



Tell the truth about supply management

Former Prime Minister Brian Mulroney calling for the death of Canada's supply management system? Seriously? I challenge you to debate this one, Brian. Anytime. Anywhere.

If Canadian's really understood supply management, Eugene Whelan would be right up there with Tommy Douglas for having created a brilliant public policy vehicle to sustain the economic health and food security of communities now and into the future.

Look at the U.S. Look at Canada. Canada would look like the U.S. without supply management, which breaks the market power of the highly concentrated processing sector and puts power back in the hands of the farmer. This in turn ensures a healthy supply of local, high quality milk to consumers at a price that fairly reflects production costs. Milk that is produced in a sustainable manner that strengthens the soils and looks after the

food needs of future generations.

If agriculture were under the health ministry, Canada's government would be defending Canada's supply management system till the cows come home and beyond.

But U.S. mid-term elections have stepped up demands to sacrifice supply management as Canada's admission ticket to the Trans Pacific Partnership.

Mulroney's words will draw applause from Canada's business community, which since 2008 has been reaching out to Asia like a holy grail and sees supply management as a rock in their path. But they are really meant for Conservative politicians, who - according to the political pundits - are simply afraid to vote against it.

The current propaganda train pulled out of the station in 2012, with Martha Hall Findlay's public accusation that Canadian consumers paid \$1.50 more per litre for their milk than did Americans

In fact, over the six-year period 2006-2011, Canadian's paid an average of only nine cents per litre more for their milk than American consumers. More significantly, U.S. farmers only receive 40 to 60 percent of their production costs from the market. The balance is topped up by the US Treasury.

When taxpayer subsidies to American farmers are included, Canadians actually paid an average of 18 cents per litre LESS for their milk than Americans. Canadian farmers receive no subsidy from taxpayers.

Undaunted by the facts, Martha went on to urge fellow politicians to jump on the 'kill supply management bandwagon' because farmers were too few in number to make a difference in any Alberta election. (Hint to Martha - it's those who eat for a living that count and they are in the solid majority.)

Then came Senator Colin Kenny, trotting Martha's little one-trick pony through the op-ed pages of

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most of Canada's broadsheets, claiming Canadian consumers are "being gouged" and pointing out "...12,000 farms couldn't possibly swing vote counts in even the most traditional dairy ridings. MPs could win tons more votes appealing to consumers...

And now Mulroney - of all people - stepping up to give the marching orders to minions of Conservative politicians to turn their back on Canada's farmers and dance to the tune of Bay Street.

It wasn't all that long ago that we had a functioning government in Ottawa. In the mid-70s, when Gene Whelan was Federal Agriculture Minister, civil servants were just that - professionals working hard to construct policy that served the public interest. Starting in the mid 1980s, like transformers in some scary sci-fi thriller, these teams of dedicated civil servants quietly morphed into minions of muzzled bureaucrats and deputy ministers began taking direction from the PMO. Today, the invisible hand of the market is wrapped firmly around the cajones of politicians, who may pretend to lead but really follow. What business wants, business gets.

The numbers thrown about by Hall Findlay, Kenny and others to castigate supply management are dead wrong, and media that publish them should be challenged to print

the truth. They might start with Senator Kenny climbs on his horse...appearing in this space in October, complete with fetching graphics that tell a very different story. (<http://www.theholmteam.ca/WDF.Holm.Oct.2014.Senator.Kenny.pdf>)

Yes, Canada's supply management system supports family farms. For good reason. Because well-run family farms are every bit as efficient as 10,000-cow dairies in the U.S. And because without policy support in the form of cost of production pric-

Brian Mulroney is the latest politician to jump on a convenient bandwagon

ing and import controls, our system would quickly become a mirror image of the US.

Why? Because absent good government, unfettered capitalism turns precious resources like farmland and farmers into widgets. At the expense of food security and community resilience.

Here are six simple facts that should help politicians understand why supply management system is in the interest of Canadians:

- The number of dairy farms around the world is declining.
- World prices for fluid milk are converging in all major supply areas.

- On average, farmers outside Canada receive only 40 to 60 percent of their production costs from the market.

- When you add in the value of the taxpayer subsidy paid to American dairy producers that is needed to cover production costs, the cost of producing milk in Canada and the US is quite similar.

- What this means is that Canada's many small family farms are every bit as efficient as the megafarms to the south. And far more sustainable.

- When you add in supply management's positive externalities - a safe and stable supply of product at fair and equitable prices that allow family farms to produce milk sustainably, add economic and social value to the community, contribute to Canada's food

security and grow the next crop young farmers - the wisdom of Gene's policy vision is beyond evident.

I publically challenged Kenny and Hall-Findlay to a debate. So far, no takers...Will Mulroney be up for it?

As I told delegates at Alberta Milk's Annual Meeting in November, it's time to tell the truth about supply management. <http://www.theholmteam.ca/HOLM.ALBERTA.MILK.pptx.pdf>

Defend SM (<http://www.theholmteam.ca/Defend.SM>) is a site that contains lots of good, sharp, pointy weapons... **D**