



## COMMENTARY

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### “The Voice of Manitoba Farmers”

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## BBQ Economics

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By Ian Wishart, KAP President. Cell: (204) 856-6964.

It's coming up on BBQ season, and we've all heard how the price of the bun we might serve with a hamburger will be skyrocketing because of the increase in grain prices. Farmers have argued that this isn't a fair comparison to make, and that any higher prices in the store are a combination of many factors. Some consumers may have heard the message, but we're still seeing that prices are jacked up, and then grain farmers are blamed for achieving a better return.

So, BBQ enthusiasts should get ready for a cheap season. We all know that hog and cattle farmers are in a financial crisis. There are a number of factors behind it, but the end result is that these farmers are making less and have to sell their animals at extremely low prices. When you consider all the expenses of raising an animal to market weight, farmers may even be losing money on the whole transaction.

That must mean that the price we'll be paying at the grocery store for pork chops and steaks will be going down this summer, if we follow the same logic that led to the increase in bread prices. I don't think anyone will really be expecting to buy a \$2 t-bone for the grill, and that shows the real problem in all of this food-pricing debate.

When grain farmers were suffering from low grain prices - and this has happened very recently - there was no drop for in-store prices on bread, pasta and other products. The same story is playing out for beef and pork. For farmers, it's hard to watch. When the price that a farmer receives for their cattle and hogs goes up again, which we hope happens soon, don't be surprised if the media is filled once again with people saying that they have to increase the prices of steaks and pork chops to deal with it. Hopefully, savvy consumers will remember this summer and ask questions about why none of the "savings" were passed along to them.

***Keystone Agricultural Producers:***  
*We are the Voice of Manitoba Farmers*