



COMMENTARY

“The Voice of Manitoba Farmers”

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Food, Fuel, and Farmers

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It seems like everyone has an opinion on whether we should be using crops like corn and wheat solely for food, or whether some of our production should be used for biofuels. We have been insulated in Canada from the food insecurity and rising costs that have been rocking many other parts of the world. Of course, international food shortages aren't a new phenomenon, but the rising value of grains and other staples have only made a serious situation even worse.

Some have said that it's morally wrong to use consumable food products to make energy in an increasingly energy-draining society. As a farmer, I take my job of feeding the world very seriously. While the food crisis is very real, I will not apologize for farmers welcoming these new, higher prices. Farmers recently went through five years of the worst incomes in history, and in some years we actually recorded negative farm income. That's not sustainable for any business, and farms are no different. Unless prices turned around as they have, I believe we were in real danger of losing the people who actually grow our grains – whether they were used for food, for biofuels, or any other purpose.

It's been said that farmers should meet the rising demands created by a growing world population and biofuel industry simply by maximizing our crop output. We could do this by intensifying inputs like fertilizers, expanding our land base by breaking up land, and by using the best new crop genetics to “grow ourselves out of the problem.” Of course, it wouldn't take long with a few years of increased production and good growing conditions around the world for yields to be at record highs and prices to crash again. The problem is that this still won't fix the food insecurities that are plaguing many parts of the world. We may have more crops, but would they get to the right places even if prices were lower?

So here's our dilemma at home: The average Canadian family spends about 10% of their disposable income on food. This is down from 15% about 15 years ago. To farmers, this has basically meant a 50% reduction in their income. We've replaced some of these losses by improving our efficiency on the farm. But in the end, we can't make a living growing food if our society doesn't put enough value on it.

It seems that we do value energy. Our collective demand for it seems to be insatiable at any price, even though we all know that many of our energy sources are non-renewable

and that prices will only go up over time. Any business executive would tell you to do the logical thing: Produce for the market where demand is constant, supplies are declining, and prices are rising.

We are still the breadbasket for the world – farmers were responsible for exporting over \$3 billion of agricultural products from Manitoba in 2006 alone. Even by directing some of our crops to the biofuel market, that's still only about 8% of all the Canadian grain produced.

Record highs in grain prices are resulting from a real mix of factors, including world growing conditions, the increasing demand for food, the unstoppable demand for energy, the rising costs of transporting food around the world, and many other factors. The reasons behind global food insecurity are just as complex, and can't be simplified into a black and white answer of food or fuel.

We still take our job of feeding the world as our top priority, but we also want to make sure that our own families are fed. The way I see it, Canadian consumers have a choice – they can pay a fair price to a farmer to produce the food, or pay a larger price to the energy industry to turn that grain into fuel. The debate is not really about whether a farmer should grow crops for food or for fuel. The debate is really for consumers to decide what they value more: food or energy.