



# NEWS RELEASE

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## **Budget 2010: Farmers Will Feel the Side Effects**

**Winnipeg** – While the province's 2010 budget offers some positives for agriculture, by and large it will have more money flowing out of producers' pockets with new fees and departmental funding cuts.

Keystone Agricultural Producers (KAP) is disappointed to learn Manitoba Agriculture, Food and Rural Initiatives is one of the most deeply cut departments under this budget.

"In general, this is not an agriculture friendly budget," said Ian Wishart, KAP President. "At a time when revenues are down, costs are up and deficits are the order of the day, we just hope Manitoba can recover as quickly as possible."

The province announced extra fees for farmers on land transfers, a new levy on the transfer of the value of quotas and an increase on Crown land user fees. KAP believes extra fees are not the way to move forward as they become a burden on producers and have a negative affect on the industry into the future.

"We recognize that the province is on a tight budget, but fees on agriculture are not usually positive in terms of the overall economy," said Wishart. "These types of fees will also put additional costs on beginning farmers or those expanding their family farm operations."

KAP is interested in more details from the province regarding the fees as well as changes to *AgriInvest*. KAP's main concern is that Manitoba farmers maintain a level playing field with other provinces.

The government did not commit to increase the Farmland School Tax Rebate up from 75 per cent, and KAP would like to see this change happen in 2011. KAP will continue to lobby for education tax to be removed from all property, including farm production buildings.

KAP would like to thank the province for recognizing producers in the Interlake region, who were hit hard by excess moisture conditions. KAP looks forward to further announcements on funding for these producers. KAP was pleased about the province's commitment to focus on drainage, particularly in the Interlake. The announcement on funding to help producers deal with extra costs related to nutrient management regulations is also positive. In addition, funding for a hemp fibre processing facility in the Parkland region is also welcome news for producers.

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*Keystone Agricultural Producers is Manitoba's largest general farm policy organization, representing over 7,000 farm families and 22 commodity groups throughout the province. Our strength is our democratic structure, and our mission is to represent and promote the interests of the province's farm families.*