labelling initiative, Banack says, as it could promote local food sales, but they need to change it to make it useable. The label currently requires 98 per cent Canadian content, which producers argue is nearly impossible to meet.

Another problem is financing, says Al Wagner, chair of District 5 for the Alberta Barley Commission. Farming is a capital-intensive business, and if you want to start a grain farm, you'll need about \$750,000 for the equipment alone. With no collateral and high student debt, it's tough for many farmers to rustle up that kind of dough.

Intergenerational farm transfers can get around this barrier, Banack says, and the government should do more to encourage them. More government support of mentorship programs could help, as could a greater capital gains exemption on farm transfers.

Red tape

Governments also have to look at the cost of regulation, Wagner says. The Canadian Grain Commission



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recently proposed to quadruple some of its fees, for example. "How much does that add to the cost of running a farm business?"

And then there are freight charges. Rail-handling and elevator-service fees are the largest hidden cost a farmer faces, Rosaasen says, amounting to about \$250,000 a year for a typical Saskatchewan farmer.

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Rail companies have slashed the number of lines they run over the last decade, Rosaasen says, but haven't slashed their prices. It's been more than a decade since the last costing review, and the next government needed to do one. "If I was a young farmer, that would be on the top of my list."

The NDP promise such a review in their platform, while the Conservatives have previously

said they would do one after they finished their level of service review, which they have.

A national strategy

The Conservatives, Liberals and NDP have all committed to creating a national food strategy while in office, but have provided few details as to what it would involve.

The Canadian Federation of

Agriculture also wants such a strategy, Banack says. The most recent draft of the plan calls for a 10 per cent annual increase in local food purchases and food research a year, a 10 per cent drop in agricultural greenhouse gas emissions by 2020, soil and water conservation, and other initiatives.

Any food strategy has to address trade rules, Banack says. U.S. beef producers are allowed to use

growth hormones banned in Canada, yet their beef is allowed past the border. "We have to make sure products in Canada are not put at a disadvantage," he says, and that means holding other nations to Canadian standards.

It would also have to invest in research. Population and food prices are rising at the same time that federal farm-research dollars are plummeting, Banack says.

"The consumer food dollar is at risk here." He was one of many experts calling for the government to put about \$280 million into agriculture research over 10 years — enough to bring it back to 1994 levels.

Agriculture isn't a big issue in this election, Rosaasen says, but it should be one. "Is food important to everyone? Well, yes."

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