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Canada

Grain and Feed

Grain Growers of Canada Releases Farm Income and Trade Platform 2000

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Report Highlights:

The newly formed Grain Growers of Canada (GGC) released its farm income and trade platform. The plan calls on the federal government to close the gap in support levels between Canadian and American grains, oilseeds, and special crops sectors. The GGC will work toward the elimination of all trade and production distorting domestic support, along with the elimination of export subsidies and all barriers related to international trade in grains and grain products. The GGC will also seek to be represented on all trade advisory committees to the Canadian Federal Agriculture Minister. The CWB is not represented in the GGC membership.

Includes PSD changes: No
Includes Trade Matrix: No
Unscheduled Report
Ottawa [CA1], CA

GRAIN GROWERS OF CANADA ADOPTS FARM INCOME & TRADE PLAN - NEWLY ELECTED EXECUTIVE COMMITTEE WILL TAKE MESSAGE TO POLICY MAKERS

The following was taken from a November 16, 2000 news release.

"The federal government must step up to the plate and implement a policy that delivers support, cuts costs, and opens markets for Canada 's grain farmers," says Brian Kriz, Chairman of the Grain Growers of Canada. "It is clear that the current federal grains policy has struck out."

Fourteen grains, oilseeds and special crops organizations from across the country developed the plan at the Grain Growers' inaugural convention, held November 12th - 14th in Ottawa. The farm income and trade plan will be brought to federal policy makers, and political parties during the election.

The plan calls on the federal government to close the gap in support levels between Canadian and American grains, oilseeds, and special crops sectors. "Farmers have diversified their operations and have adopted efficiencies on their farms," says Kriz. "But rising support levels in competing countries has pushed foreign problems onto Canadian farmers."

Transportation and marketing policies are a key cause of farm income pressure. The Grain Growers calls for the Estey recommendations on grain handling and transportation reform to be immediately and fully implemented, and calls for the creation of a marketing environment that provides opportunity for growers to sell grain to any buyer anywhere.

"All federal policies impacting farmers must be reviewed to give efficient farmers the ability to lower their costs and increase their competitive advantage globally," Kriz continued. "We must ensure that Canada's grain sector is the first choice for investment in value-added agriculture."

Current world trade negotiations must conclude an agreement that creates a less distorted and more competitive trading environment, he continued. The Grain Growers will work toward the elimination of all trade and production distorting domestic support, along with the elimination of export subsidies and all barriers related to international trade in grains and grain products.

The Grain Growers will also seek to be represented on all trade advisory committees to the Minister, including the Sectoral Advisory Group on International Trade.

At the convention, the Grain Growers' members elected Kriz, Past-Chairman of the Alberta Barley Commission to be Chairman. Ken Bee, chairman of the Ontario Soybean Growers, was elected Vice-Chairman. Ted Menzies, President of the Western Canadian Wheat Growers Association, and Anna Bragg, President of the Ontario Corn Producers Association, were elected to also serve on the Grain Growers ' executive.

The Grain Growers of Canada strives to maximize opportunities for farmers to pursue their interests within a competitive and open marketplace. It is the only national organization representing grains producers from across the country.

Farm Income and Trade Plan: Background

FARM INCOME

The Grain Growers of Canada supports a comprehensive approach to the issue of farm income that includes short, medium, and long-term measures. Where the approach calls for support, it should not be delivered in a manner that penalizes efficiency or favors inefficiency.

- Short-term: The Grain Growers of Canada will work to have the Government of Canada supply a greater portion of the total allowable Aggregate Measure of Support (AMS) for grain, oilseed, and special crops to equal, but not exceed, support supplied to U.S. counterparts.
- Medium-term: The Grain Growers of Canada will seek to make existing safety net programs more effective for grains, oilseeds and special crops producers, and will work to reduce farm costs, for instance through tax reductions, and increase investment in and development of value-added processing for grains and grain products.

Furthermore, recognizing that transportation and marketing costs are a key cause of farm income pressures, the Grain Growers of Canada:

3. Supports the creation of a marketing environment that provides the opportunity for farmers to directly market their grain to any buyer anywhere; and
 4. Supports the immediate implementation of the Estey report recommendations to reform the grain handling and transportation system in order to lower farmers' logistics costs.
- Long-term: The Grain Growers of Canada supports and will work toward the global reduction of international and domestic support.

INTERNATIONAL TRADE

The Grain Growers of Canada advocates the liberalization of international trade in grain and grain products through implementation of the following:

- Elimination and prohibition of export subsidies
- Disciplined use of export credits and food aid to ensure their use does not circumvent the elimination and prohibition of export subsidies
- Increase market access through elimination of all barriers related to international trade in grain and grain products
- Work toward elimination of trade and production distorting domestic support through annual reductions starting from 2000 WTO bound levels. Support cannot be transferred

from one sector to another (i.e., grains, oilseeds, and special crops are considered a single sector). Annual unused subsidy tolerances cannot be carried forward into following years

- Eliminate blue box programs
- Strong support for the present Sanitary and Phyto-Sanitary (SPS) Agreement, and for the adoption and enforcement of trading rules based solely on sound science
- The establishment of rules and disciplines to ensure State Trading Enterprises operate in a manner consistent with WTO commitments
- Ensure anti-dumping rules recognize that price cycles within importing and exporting countries are a normal function of supply and demand, and that the definition of "dumping" be restricted to predatory price discrimination

Comments:

A list of the organizations who are currently members of the Grain Growers of Canada is provided below. The GGC plans on having Kevin Muxlow, current Policy Coordinator with the Alberta Barley Commission, staff its Ottawa office in the near future, possibly by early 2001.

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APPENDIX:

**GRAIN GROWERS OF CANADA/LES PRODUCTEURS DE GRAIN DU CANADA
MEMBERSHIP**

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Vice-Chairman: Terry Young
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Director: Ernie Sirski
Director: Brian Trueblood

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Director: Christian Overbeek

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Director: Tim Harvie