

Supply management: a solution to the world agricultural crisis?

At the World Trade Organization's annual symposium that took place April 21 in Geneva, the Canadian Federation of Agriculture, in collaboration with the GO5 Coalition, organized a series of conferences on «*Policy and the farm income crisis in the context of WTO negotiations.*»

The objectives? Provide a summary of the agricultural negotiations underway at the World Trade Organization (WTO) and present supply management as a relevant alternative to the problems experienced by the world's farmers.

The diagnosis is virtually unanimous. The guest speakers and the farmers who came from all over the world – with the exception of New Zealand – contended that the opening up of the market that began 10 years ago hasn't benefited everyone, as farm revenues have stagnated or fallen.

«One of the solutions to ensure a decent income for producers is to collectively band together,» stated Laurent Pellerin, the GO5 Coalition spokesperson, president of l'Union des producteurs agricoles and a guest speaker in Geneva. «There also needs to be a reduction in the unfair competition by Americans and Europeans, whose farming subsidies are reaching record levels.»

Coalition representatives are pleased by the positive reaction generated at these conferences. A number of agricultural groups throughout the world are now considering the adoption of measures similar to supply management to ensure a controlled marketing of their products and an adequate income.



Experts and farmers from all over the world met in Geneva on April 21 to discuss the agricultural negotiations underway at the WTO. This conference was organized by the Canadian Federation of Agriculture, in collaboration with the GO5 Coalition.

Successful meetings in Bruges, Dakar and Ottawa

At the end of April, Coalition representatives headed to Bruges, Belgium, for an International Federation of Agricultural Producers (IFAP) meeting, and to Dakar, Senegal, for a seminar on agricultural negotiations. While there, they met influential partners from the agricultural and political community. Along with exposing our supply management system, these meetings provided an opportunity to establish a relationship with other countries. Senegal's ministers of Industry and Trade indicated that they were prepared to forge alliances with Canada to defend and promote supply management. The minister of Trade, incidentally, is hoping that a cooperative

project could be developed with the Canadian government to promote the marketing of chicken, rice and onions in Senegal.

In mid-May, representatives of associations, farmers and non-governmental organizations from Canada, Brazil and India met in Ottawa to plot strategy in the matter of international agricultural trade. They declared their support for fair trade regulations that favour the maintaining of family farms and respect of local agricultural diversity. In collectively signing a declaration, they also pledged to preserve and promote policies such as supply management that are currently threatened by the WTO negotiations.

Supply management might be saved, believes the new WTO head

The former European trade commissioner, Pascal Lamy, will become the WTO's new director general on September 1, 2005. On a visit to Montreal in May, he said in an interview with the publication *Les Affaires* that «Canada might save the supply management system but it would undoubtedly have to make certain concessions.» Mr. Lamy maintains, in fact, that Canada will have to reconcile its interests, which are, on the one hand the reduction of European and American subsidies and, on the other, the protection of supply management.

Two studies favourable to supply management

Two studies released recently reinforce the assertions advanced by the Coalition in favour of supply management.

The first study concludes that supply management is advantageous for producers and consumers. Conducted by Daniel-Mercier Gouin, a Université Laval professor and researcher, this study shows that the price paid to Canadian farmers for their milk is more than the price paid in other countries that were part of the study (United States, France, The Netherlands, Australia and New Zealand).

This, however, doesn't signify an increase in the price of milk for the consumer. To the contrary, the researcher notes that in countries where there is supply management, the price of milk increased the least during the time span that was studied (1981-2002).

The second study focuses on government support extended to American milk producers. The study was conducted by Peter Clark, an international trade specialist. The study found that in 2003, American milk producers benefited from government subsidies to a total of \$13.8 billion (US). This means that 40% of the income earned by a milk producer in the United States comes from state coffers! Conversely, Canadian milk producers receive no subsidy to supplement their income.

Because of this substantial support, American producers are able to sell their milk at such a low price that few countries can compete with them. As a result, not only are Americans able to protect their market, they are also in a position to invade many international markets, notably in developing countries.

The studies can be found online at the following web site:

<http://www.go5quebec.ca/en/documents.php>



Ms. Marielle Fafard, a turkey producer from the Lanaudière region, believes supply management should be maintained.

Testimony: I'm getting involved for the survival of my farm!

Marielle Fafard, who raises turkeys in the Lanaudière region, is exceedingly concerned about the WTO negotiations. «I decided to get involved in the Coalition to ensure the survival of my business and our industry. My family's income is directly related to our farming activities. Without supply management, I don't think we could compete with foreign producers who benefit from government subsidies,» she remarked.

Ms. Fafard is also an active participant in GO5 Coalition activities, mainly by her recruiting of new members in her circle of friends and acquaintances. «A lot of people are connected, either directly or indirectly, to farm activities such as mine. It is essential that they be made aware of the importance of maintaining supply management and urging them to become a member of the Coalition,» she declared.

Coalition memberships: on the double!

Thanks to the efforts of people like Marielle Fafard, the Coalition's membership roll has doubled in the last year and stands at 22,000 members in June, 2005. You, too, can contribute by inviting your parents and friends to become a member online at the following web site address:

<http://www.go5quebec.ca/en/formulaire.php>
The bigger we are in number, the stronger we'll be!