



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



## OP ED: Looking a Gift Card in the Mouth

*What Loblaws' price-fixing is signaling about the future for Canadian farmers*

—by Emery Huszka, NFU Region 3 (Ontario) Coordinator

According to the news, Canadians can look forward to a \$25 Loblaws gift card in response to George Weston Ltd. and Loblaw Companies Ltd.'s admission to participating in an industry-wide bread price-fixing arrangement. While we all like something free, we are being bought off cheaply, and many of us haven't even begun to process the underlying environment that made such a small pay off possible.

For years, eaters have been paying too much for their bread. Many farmers have noted the food system's unfairness, citing \$6 for a bushel of wheat, which makes approximately 42 loaves of bread that sell for \$2 or \$3 each.

Now, we are being offered a "gift" card as a settlement, and the responsible people are no longer with the company. Is that it? Let's say that these companies are being truthful, and they didn't know it was happening. That's even more frightening. Don't you think fairness would call for the ultimate perpetrator of the shenanigans to be held responsible?

The National Farmers Union has been critical of the direction our food system is steamrolling towards. Government and corporations are pushing for bigger and faster international trade deals at all cost. With three major players in Ontario's grocery retail market, both farmers and eaters are dominated by corporate interests.

These trends are consolidated in the Advisory Council on Economic Growth's Barton Report, which our federal and provincial governments have embraced as the holy grail for future agriculture policy. As noted in the NFU's Brief to the House of Commons Standing Committee on Agriculture and Agri-Food (see [www.nfu.ca/policy/nfu-brief-food-policy-canada](http://www.nfu.ca/policy/nfu-brief-food-policy-canada)), "Barton's recommendations would sideline farmers, consumers, food sector workers, and the democratic process that defines the rules and regulations governing our food system. Instead, Barton would put multinational agribusiness corporations in the policy driver's seat." The NFU is supportive of trade – the type of trade that supports

Canadian farmers operating on a level playing field. Canadian statistical trends paint the picture of a disappearing middle class of farmers, and the Barton Report only seems to further contribute to the decline of rural livelihoods and small communities across the country.

On numerous occasions, the NFU has challenged government about land ownership, food sovereignty, and sustainability, and now our federal government is listening as they plan to introduce a national food policy. But if a national food policy is to meet its stated goals, it must explicitly support the next generation of food producers and limit the power of corporations in the food system.

As we sit around our kitchen tables sharing holiday meals, we ought to dig into why this is happening in the first place. Start by asking yourself who is really representing your interests as farmers. Who will speak up for you and not for those with the deepest pockets? Ask important questions, such as:

How did government regulators miss the bread issue all those years?

If this happened between two very reputable industry leaders, what else has been happening that we haven't heard about yet? Where's my share of the money as a food producer, my net return for my work and providing the essentials? Finally, what does farming look like in 20 years: who owns it; who controls it; who profits by it; and where do I, my family, and our community fit in this new world order?

Most farm businesses can't compete with the political buying power of multinational corporations, but by being a member of the NFU, you are part of a growing organization that is willing to speak out on behalf of farmers – those people on the ground doing the work. NFU members' farms range from a few acres to thousands of acres, but all have one thing in common - they believe that farmers should play the key role in our food system. Working with our fellow farmers and concerned eaters, we have political power and the ear of our elected representatives. By working together, we can make political change. ■

## ATTENTION MEMBERS:

### **The distribution of the UNION FARMER NEWSLETTER & QUARTERLY is changing**

The NFU Executive has decided to make email the primary method of distribution for both the Union Farmer Quarterly (UFQ) and Union Farmer Newsletter, starting with the Spring 2018 edition.

Printing, postage and mailing preparation of the UFQ and Newsletter require a large amount of money, and rates keep going up. Many NFU members have mentioned they would rather get these publications electronically. With these factors in mind **the decision was made to provide only the digital version to all members except those who specifically indicate they wish to continue getting the print version.** We expect this change to save thousands of dollars annually, allowing us to spend that money on other priorities that will make our organization stronger and more effective.

**The NEWSLETTER AND QUARTERLY will be still made available in a paper format to those members who contact the national office and specifically indicate they would like to keep getting paper copies of the UFQ or the Newsletter or both.**

If you do not receive any email from the NFU or have recently changed your email address, please contact the National Office to update your information to make sure you get your publications.

To provide your email address or to request printed version of the Newsletter and/or the UFQ:

Email [nfu@nfu.ca](mailto:nfu@nfu.ca),  
 phone (306) 652-9465,  
 fax (306) 664-6226 or  
 send a letter to National Farmers Union, 2717 Wentz Ave., Saskatoon, SK S7K 4B6.

Include your full name, membership number and contact information.

## Op Ed: Renegades Rewarded at Public Expense in Site C

—by Jan Slomp, National Farmers Union's 1st Vice President (Policy)

When BC's new government was sworn in last spring many hoped for a renewed respect for Treaty Rights and First Nation communities. The promise to have the BC Utilities Commission report on the construction plans of the Site C dam on the Peace River was encouraging. When the report was issued in October, there were even more reasons to cancel this ill-conceived project.

The reason the government of Premier John Horgan is using for continuing the construction of Site C is flawed. Cancelling construction of the Site C dam, they argue, would immediately add to the provincial debt, as the sunk costs would not allow for amortization, as there would be no assets to depreciate against.

However, BC Hydro is a provincially owned Crown Corporation, with net earnings that contribute to the annual provincial budget. If the Horgan government wanted to shut down Site C, BC Hydro's net earnings, debt and equity would allow for an internal schedule to recover the costs already incurred on Site C. These payments would affect BC's budget very marginally and it would definitely save BC residents in the long term, whether in taxes or hydro rates. From a strict financial perspective, cancelling

a project with \$2 billion in sunk costs would be more prudent than locking BC residents into an open-ended juggernaut, with a budget exceeding \$10 billion and more unforeseen construction costs down the road. This is a terrible decision, especially when one considers the now-locked-out, smaller scale, renewable energy generation approach which is rapidly becoming more attractive as an alternative.

Christie Clark's government did all they could to push the Site C project past the so-called point of no return. Ignoring First Nation's rights, neglecting the importance of prime agricultural land, and a general lack of proper planning and procedure is unforgivable and reckless with projects of this magnitude. Clark should be held personally accountable for such incompetence in handling the public trust.

What is worse is that with the new government's decision to proceed, she is rewarded and a precedent is set for ignoring proper process.

The microclimates and rich alluvial soils in the soon-to-be-flooded Peace Valley would allow BC to easily become self sufficient in fruit and vegetable production.

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*(Renegades Rewarded..., from page 1)*

This agricultural potential should be considered an important renewable resource, but instead would be destroyed and considered only as a marginal cost to Site C.

Canada is increasingly becoming a raw resource supplier at the expense of needed value-added and community-based economic development. Steady growth in Canadian agriculture commodity exports is heralded as success. What we don't hear is that food imports are growing even faster. This process of export and import growth not only drives up greenhouse gas emissions, but also makes Canada more vulnerable and less able to feed itself. Rural Canadian communities caught in this process are left behind in chronic rural economic decline as a result of losing the economic benefits of value-added production, processing and distribution.

The electricity produced at Site C will keep alternative power generation unattractive for decades to come, just when new opportunities for renewable energy are becoming more available and affordable. Although hydro power in itself is renewable, corporate driven, mega projects like Site C are no longer considered progressive due to their negative social and ecological impacts. Smaller, community-based renewable energy creation not only leads to a stable climate, but brings employment, profit and ingenuity back to the community level.

Building the Site C dam locks British Columbia out of this very attractive new era of renewable electricity generation and community based economic drivers. The BC government should take another look at the big picture and reverse its ill-considered Site C decision. ■

## **Op Ed: OmniTRAX not solely to blame for derailing Port of Churchill**

—by Ian Robson, NFU Region 5 (Manitoba) Coordinator

For over 100 years, the Port of Churchill on Hudson Bay was the gateway to northern Manitoba and communities in Nunavut Territory. Served by 820 kilometres of railway line from La Pas, Manitoba, it shipped western grain to European markets until the Port was stranded, then closed and the hundreds of remote northern communities along the railway line were left isolated as the Port and railway's private owner, OmniTRAX, failed to repair the tracks after flooding in early 2017.

Despite the strategic importance of Churchill, North America's only Arctic deep water port, the rail line from La Pas was never easy to operate. However, the severe problems of today are predictable results stemming from two catastrophic blunders made by the Canadian government. While opinions vary on railway privatization, it is unforgivable that Liberal Prime Minister Jean Chretien's government allowed CN, a Class 1 Railway, to sell the Churchill line to OmniTRAX in 1997 without requiring the new owner to uphold the statutory common carrier obligation to move duly loaded cars to their destination in a timely fashion. At the same time, the federal government upgraded Churchill's port facilities, and then gave them to OmniTRAX.

The second catastrophic blow to Churchill occurred when Conservative Prime Minister Stephen Harper dismantled the farmer-elected board of Canadian Wheat Board (CWB) in 2011, ended its single desk selling authority and later gave its assets to G3, a partnership of

of US-based Bunge and the Saudi Agricultural and Livestock Investment Company.

Under the CWB's single desk selling and aggregation advantage, all four western ports – Churchill, Vancouver, Prince Rupert and Thunder Bay -- were utilized strategically. Grain grown in the Hudson Bay route catch basin was predominantly marketed at vessel volumes through the Port of Churchill by the CWB. This lowered handling and transportation costs to farmers and in years of bumper crops it alleviated congestion to the west coast. Anticipating Churchill would be in trouble without the CWB's orderly marketing powers, the Harper government threw private grain companies up to \$25 million dollars with a five-year, \$9.20 per tonne freight subsidy to help OmniTRAX and camouflage the fall-out from destroying the CWB. It isn't surprising that once the subsidy ended, the grain companies quit using Churchill, as private companies cannot be expected to act beyond their own self-interest.

The single desk CWB served farmers with transparent higher net prices and lower transportation costs. At the same time, the CWB served all of Canada by strategically utilizing our geographical resources, which was possible as a result of it being the marketing agency for the whole western wheat crop and its strong relationships with international buyers. The dominos have fallen: the tracks need two decades worth of

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(OmniTRAX, from page 3)

proper maintenance, farmers are paying higher freight rates, other routes are more congested, there are more greenhouse gas emissions, Churchill is suffering economic losses, and northern communities are cut off from essential services. Dominos will continue to fall as private grain companies avoid Thunder Bay, the next most expensive shipping route, further congesting the over-utilized West Coast corridor. One can only guess at the nightmare scenario if an earthquake hits Vancouver.

Canada has lost a third of its railway track miles in the last 3 decades. Abandonment has definitely increased profitability for CN and CP, but their gains should not be seen as an increase in overall efficiency of the transportation system. Farmers pick up the cost of trucking further to main line terminals, with triple the greenhouse gas emissions per mile compared with rail transport.

In the 1880s, the public gave private railway companies millions of acres of land -- including the mineral rights -- in return for agreeing to move freight at regulated rates. CN and CP have become very profitable businesses as a result. Thus abandonment of railway lines cannot be simply a rail company's decision without the public being compensated somehow. Governments have been far too lax in upholding the public interest in this matter. It is time they sharpened the pencil!

As for Churchill, the solution lies not in suing OmniTRAX for its very predictable failures, but in working with northern Manitoba First Nations and nationalizing both the line and the port facilities to restore the Port of Churchill as an essential fourth western grain shipping route. Climate change will likely make it an even more strategic and commercially attractive port and, and an active port will revitalize the town as a base for government services to support new tasks that will be needed in the north. ■

## More ways to be involved with the NFU!

Would you like to participate in policy development, action planning and mobilization? The NFU Board has updated our policy committees and working groups to be more action-oriented and better reflect the long-term issues and shorter-term campaigns we are focussing on. *Policy Action Committees* will work on the major policy areas over the long term; *Working Groups* will focus on matters that are shorter-term and narrower in scope.

The committees and working groups provide a forum within the NFU for discussion and analysis of public policy matters around relevant institutions, regulations, programs, policy and laws; to promote our positions on the policy area to other organizations and governments; and to develop and carry out actions and campaigns to educate, organize and mobilize other farmers about the issue, including NFU members and non-members.

Each committee or working group may provide input and recommendations regarding NFU policy positions, actions and strategy related to its topic. They can set up subcommittees to support NFU and develop campaigns and actions on their issues. Members would be able to provide leadership for grassroots political action promoting collective action towards solutions and alternatives. They can also work with NFU staff and the NFU Fundraising Committee to obtain outside funding to support grassroots action and education. Committees and working groups strive to foster dialogue to build understanding among NFU members, between NFU members and other farmers, and with the general public on their issue and to promote membership and/or donations to the NFU as a way to advance action that benefits family farmers. They may also wish to put forward resolutions on their issues for debate at regional and/or national conventions.

### **The new POLICY ACTION COMMITTEES are:**

- Trade
- Seed
- Climate Change
- Trains and Grains
- Direct Marketing
- Farmland Access & Control

### **The new WORKING GROUPS are:**

- Orderly Marketing
- GMO Alfalfa
- Neonicotinoids
- Supply Management
- Indigenous Solidarity
- Migrant Worker

If you would like to participate, or if you have questions, please **send an email to [nfu@nfu.ca](mailto:nfu@nfu.ca) with the subject line "NFU Involvement"**. Include your name and contact info in the message along with which committee or working group you are interested in. If you are interested in more than one, please rank them according to your priority level.