



COMMENTARY

“The Voice of Manitoba Farmers”

1-1313 Border St. ~ Winnipeg MB ~ R3H 0X4

ph: (204) 697-1140 ~ fax: (204) 697-1109

kap@kap.mb.ca ~ www.kap.mb.ca

Thinking about Food at Thanksgiving

October 5, 2007

By David Rolfe, KAP President. Cell: (204) 483-0502.

Thanksgiving is just around the corner, a time when many Manitobans join with family and friends to enjoy a shared meal. Food is an important part of our holidays and traditions, and a perfect time to think about where it comes from and the value we place on it.

There has been a lot of talk in the media about the rising price of commodities we grow in Manitoba. We hear a lot about the higher price of wheat or corn, for example, and how these increased costs could translate into a higher price tag in the grocery store for bread and bakery products, or even on the meat and poultry that are raised on feed grains grown in Manitoba.

As a farmer, it can be frustrating to hear that receiving a fair return for my products means that food becomes less affordable for Manitobans. It's simply not true. There is actually very little relationship between what I am paid for the wheat I grow and what a person pays for a loaf of bread in the store.

This year, prices are on the rise and it's time that farmers should expect to make a fair living from their crops. The price of the wheat that makes bread has gone up to \$8.25 a bushel from \$7.29 a bushel only a month ago. But each bushel of wheat turns into about 57 loaves of bread. In fact, the cost of wheat makes up such a small percentage of the total price tag that even an extremely large jump in wheat prices should have a very minimal price impact – we're talking a matter of two cents per loaf.

At the same time, consumers need to think critically about that loaf of bread and the price of wheat. When the international price of wheat drops and Manitoba's farmers are making less, has there ever been a decrease in the cost of bread at the supermarket that's been explained by saying, “The price of wheat is down and farmers are making less, so we've dropped our prices too.”

Statistics Canada has shown that the price that Canadian consumers paid for food between 1997 and 2003 increased by 13.8%, but the average price that farmers received increased by only 2.1%. The prices paid by consumers increased six times more than the prices that farmers received.

Something just doesn't add up. The price of food when it leaves the farm gate has a lot less to do with the final price than what happens between the farm and the store shelf.

Thanksgiving is a time of celebration, and Manitoba's farm families want everyone in the province to enjoy the food that is grown and raised safely and affordably in Canada. We'd like to thank Manitobans for thinking about their food and our farms over their meal, and for getting the facts about the true farmer's share of the grocery bill.