

Advocate



Exclusive interview with Quebec's Minister of Agriculture

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Minister of Agriculture, Jean-François Lavigne, holding a copy of the Advocate magazine.



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The following editorial is the fourth of a seven-part series of commentaries by QFA Vice-president Chris Judd, entitled “The Seven Bank Accounts of a Farmer.” It’s not only money that makes a successful agricultural operation, says Judd, but also education, seed, soil, family, neighbours and politics, which make up any farm’s healthy “bank accounts.” In this instalment, Chris writes about that most enduring and enjoyable of all farm assets—friends and neighbours.

The Seven Bank Accounts of a Farmer — # 4: Friends and Neighbours

Chris Judd
QFA Vice-president

Of all of the bank accounts a farmer should have, this one takes the least money to build. It’s also the most fun to develop, and returns the highest rate of interest and satisfaction. But the funny thing is, you never really know the wealth that your friendship account holds until it’s time to make a withdrawal.

Fifty years ago, nearly every farmer in the community had a full “friends and neighbours” account. Back then farmers had to depend on each other for threshing, corn cutting, sawing wood, and sometimes haying and planting. At that time, very few farms were large enough to be self-sufficient either in equipment or manpower to get all these jobs done.

Most of the neighbours were farmers, too. They understood all the smells, noises, dust, and smoke that went with general farm operations. It was soon widely known which farm kitchen put on the best “feed” at threshing time, and served it with the finest level of hospitality. (Word also got around pretty quick about which farm always seemed to start work right after dinner and finish by 10:30 a.m.—getting them out of serving two meals to all those helping hands!) A day of butchering usually ended with another great feast and maybe a card game after. Apples, potatoes, preserves and baking were freely traded back and forth among neighbours. There was no TV, no internet, and quite often not much money either. But there was community. Stress was noticed immediately and help was close at hand. Life was not complicated.

Today, life is a little different. Our closest neighbours are probably not farmers. In many cases, nor were their parents. Most farms today plant their own crops, harvest their own hay, grain and corn. They heat with oil, so no help is needed for cutting wood in the bush. Today, many farm wives work out and simply wouldn’t have time to cook for a threshing gang if they did arrive.

All of this means that we must work much harder at being good friends and neighbours. Animals get sick just like they did fifty years ago, but the insurance salesman who lives next door may not understand why the poor animal is lying right next to the road in such a funny way. To be on the safe and considerate side, let’s keep her in the shade behind the barn where she’s out of his view.

Most country dwellers choose to live out in the country because they want that genuine “rural” feeling. It costs nothing to take the time to wave or say hello, but it makes your non-farm neighbour feel part of the rural community. Pushing back that neighbour’s snowbank (so they

can see a little better while driving out of the lane) may only take a minute of a farmer's time, but it is a big help to any neighbour. After your hay is cut, inviting the neighbours' kids to fly their kites in your field—and safely away from the power lines—is hardly any trouble, but it's a great gesture of friendship that your neighbours won't soon forget.

Helping out our non-farming neighbours can also make things a little easier around the farm. For instance, planting sweet corn with the first pass of the corn planter next to the subdivision costs you very little. But it keeps the toys and stray tennis balls out of the corn. Plus, when you tell the subdivision residents to “pick all you want” come harvest time, it goes a long way in putting up with the smell of the manure you spread in the fall or spring.

Getting involved with what's happening in your town has its benefits as well. Attending and supporting the fireman's ball sure helps the firemen remember where your farm is. Supplying a few cornstalks to decorate the town's hydro poles for Halloween is nothing compared to what the bears destroy, and you can be proud of your small part in decorating the town.

Writing a yearly letter—a kind of progress report on all that happened at the farm during the last year—not only gives you a chance to reflect on the farm's accomplishments, but it explains some of the things you did and lets your neighbours in on the secrets of agriculture and day-to-day farm tasks. Many farms today no longer pasture animals, so let's clean up those old fence rows and make the farm look a lot cleaner while giving you some more land to crop.

Being a good friend and neighbour comes easy to many farmers—it's been bred into us for generations. When we build up our bank account of friends and neighbours, we get more than the comfort of knowing we're helping someone. It also means that when we fall on tough times ourselves, we might even get a little interest back.

Exclusive interview with Quebec's Minister of Agriculture

This month, the Quebec Farmers' Advocate presents an exclusive interview with Quebec Minister of Agriculture Laurent Lessard. Advocate Managing Editor Andrew McClelland sat down with Mr. Lessard in the offices of Papineau MNA Norman McMillan in Gatineau (Buckingham sector) to ask the Minister about the province's agriculture, the controversial Pronovost Commission and what he would like to say to Quebec's English-speaking farmers.

Quebec Farmers' Advocate: First of all, since its release on February 12, the Commission on the Future of Quebec Agriculture and Agri-food has been very much on everyone's mind. What are your general reactions to the Pronovost Commission? And which of the main recommendations will you and your government be adopting?

Laurent Lessard: The Commission comprised a total of 48 days of public hearings on the national and regional levels, and involved all sectors of the agricultural industry in Quebec, including production, processing, institutions and distribution. And I believe that analysis was well worth doing.

There are a total of 49 recommendations. However, there are sub-recommendations included in each category, resulting in over 200 recommendations in total. We will be studying each one in order to prioritize any action we will be taking shortly. Once that's finished, we will base our decision-making process on the work done during the last 40 years on collective marketing, the *Assurance stabilization des revenus agricoles (ASRA)* and the protection of agricultural land.

At the heart of it is the whole question of supply management—which is tied to production insurance, market accessibility and niche markets. We'll be submitting our priorities soon, and they will definitely be focused on those three areas.

QFA: Speaking of legal protection of lands that are zoned agricultural, are you considering any major change in that law? And are you contemplating turning the control of the green zone to municipalities?

LL: First of all, the report upholds the importance of the law protecting agricultural land. However, at the same time, we want to create opportunities for agritourism and other activities in the agricultural area. I often remind municipal authorities that there are two distinct zones that we are dealing with. First, there is the residential zone that we have planned and cared for, and then our commercial and industrial zones. However, we haven't sufficiently planned for the rest of our territory. There is a complete lack of development plans. What I would like to have are agricultural plans according to soil type. Quebec has an abundance of modern technologies and innovations that are available to us. We have to learn to use our major institutions for the benefit of Quebec's rural regions and in order to develop our agricultural territory in a better way.

When you don't plan and develop your agricultural territory, no structuring effect can take place and activity is limited. Some rural regions are being very proactive these days and are reintroducing cruciferous vegetables. For instance, Saguenay Lac St-Jean produces cabbages, the Mauricie area is now producing leeks, and we even have peas being grown in interior Quebec as there's an ever-growing demand for them. The Pronovost report actually recommends defining activities within our agricultural lands and suggests creating more specific development plans.

To give just one example of what it is like to develop a plan like that, look at what vineyards and wine makers have to organize to develop their products. You have to plant over 20,000 vines, get a facility that will see production through to processing and bottling, and often build an exhibition room to showcase your wines to the public. Then there's the question of the whole approach with the *Commission de protection du territoire agricole du Québec*. You have to pay \$200 in fees, pay your lawyer, and it may take several months before the project is accepted. Once all of your authorized activities are defined—everything from planting, harvesting and operating—it's possible to obtain your permit from the municipality and immediately begin with your project.

British Columbia has a system where permitted activities are much more clearly defined within land that's zoned for agricultural use, and we're taking a good look at their approach to the problem. We also have to look at there being a greater possibility for on-farm marketing, and to make sure that any on-farm marketing activities already taking place are allowed to operate. Once that's determined, we have to try to develop more. And we have to work at developing different offshoots of our current agricultural system—like organic production, horticultural production and maple sugaring. There's a wealth of niche markets that we can tap into and develop. The Commission on the Future of Quebec Agriculture and Agri-food stated very clearly that the objective of agriculture is to feed people. But we also have to look at types of production that benefit the environment, and look to possibilities for developing different energy sources.

QFA: *The Pronovost Commission brought to light the fact that, by April of 2008, the Assurances de stabilisation des revenus agricoles (ASRA) will carry a one billion dollar deficit. What can be done to curb the tide of such a large deficit, and what recourse does the government have?*

LL: It costs the government \$305 million a year to cover the costs for income stabilization insurance, crop insurance, along with other traditional lending operations and *La Financière Agricole*. A part of that figure comes from the Canadian Agricultural Income Stabilization program (CAIS), which is currently being revised and reconsidered under the Agricultural Policy Framework. What's being proposed is to review and modernize the program in order to cover all types of production. There are also discussions about a transitional phase that will cover those producers who are building their businesses during the interim period between both programs. Some people developed their business plans on the fact that a certain type of insurance exists, and we have to honour that.

At the same time, the Pronovost Commission suggests that there should be an entirely new program. Obviously, it's necessary for our government to review our financing scheme—be it the stability of the institutions we've put in place, the amount contributed by the government, on top of ensuring that there is always a given level of funds available to producers. At the same time, each intervention initiated by our government for the benefit of income stabilization here gets changed by the types introduced in Europe and in the United States. So, when we look at the kinds of changes that are taking place, and at what's happening at the World Trade Organization, we definitely see the need for a new program. We have to take action on that, and it will definitely be one of the key areas that we focus on in the near future.

QFA: *Lastly, I'd like to ask you something that is very important to our readers: Quebec has approximately 2,200 English-speaking farmers. What message would you like to convey to them now?*

LL: Agriculture is not about language. These days, agriculture is worldwide. It may just as well be in Chinese. What concerns me is that every producer, regardless of sales, should have a decent income from their farm. They should be able to participate in agriculture in whatever way they wish. I strongly believe in that. That means being able to begin in agriculture, to generate an income to support their family, and to be able to transfer their farm to the next generation. It also means having access to a variety of resources and tools to assist you when the new generation

takes over the farm, whenever the parents' generation or grandparents' generation is ready to transfer.

I think that as a producer, regardless of the language you may speak, when you have an interest in agriculture, in working with living and growing things by raising and reproducing them—that's the most beautiful language in the world. That's why I see it as my job to make sure that those tools are in place, to allow producers to make the choices they want to make for their future.

Farming and agriculture can be a beautiful dream for some. It's the only sector of the economy where a business can be transferred and handed down for eight generations. In manufacturing, the dream is to sell to a buyer. While it does happen, it's very rare to find a manufacturer that is a third-generation family business. When that does happen, they've generally grown quite large and sell the business in order to harvest the money. In agriculture, there are two ways of thinking about what to do with your business as well. One is making a living from agriculture and feeding others, the other taking the decision to sell. And it's a choice that producers live with every day—deciding between money or passing on their values to the next generation so that they can make a living from it in turn. It's a heartbreaking decision, and one that I'm deeply concerned with. That's the message I would like to convey: there *will* be a place for future generations in agriculture.

The portion of the Advocate's interview with Minister Lessard found below was not printed in the March issue for brevity's sake. Below, we present some more questions put to the Minister during our February 29th interview.

QFA: In the last few years the Outaouais region has lost many jobs, due largely to the downturn in the lumber industry. More than 234 local farmers have created a co-operative to address the need for a federally inspected abattoir and meat processing facility. What support might your department be prepared to provide?

LL: All of this has to do with having a federal slaughterhouse with a production primarily intended for export. It relies on and involves the co-op's entire organization for its supply. Quebec's producers worked hard to build a large slaughterhouse, but given the complexity of marketing, they ultimately had to close their doors.

Consequently, this brings up the importance of having a slaughterhouse. I believe that here in Quebec, we have the potential of having our own slaughtering facilities because essentially—if we are not able to slaughter what we have produced—there is a loss incurred from transportation costs.

As you know, MAPAQ's "Put Quebec on your plate!" campaign has been launched to entice Quebecers to consume more local products. The message was also sent to every region to work on a plan to increase local consumption. For instance, *Boeuf Nature* in Bas-St-Laurent is marketing its beef production by focusing on the tenderness of the meat. They work with a set of standards and they ensure that their products are available locally. The objective is to be able to reach those who are concerned about agricultural practices in their region, to have our own

slaughtering capacity, and to have a product that can be exported to Ontario or the United States. The industry must be able to ensure its supply and satisfy producers. You only need to look as far as the dairy industry for an example. Together, Agropur and 3,000 dairy producers created a cooperative that produces the milk that is transformed into cheese or other dairy products—and, as a result, they receive annual royalties.

The whole process, however, is still quite complex. It not only means being able to slaughter, it also means being able to market your product and to develop a distribution network. We are fully capable when it comes to production and slaughtering. The big challenge is that once the slaughter is done, who will you sell to? What are your markets? Are you competitive? Are you profitable? Unfortunately, the *Fédération des producteurs de bovins du Québec* has experienced a failure. They were doing things the right way, but in the end it wasn't profitable.

QFA: As you just mentioned, there has been quite a bit of discussion regarding buying Quebec products to help our local agriculture. MAPAQ has launched a campaign entitled "Put Quebec on your plate!" How prepared do you feel Quebecers are to support and subsidize Quebec agriculture, both through making different consumer decisions, and through allotting a larger portion of their tax dollar?

LL: We certainly have a responsibility to organize promotional campaigns to ensure that consumers are able to choose between a potato from Quebec or from somewhere else. Ultimately, the key is educating the consumer. I often use the comparison with what happened in the textile industry—which I sincerely hope won't happen in the agri-food industry. In that case, globalization and the worldwide foreign purchase of products completely eliminated the textile industry as part of our economy.

The agri-food industry is very important to me. With a structured campaign like this one, which will last three years, our government will be putting an emphasis on identifying local products from Quebec and consequently show their importance for our rural regions and local development. Essentially, we're not making a strong case for our local products, instead of making a case against imports.

I'm not going to wait for Maine or New Zealand to promote Quebec products. It simply will not happen. If we all make the necessary efforts, make plans for regional development, promote our improvements in agricultural practices, increase domestic consumption—and create ways of communicating between producers and consumers—then we'll succeed.

We also have to consider the growth of organic products. Whole Foods Market, for example, is setting up just about everywhere now and is a major distributor of organic products. Consumers today look for extensive nutritional information, respectful environmental practices, and the absence of antibiotics or pesticides. I've also come across consumers who want to know about a company's animal welfare practices when they buy fish. There are already large food chains that draw on seafood production within a 250 kilometre radius from any of their given stores. We are beginning to see a lot of situations like this—it's part of a person or a company's civic duty. Our

hope is to have a revenue of one billion dollars in the agro-food sector within five years, based on the projection that every person in Quebec purchase an additional \$30 of local products per year. If 7.7 million Quebecers buy an additional \$30 per year for five years, we will reach our goal of one billion dollars. That represents only one per cent of current consumption and will create 1,800 additional jobs in Quebec. That's what I call a social commitment.

Translated by Julie Charlebois and Andrew McClelland.

Grazing in Saskatoon in January?!

Hubert McClelland

Special to the Advocate

I hope the headline got your attention, but I did “graze” in Saskatoon in January. The grazing was a chance to meet with—and pick the brains of—the 50 keenest pasture managers in Canada. This elite group of pasture specialists also acts as grazing mentors to farms taking part in the National Sustainable Grazing Mentorship Program, managed by the Canadian Cattlemen's Association. The project is subsidized by the Green Cover program from Agriculture and Agri-Food Canada, and has coordinated 71 grazing mentors spread across Canada, with 53 of them concentrated in the ranchlands of the Prairies.

The workshop, held from January 22 to 24, was a chance to get together with enthusiastic practitioners of intensive grazing management and compare notes on the challenges of managing grazing land for low-cost, sustainable beef production from grass.

In the National Sustainable Grazing Mentorship Program, a mentor is a low-key coach, a subtle advisor who visits with grazers who are attempting to improve their pasture management. He or she has nothing to sell other than a desire to help grazers help themselves. The mentor determines the producer's best options for success and encourages them to take the first step towards a sustainable low-cost productive pasture system. The mentor is paid a small fee to cover 16 hours of mentorship, to which the producer contributes \$100.

One of the many highlights of the workshop was a talk given by Saskatchewan beef producer Neil Dennis. Dennis operates a large cow-calf herd and also carries some 800 stocker steers on grass under what is commonly called the “mob stocking” system. Neil has more than 25 years experience as a grazer and mentor. The stock density he and his wife Barbara presently use on their farm at Wewoka, Saskatchewan runs as high as 1,300,000 pounds per acre. Stock density, for those not familiar with grazing management terms, is the weight or number of head on a parcel at a given time.

In Dennis' case, 1,300,000 pounds per acre represents about 800 calves of an average 500 pounds contained on approximately one-third of an acre for three to four hours before they are moved to the next parcel of the same size. At this rate, the herd grazes about 1.5 to two acres a day. Dennis told me that, with this high stocking density, he has been able to reduce the acreage needed to carry a stocker steer (i.e. the stocking rate) through the summer from over two acres

per head to about 1.3 acres per head. Not only does he carry more cattle on the same number of acres, he only needs to graze 46 per cent of the area once in the season. Dennis finds that this stock density has reaped innumerable benefits for his farm: it increases days to heading of grasses, his pasture sward is denser and contains 300 per cent more legumes, and all of his grasses have wider leaves. The Dennis farm gets only 13 inches of precipitation per year, so their pastures are more drought resistant.

The National Sustainable Grazing Mentorship Program is already making great gains in Quebec. In the Outaouais, our first ten “mentees” are signed up for the program and their pasture plans for 2008 are already underway. We are awaiting further budget approval to extend the program in 2008-2009 to other regions of Quebec.

The top cow in the world—right here in Chateauguay Valley!

April M. Stewart
Special to the Advocate

When Stephen Borland of Rapid Bay Farms in Ormstown is asked, “What comes next after winning Supreme Champion at The Royal Winter Fair?” he doesn’t hesitate to answer, “Try to create another!”

Toronto’s Royal Agricultural Winter Fair, one of the world’s most prestigious agricultural shows, awards the title of Supreme Champion to the overall top cow among all classes of competing dairy cows. This means that ‘Vandenburg Amedo Gorgeous EX-97’ is the highest classified cow in the world—the first time a Jersey has won this title. One Australian magazine called her “the perfect cow,” and the plastic model that breeders use as a reference against which to gauge their animals was modeled after her last year. “Winning Supreme Champion really validates all the hard work you’ve done over many years,” says Borland.

The biggest part of business at Rapid Bay Farms is selling embryos from what is the highest classified herd in Canada. A tailored time management program is necessary just so that Borland and his staff can keep on top of simple tasks like everyday correspondence. “There’s always people asking for pedigrees, so you’re always trying to sell them something, show them what you’ve got, suggest something,” he says.

The bulk of Borland’s sales are to Brazil, Argentina and Columbia. As many foreign markets esteem Canadian dairy cows as the best in the world, and Borland breeds mainly for a high type, it can be a lucrative market. To many affluent South Americans, having a ‘fancy’ herd is a symbol of status. It’s part of the job that allows Borland to travel down south often to help with mating.

“The Jersey breed has really changed a lot in the last 15 years. Pound for pound, a Jersey can give as much milk as a Holstein.” Of course, genetics and a tailored feeding program play an

important part—one that projected Gorgeous to surpass the 13,000 kg benchmark this year. “They are an easy breed to manage,” says Borland.; ”They are docile, easier for women and children to handle, and a physically lighter cow, which means less leg problems.” At six years old Gorgeous’ eggs will be flushed for a year, after which she’ll be bred back and the semen from her bull calves will be sold. Rapid Bay performs about a 100 flushes a year in their herd.

Known primarily as a cattle breeder, Borland surprised many at 2007 Royal Winter Fair by also exhibiting sheep. An even greater surprise occurred when Rapid Bay Farms won Grand Champion with “Roxy,” a sheep from the popular Texel breed. Texels are a European meat breed with muscular hind quarters similar to a pig’s, making them ready for market earlier than other breeds. While Borland occasionally exhibits locally to lend his support to community fairs, and to use these early shows as practice runs, he focuses most of his energy on the Royal.

Borland’s interest in purebred Jerseys started when he was very young. His grandfather had a purebred herd of Jerseys and and young Stephen could be seen riding around from farm to farm with the secretary-manager of the Ayrshire Association, who was also a classifier for Ayrshires and Jerseys. When he was a teenager Borland worked on a local Jersey farm. “I guess it’s just in my blood,” he muses.

With six of the last seven years of ‘Premier Breeder’ and ‘Premier Exhibitor’ at the Royal to his credit, Borland lends out friendly advice to dozens of other producers who are interested in breeding and showing. He oftens shares his guiding principle that buyers only want the best in today’s market—and the best is what every producer must strive for. ”The good cows—which are sometimes the expensive ones—are those that make the money,” Borland notes. With another cow classified this week as an EX-95, he’s well on his way to earning the title of next year’s Supreme Champion.

Pronovost Commission kicks up dust outside Quebec

Barry Wilson

Special to the Advocate

Debate on the explosive proposals by the Pronovost Commission that the UPA lose its legislated role as Quebec’s sole farm voice is clearly a made-in-Quebec affair but it certainly has raised farm leader eyebrows across Canada.

While no other province would ever contemplate replicating the Quebec legislation, the model of a strong single voice consulted by government and working with government has been much admired.

Former UPA president Laurent Pellerin often was invited to farm meetings in western Canada to extol the virtues of farmer unity, to describe the strength of the Quebec union and to bemoan the decline of prairie co-operatives and attacks on the Canadian Wheat Board collective marketing system.

So when farm leaders from across the country gathered in Ottawa in late February for the annual meeting of the Canadian Federation of Agriculture, the attack on the UPA monopoly was part of the hallway chatter.

“This country needs stronger farmer organizations, not weaker ones,” Manitoba Keystone Agricultural Producers president Ian Wishart said. “There are fewer and fewer of us. Each province has its own system of farm organization but the last thing we need is for strong farm organizations to become weaker.”

Ontario Federation of Agriculture president Geri Kamenz said he was shocked by the proposal and bemused that the Ontario model of giving farmers an option of several provincial organizations was cited as an example to justify breaking UPA’s monopoly.

“Each province has its own farm culture and I don’t know that one province’s structure can necessarily be applied to another,” he said. “But the UPA has been a strong voice for Quebec farmers and a strong provincial voice like that makes all of us stronger through the CFA.”

Paradise Valley, Alberta farmer Bill Dobson once recalled the buzz Pellerin created when he spoke to a meeting of Wild Rose Agricultural Producers.

WRAP, while a member of CFA as Alberta’s voice, is a weak organization with a limited membership base and little standing with the provincial Conservative government.

Dobson, then WRAP president, invited the UPA president to try to inspire the troops about what could be.

“There was enthusiasm, people were inspired,” Dobson said of the 2004 speech. “They were curious about how Quebec farmers could get so powerful, so united and get so much.”

Of course, not all farm voices outside Quebec are so enamoured of the UPA model.

Conservative, market-oriented groups consider Quebec an inward-looking island mired in regulations and collectivism with UPA its chief agent.

And in the days following the February 12 release of the report, the cheering from an office tower at the University of Regina likely could be heard for blocks.

Sylvain Charlebois, assistant professor in the department of business administration and a long-time critic of the UPA, was enthusiastic.

He presented a brief to the Pronovost Commission on behalf of the conservative Montreal Economic Institute that recommended deregulation in the Quebec farm economy and an end to UPA’s status as the only recognized voice.

He said he was shocked and delighted to see that the commissioners had paid heed. “I never expected to see that recommendation,” he said. “It was audacious and at the very least, it may get people thinking, may start a debate and that would be great.”

Charlebois said he is not hopeful that much will happen in the short term to end UPA’s “stranglehold” over the farm policy debate and program delivery in the province. “The UPA has too much money, too much power and is too connected to the provincial government to see this happen but at least the words have been spoken.”

Morgan Farms dedicated to organic agriculture

Wendy Jones

Advocate Staff Reporter

Tucked between the rolling hills of the Laurentians is a place some might call a little piece of heaven on earth. A small herd of wild boar and Sanglichon root in the frozen dirt between snow-covered spruce trees and beef cattle wander lazily from round bale to round bale, contemplating which might taste better. Visitors can find themselves in the middle of a rustic little country store trying to choose between wild boar sausages, Muskovy duck or Guinea fowl confit. This is Morgan Farms, nestled in the small village of Weir, Quebec.

This all-organic production is the result of owner John Bastian’s 20 years of hard work and belief that organic food is the healthiest eating choice.

“Many people look after their cars better than they look after themselves,” says Bastian. “They change the oil on time, they use all kinds of special products, and then they turn around and fill their own stomachs with garbage.”

Bastian emigrated from Germany in 1960 and spent nearly twenty years working in the business sector. At 47 he decided to pursue his passion for farming, and after an early retirement, bought several small farms to build what is now Morgan Farms. “I always loved animals and nature, and that’s why I started farming,” says Bastian.

Originally, the farm started out with a herd of Highland cattle, and three horses purchased by an over-enthusiastic farm manager who intended to use real horsepower for all farm work!

“I returned home one day to find all the horses replaced by John Deere,” laughs Bastian. As for the Highland cattle, he explains that there was only a very specialized market for the breed, and so the farm converted to other varieties of beef cattle. Bastian later realized that people wanted to buy more than just beef, and he gradually diversified his production to accommodate a growing demand.

Today the farm is home to a variety of animals. From beef and veal to wild boar and wild turkey, there is something for almost every taste in the Morgan Farm inventory. The farm also has a traditional bakery, where flour is milled freshly from organic whole grains to produce sumptuous and wholesome breads and pastries.

For Bastian, Morgan Farms is only the tip of the iceberg when it comes to the future of organic production and marketing. “I think the future of organic farming is to find a niche, and then market that product directly to the consumer.”

Bastian also believes that organic farmers should start to work together and share their knowledge through a type of co-op system, where several like-minded farmers producing a variety of foods work together to market and sell their products. He believes that more and more people want to see what they are eating, and want to know how their food is being produced. On-farm organic markets are a perfect way to combine eco-tourism and education as a growing part of the public is becoming curious about farm production methods. Over the years, Bastian has seen the demand for organic foods increase. “When I started 20 years ago, it was only the ‘granolas’ who came into my store,” he says. “Today, I see a lot of young people and families.”

With more and more people concerned about health and the way food seems to be produced in industrial quantities with the use of numerous chemicals, medicines, and artificial ingredients, organic food could well become an integral part of many household grocery lists.

“I have an idea, and that is to set up a kitchen where people can come and learn to cook,” says Bastian. “To eat healthy, people need one or two bags of grain, a juicer and a freezer. People then need to learn how to cook their food. They can’t just grab a box or a bag and put it in the microwave.”

Bastian’s commitment to the benefits of organic food rests on the conviction that people need to learn to take better care of themselves. As a cancer survivor, he has learned that there comes a point when it may be too late to start thinking about living a healthier life. Bastian also believes that people should also think about supporting their local communities instead of buying the sometimes cheaper imported food, which may be of questionable quality.

In Quebec, however, Bastian believes that the organic sector is progressing well. “Quebec is one of the best provinces (for organic production) in Canada, because you have laws that protect consumers and an agency that controls the production. All products have to be approved and labelled. If you find a product in the store that is labelled organic but that does not have the certified seal, you can call the police,” he explains.

However, there are always ways to cheat, and Bastian believes that in the future consumers will feel safer buying their food directly at the farm gate. “People want to come to the farm, look you in the eyes, see what you do, and then they will become loyal customers,” he says.

As for Morgan Farms, at 68 Bastian is ready to hand over the torch. The University of Guelph will be taking over the farm and running it as a kind of experimental/educational organic operation, which will allow its agriculture students to broaden their horizons within the organic sector. Organic-minded students will now be able to follow Bastian’s lead in creating a new kind of community-based organic production that will offer consumers a natural alternative to foods whose ingredients we often can’t even pronounce!

To find out more about Morgan farms, or to purchase their organic products, visit their website at www.fermemorgan.com

Yesterday, today and tomorrow: innovating to feed our people

“Government policy has found the secret of starving those who feed the rest of us by cultivating the land.”

—Voltaire (1694 - 1778)

Michel Dessureault
FPBQ President

Two centuries ago, the French philosopher Francois Marie Arouet Voltaire was already alerting the public to the serious financial difficulties encountered by farmers who feed the people.

Quebec cattle producers experienced difficult times in 2007, a year that was in many respects far less positive than previous years. To turn the situation around, the FPBQ intervened repeatedly on several fronts. The following pages give insight into the scope of our activities in the past year. Therefore, it gives me great pleasure to present the FPBQ’s 2007 Annual Report, which covers the past year’s activities and some of the issues to be addressed in 2008.

We need financial help...urgently!

In 2007, the situation in the cattle sector was difficult throughout Quebec and Canada. It is still difficult today. The federal government’s announcements still fall quite short of meeting producers’ expectations and needs. The soaring Canadian dollar, the slowdown and closure of some Canadian slaughter plants and especially the implementation (on July 12) of new federal management standards for specified risk materials (SRM) are all factors that strongly influenced our five production sectors. They continue to seriously compromise the competitiveness of our farms and slaughter plants. By imposing stricter SRM regulations on Canadian slaughter plants than exist in the United States, the federal government opened the Canadian market to unfair competition from American processors. The situation is especially critical with a strong dollar that favours beef imports.

Throughout 2007, in support of our sales agencies’ day-to-day efforts to seek the best possible market prices, the FPBQ lobbied the provincial and federal governments for better support for producers. Quebec and Canadian producers are constrained by ridiculously low prices, while the costs of production are rising sharply. Assistance measures that enable the industry to comply with the new regulations and remain competitive are also necessary.

In the coming year, the FPBQ will continue to pursue these demands—the survival of our farms and of our slaughtering capacity depends on it. What is unimaginable is to once again fall into the trap of depending on outside slaughter plants. Processing our production here is the first step towards food sovereignty and the ability to continue to feed our people together.

Major challenges

In 2007, the federation also participated in the hearings of the Commission on the Future of Agriculture and Agri-food in Quebec. We proposed innovative ideas to the commissioners. Some of them were accepted, including our marketing partnership approach, which is based on joint plans administered by producers, accelerating the implementation of traceability from the farm to the consumer and application of the principle of reciprocity for imported products. Other issues are a source of deep concern. They include the extension of income security to all production sectors but without additional funds, and the questioning of the scope of our union's representation, which is where the agricultural community draws its strength. It is also difficult to understand why the food distributors and retailers are not compelled to allocate a minimum amount of shelf space to Quebec products. In addition, what should we conclude from the lack of response to proposals for an intelligent approach to environment regulations, one based on the principles of sustainable development and adapted to the specificities of each production sector.

Environmental regulations will head our list of priorities in 2008. The findings of the study on the evaluation of the impact of the recent manure stockpiling regulations (*Évaluation des impacts de la réglementation concernant la pratique du stockage de fumier au champ dans le secteur agricole*) were quite favourable, showing that the restrictions imposed are inconsistent with the concept of sustainable development. On the strength of these conclusions, the FPBQ will continue to lobby the provincial government to permit the practice of stockpiling solid manure in fields without restriction. Given that the Agricultural Operations Regulation (AOR) will be reviewed and tabled in autumn 2008, our actions with decision-makers will be even more targeted and intensive so that stockpiling is fully integrated into regulations.

Our recipe for success

Yesterday, today and tomorrow: innovating to feed our people is the new slogan of Quebec cattle producers—essentially, our distinctive brand. Over many years, thanks to solid collective values, cattle producers have chosen the right ingredients to reinvent themselves and find bold solutions to solve increasingly complex problems. The creation of structuring partnerships to complement our areas of expertise is consistent with this approach. Despite the adversity and difficulties we have encountered, it is still the road we hope to follow in obtaining our fair share of the market dollar that rightfully belongs to us.

These are our winning home-made recipes. Recipes that have helped us succeed in producing and offering consumers healthy, high-quality meat at the lowest possible cost, while contributing to Quebec's economic, social and sustainable development.

EDITORIAL

The CAAAQ—a cold shower

Christian Lacasse
UPA President

What was the mood of farmers in June 2006, when they welcomed the creation of the Commission on the Future of Agriculture and Agri-Food in Quebec (CAAAQ)?

What was their mood when many of them (who submitted over one third of the reports tabled) participated in the Commission's public hearings?

We were incredibly positive, as were our members, convinced that the CAAAQ would strive to come up with a rallying vision for the future, with solutions based on the ideas presented by all parties, starting with those of the people primarily concerned—the farmers of Quebec, no matter what their type of production.

The title of the UPA's presentation clearly reflected this positive attitude, and the willingness of the farmers we represented: "*Du monde de coeur au coeur de l'avenir.*" We were holding out a hand, ready to put our shoulder to the wheel. We even started working beforehand on a food sovereignty project as proof of our intentions.

However, eighteen months, 272 pages and 49 recommendations later, here we are with a document that fell like a cold shower on the agricultural community and its dreams.

The report had this effect because, instead of building bridges with our fellow citizens as we had hoped, it clouded the lines of communication by delivering a diagnosis that we cannot accept: the agricultural sector is inward-looking and is losing ground because of it.

If we are truly inward-looking, how do you explain the fact that our agriculture is teeming with more diversity than ever before—over 350 types of cheese, ice-cider, *terroir* products, tomatoes produced in the middle of the winter, game farm products, organic milk and more. Quebec agriculture has a bounty of new sectors, many of them with a well-organized collective marketing approach.

The CAAAQ report was like a cold shower because it pits groups against each other. Groups that are covered by income stabilization against those that are not, as if insurance was the cause of all our troubles. The Commission painted our income stabilization policy as a system that should be replaced by something else.

The CAAAQ report also had this cold shower effect because it accuses our agricultural system of being outdated in many respects. It predicts the utter catastrophe, even though our agriculture is doing better than most in the world, in spite of difficult circumstances, thanks mainly to the collective tools that we have worked so hard to create!

In short, the CAAAQ report is divisive. It puts the entire agricultural sector on the defensive. That is unfortunate, considering those whose livelihood is farming were initially holding out their hand, willing to take an active part in change.

It is not surprising if some of the recommendations are seen as weakening the pillars that make our agriculture strong: our organized collective marketing systems, single union accreditation, ASRA and the law protecting the agricultural zone and its activities.

These pillars, don't forget, are the result of a long evolution—an adapted and coherent response to the complex environment in which the agriculture and agri-food sector finds itself. In this regard, a cautious approach is needed when dealing with it. The implications could have an effect on the operation of our marketing networks, on regional dynamism and even on international trade, among other things.

That being said, the agricultural and agri-food sector still needs to build a vision for the future. A rallying vision! A vision that includes food sovereignty, which seems to be a subject that unites all parties, as shown in the presentations of more than forty organizations last fall.

That is the real challenge facing us in this post-report period. We are still prepared to work together, and this includes those groups that are looking for improved income security and a better organization of their marketing systems. Once again, we're holding out a hand—to our industry partners, to our local and regional leaders and to the population in general.

We also hold it out to Quebec's minister of agriculture and to his ministry, who must now step up to the plate and establish the benchmarks for this vision of the future.

LTCN 2008-02-21

A bleak forecast for Quebec farm income

The year 2008 is expected to be just as difficult as 2007 for Quebec livestock producers. If the forecast published by Agriculture and Agri-Food Canada is accurate, the livestock sector—both beef and pork—will experience another decrease in revenues, as well as higher costs in 2008.

For Quebec, this gloomy period for livestock producers is offset almost entirely by the favourable performance of the commercial crop sector. Therefore, the total net revenue should remain stable in 2008 in relation to 2007 at \$915 million. Net revenue is calculated by adding up all market incomes, plus program payments, minus operating costs. Such liquid assets are used to pay back loans, reinvest in the business and provide living expenses for the family.

The income differences between livestock producers and commercial crop farmers are even more evident when looking at the forecasts for the average Canadian farm in each production sector. For example, the net income of an average farm producing cereals and oilseed crops should increase from \$54,000 in 2007 to \$76,000 in 2008. On the other hand, pork producers will see

their income drop into the red, running \$3,500 deficit in 2008, compared to \$638 in 2007. These estimates are calculated with the help of an Agriculture and Agri-Food Canada (AAFC) simulation model. In spite of these significant differences between productions and as a result of the diversity of Quebec's agriculture, Quebec farms, on the average, had a higher income than the Canadian average in 2007 (\$38,960 vs. \$35,314).

According to the forecast, however, it should fall below the Canadian average in 2008 (\$38,702 vs. \$41,021). The difficulties in the pork sector account for a major part of this, according to the AAFC document.

Difficult times such as these weigh heavy on the public purse, particularly in Quebec. The forecast shows that payments from programs to Quebec producers rose to \$976 million in 2007. They should drop to \$888 million in 2008, aided by the higher incomes of cereal producers. These figures include both provincial and federal programs and represent 15 and 13 per cent of the total farm revenues in 2007 and 2008, respectively. This level of support payments constitutes an increase of 18 per cent for 2008 in relation to the five-year average (2002-2006), which was \$755 million. For all of Canada, the forecast calculates payments of nearly \$4 billion in 2007, a decrease of 12 per cent, compared to the five-year average of \$4.5 billion.

This rather bleak picture for Quebec's agriculture and the differences between productions can lead us to forget that globally, Canadian agriculture is actually experiencing an excellent period. In fact, total gross income figures should hit a high of \$42 billion in 2008. And in spite of expected higher operating costs, the net income figure should attain \$7.2 billion, "an all-time high." This would be 19 per cent higher than the five-year (2002-2006) average.

Richelle Fortin
LTCN 2008-02-21

Budget gives \$72 million over two years for farmers

In 2008, the Conservative government has stingily chosen to devote the major portion of its enormous surplus to reducing the national debt by over ten billion dollars. During the presentation of his new budget last Tuesday, federal Minister of Finance Jim Flaherty turned a deaf ear to demands for aid to farmers and wood producers, who are suffering from an unprecedented income crisis. Farmers must content themselves with an extra \$72 million over two years for agricultural programs, while forestry workers will get not even a cent more. The Harper government believes it has already done a lot to help the country's farmers, since injecting an additional \$4.5 billion in aid with its past two budgets. It now proposes to make changes to the emergency measures section of the Advance Payments Program, by allocating another \$22.1 million in 2008-2009.

On February 25, Minister of Agriculture Gerry Ritz let the cat out of the bag ahead of his finance colleague by announcing the various measures aimed at farmers. In spite of the media lockup rules, producers were at least able to have a look at their budget a day before everyone else.

The proposed changes would give farmers access to larger cash advances in cases of emergency—and the list of eligible catastrophes has been expanded as well. The federal government expressed a desire to remove some of the present constraints in order to facilitate advance payments in emergency situations, such as the \$3.3 million payout to livestock producers.

In his budget, the Flaherty also confirmed the creation of a cull program for breeding swine. Ottawa will invest \$50 million in 2007-2008 for the program, which will be administered by the Canadian Pork Council. The government hopes to reduce the number of breeding animals by 10 per cent. A fixed amount per head will be paid to producers, which includes the cost of slaughter and carcass elimination.

Wood producers, on the other hand, must be satisfied with a share of the \$1 billion allocated last month for the creation of a Community Development Trust. In the 2008 budget, there was nothing new promised to give financial assistance to private forest producers. Ottawa did mention that it will allocate \$200 million to fight the mountain pine beetle in British Columbia. Quebec producers must make do with the benefits of a new program designed to publicize the “green” initiatives taken by the Canadian forestry industry to international markets. The Ministry of Natural Resources will receive a \$10 million budget over two years for the project.

Flaherty also blinked at fish farmers, allocating \$22 million over two years, mainly for harmonizing regulations regarding the protection of the environment. Incorporated farm businesses will also be able to take advantage of income tax reductions for companies, something that had already been announced in the Economic Statement issued last October 30, which was considered by some to be the real budget. The tax rate will be progressively reduced from its 2007 level of 22 per cent to 15 per cent by 2012, or a 7 per cent drop for all Canadian companies.

While contemplating the fact that Ottawa will be spending a total of \$234 billion during the next fiscal period, farmers and wood producers can nonetheless console themselves that they will now be able to invest in a new tax-free savings account (TFSA). That is, of course, if they have any profits to invest.

Pierre-Yvon Bégin
LTCN 2008-02-28

UPA president calls CAAAQ a “flawed diagnosis of agriculture”

The Pronovost Commission has made a flawed diagnosis of Quebec’s agriculture and its report has left out some major sections for ensuring the future, said the president of the *Union des producteurs agricoles* (UPA), Christian Lacasse, on February 25 following a careful review of the report.

“The Commission concluded that Quebec’s agriculture is closed and inward-looking, stifled by a too-rigid system, lacking oxygen, unable to seize on market opportunities. This is not my perception at all,” declared Lacasse. “Agriculture is more diversified than ever in Quebec. The 25 affiliated groups of the UPA reflect the extent that we have been able to develop a multitude of productions, including some new ones, over the last ten years.”

Off-course

“Based on their erroneous diagnosis, the commissioners have put into question the pillars of Quebec’s agriculture, and that is where they are completely off-course,” added Lacasse. “In fact, the maintenance and development of agriculture over the past ten years has depended on existing tools such as collective marketing, income security and the law protecting the agricultural zone. With the present ceilings on programs, without income stabilization insurance, we would have lost an awful lot of farms over the past six years.”

“Moreover, attacking collective marketing as an answer to allowing the marketing of ‘differentiated products’ does not hold water,” criticized Lacasse, since it is not necessary to operate outside joint plans in order to do this, as shown by the explosion of specialty cheeses in Quebec. According to Lacasse “supplying these markets can only be kept profitable by controlling the supply. Otherwise, prices will be just as vulnerable as for commodity products. Collective marketing remains the best way to ensure a fair income for farmers.”

“Differentiated products are not a miracle remedy either,” added Lacasse. “The great majority of consumers still look for basic commodity products that respect high quality standards. Thus, Quebec’s agriculture, even with its northern climate, will continue to meet the needs of the commodity markets, as long as there is adequate control at the borders to prevent foreign products that do not respect our domestic standards from entering.”

Our biggest error, the UPA president suggested, would be to limit ourselves to niche markets and to cast doubt on a system that has proven itself. “Farmers will clearly and definitively refuse to accept any measures that will lead to the decline of their collective tools,” he asserted.

Lacasse was similarly disappointed with the commission’s recommendations on agricultural zoning. “It is out of the question to hand over the responsibilities of the *Commission de protection du territoire agricole* to the MRCs,” he asserted. “MRCs have other interests that will be given priority, while municipalities have systematically approved requests for de-zoning and have proven that they cannot manage with the best interest of the protection of agricultural zone in mind. In short, the administration of this law must remain in the hands of an independent and neutral organization.”

Forgotten

Lacasse deplores the fact that “there is nothing in the Pronovost report that would put pressure on the large supermarket chains to reduce the risk of their buying elsewhere and their tendency to ignore agricultural products from Quebec. Without this pressure, those supermarkets are given *carte blanche* and the chances of finding Quebec products on the shelves are becoming less and

less.” Lacasse also finds it “extremely disappointing” that the report, which deals with building the future, does not have a chapter on farm succession and aspiring farmers. “The report presents a few timid and scattered measures, without any significant impact, whereas numerous groups had suggested solutions to improve conditions for farm start-ups, such as the creation of a reserved capital fund or a pension fund for farmers.” Lacasse also noted that the future of agriculture depends on research and development. Therefore, money must be invested in this area in order to preserve agriculture’s competitiveness, because merely linking the existing research centres into a single network is not sufficient.

On the whole, Lacasse said that he “seriously doubts the possibility of meeting all of these challenges without injecting new money into agriculture.” The recently elected UPA leader went on to say that “to maintain and develop agriculture in all regions, to improve the competitiveness of farms, to provide advisory services, cannot be accomplished solely through income security programs.”

“With our collective tools and a food sovereignty program, the UPA believes that it is possible to better position and develop agriculture, while at the same time responding to the needs of Quebec consumers,” Lacasse said. “That is the direction we will work toward along with our partners.”

Jean-Charles Gagné
LTCN 2008-02-28

The Financière agricole explains

Synchronizing the federal agricultural programs with the provincial income stabilization insurance (ASRA) is not a simple process.

The January 31 edition of French-language weekly *La Terre de chez nous* described an accounting problem for money received from Ottawa (AgriInvest and Cost of Production (COP) payments), which can sometimes trigger cuts of an even larger amount in the ASRA program.

“For every 50 cents received from AgriInvest, there is a 75 cent cut in ASRA,” explained Alain Pouliot, vice-president for insurance and income security at *La Financière agricole du Québec (FADQ)*. Here is the logic of it: for each dollar in the AgriInvest account, the farmer’s contribution is 50 per cent and the federal government’s contribution is 50 per cent. Therefore, for every dollar in the account, the federal government has contributed 50 cents. Now this contribution must then be calculated in ASRA, using the standard formula of one-third producer and two-thirds government. So in our example, we must add to the two-thirds government (50 cents) contribution, a one-third producer contribution (25 cents), for a total of three-thirds (75 cents). However, the FADQ will not require farmers to make this 25 cents deposit to complete the 75 cent amount. “It is true that, in the end, it comes to the same thing.” Regardless, farmers will have to wait for the final payment to see all of these adjustments, even though for the

moment, many see only the deduction of 75 cents, which looks like 150 per cent of the amount received from Ottawa.

Concretely, if we take the case of pork, the ASRA compensation for 2007 is presently evaluated at \$30.06, of which \$21.40 has already been paid. The AgriInvest portion is calculated at 3.2 per cent of the net sales per hog, of which about 82 per cent has been paid. In the two cases, the final payments are expected in April. The FADQ is presently “analysing” a request by the pork sector to move up the April payment and to establish a payment schedule for 2008 with more frequent payments (the FADQ is planning for five instalments). “It will depend on our loan schedule as well,” explained Pouliot.

The federal ceiling

After agreement from the provinces, the Federal government introduced a ceiling on its AgriInvest program, which covers the first 15 per cent of lost income when compared to the historic income margin. The allowable net sales (ANS), which is used to calculate the amount of aid, will be capped at \$1.5 million for future years and at \$3 million for the current transition year. Pouliot estimates that less than 20 farms out of the 16,500 admissible for ASRA will be affected by the \$3 million ceiling and 47 farms will feel the \$1.5 million ceiling. These figures could fluctuate in the future, depending on the ANS.

A producer with allowable net sales of \$10 million, for example, would receive an AgriInvest payment calculated on an ANS of \$3 million. However, the FADQ will reduce the ASRA payment as if the enterprise had obtained a federal contribution based on the total number of hogs produced in 2007.

Thus, the reduction in the ASRA payment will clearly be larger than the federal payment. Pouliot explained that this was a “political decision.” If ASRA was to pay at the same level for these big producers, it would be the smaller producers covered by ASRA who would have to absorb the extra costs. Ottawa provides a total budget of about \$51 million for AgriInvest in Quebec, of which \$37 million goes to producers covered by ASRA. If more money is given to some producers, then either the total budget would have to be increased or the payment to others reduced.

Deviations from the average

Another factor that can cause differences among producers is the performance of each farm compared to the ASRA model farm. In fact, the synchronizing of ASRA with AgriInvest is done by taking the ANS per hog in the model farm and multiplying it by the total number of animals. At the same time, the federal government calculates its contribution based on the real ANS of each farm. Therefore, those that perform better than the model will have higher ANS and receive a federal payment greater than the amount subtracted from the ASRA payment. But the reverse is also true.

It should also be noted that the FADQ has made an adjustment in its calculations to avoid penalizing productions where livestock has increased since 2004, which is the last year used as

the basis for the federal government payment calculations. Without this adjustment, the federal contribution would not cover the decrease in the ASRA payment.

Thierry Larivière
LTCN 2008-02-28

Dairy producers ready for battle

The Pronovost report constitutes a major step backwards for collective marketing and a danger for the Quebec dairy industry, says Marcel Groleau. In an interview on February 15, the president of the *Fédération des producteurs de lait du Québec* also stated that the report does not contain any short-term solutions to deal with the income crisis faced by farmers—the primary reason the Commission on the Future of Agriculture and Agri-Food in Quebec (CAAAQ) was created in the first place.

Groleau also urged Quebec Minister of Agriculture Laurent Lessard to clarify his position in order to dispel the idea proposed by the CAAAQ of side-stepping the present collective marketing system through “short distribution channels” and producer/buyer agreements for “differentiated products.”

In his opinion, Minister Lessard must rapidly define the axes of intervention and solutions on which to work. “I have the impression that the commissioners could not come up with solutions, so they threw out a series of recommendations. We cannot work on 49 recommendations at the same time.”

Dangerous

The Pronovost Commission has proposed to remove agricultural products sold by way of short distribution channels or through agreements signed directly between producer groups and buyers for differentiated products from the control of the marketing boards. “This approach would place Quebec in an illegal position regarding its signature on the national milk marketing agreement, because all milk produced in Canada must be within the quota system,” explained Groleau. “If some milk products are outside the single channel system, how will Quebec be able to evaluate its needs regarding the allotment of quota by the Canadian Milk Supply Management Committee (CMSMC)?” he asked.

In short, supply management would be impossible. “Does Quebec have the means to put at risk the 20 to 25 per cent of its dairy production that is marketed in the rest of Canada, in order to permit a few producers to perhaps do better individually, while deteriorating the income that the vast majority of farmers obtain from the marketplace? It’s a strange way to build the future of agriculture. I find it absurd!” the FPLQ president said. According to him, the commissioners did not understand the realities of collective marketing and Canadian agreements.

“As I understand short distribution channels, producers would not need quota and could sell their product outside the collective marketing plan at a price not less than the base price negotiated by the board. This is wishful thinking! Who will control it?” He recalled the sad experience of milk produced without quota for the export market and the resulting price drop whenever the market fluctuated or when a regional dairy had too much milk.

Useless

According to Groleau, the FPLQ has proven that it is possible to meet the needs of the general market, niche markets and short distribution channels without distorting joint marketing plans. “The single channel system does not mean that all the milk comes through Longueuil, but rather that all dairy producers, as a group, sell their milk through various channels.” He cited the example of organic milk, where production levels have exploded thanks to the support of the FPLQ (transport, premiums, supplementary “credit days”)—without cannibalizing existing markets—by about thirty producer-processors in the specialty cheese sector of the industry. “If the largest federation is the most innovative, why didn’t the Commission recommend duplicating this example elsewhere, instead of praising collective marketing while at the same time misrepresenting it?” Groleau asked.

Jean-Charles Gagné
LTCN 2008-02-21

Marketing boards are in jeopardy, says FPAQ president

The new president of the Fédération des producteurs acéricoles du Québec (FPAQ) didn’t mince words when talking about the Pronovost Commission and collective marketing.

“They are putting our marketing boards in jeopardy,” declared Serge Beaulieu during an interview with French-language weekly *La Terre de chez nous*. The FPAQ is well positioned to judge the question of marketing, having recently completed its marketing board project. Currently, the problem of surplus syrup has been resolved and cheques will be mailed out shortly to pay for all syrup in inventory since the creation of the marketing board. Cheques will be made out for the full price set by the marketing agreements for the respective delivery years. An inventory management fund and a complementary program from La Financière agricole du Québec will cover the cost of conditioning the syrup. The FPAQ estimates that producers have received an extra \$300 million since the start of the marketing board (in 2002), based on a price of 85 cents per pound during the period of large surpluses, as was the case in 2000 and up until the recent depletion of the inventories.

Many are asking why the Commission on the Future of Agriculture and Agri-Food in Quebec (CAAAQ) is undermining collective marketing? “Processors have been using this system and they have all been able to produce competitively distinct products,” asserted the Beaulieu, who believes that the method of direct contracts with processors represents a real “danger of integration.” “The Commission does not understand the impact of our marketing tools. Those who complained at the Commission’s hearings were, for the most part, middle-men,” affirmed Beaulieu.

The Commission suggests excluding short channel distribution from the joint plans, and consequently from the quota system. However, if there are no restrictions on volume, the question remains: what would stop a processor from buying a truckload of barrels of syrup at a public market in order to sidestep the quota system?

Beaulieu does not accept the accusations that the joint plan stifles creativity for producing new products or hampers new-comers from entering production. He states that there are presently over 250 different maple products in Quebec and that there is nothing to prevent a processor from becoming an authorized buyer and to sell specialized regional syrup with its own protected label of origin.

The success of organic syrup, with its 15¢/lb premium is another example of distinct products. In order to succeed, these projects must bring added-value to producers. On an equal price basis, producers will no doubt continue to deal with established buyers, some of which are giving incentives of 10 cents per pound to maintain good relations with their syrup producers. As for new sugar bushes, Beaulieu claims that this year between 200 and 220 new businesses will be started. A random draw for new quota, which is free, is planned for the end of February. Without the introduction of quotas, the FPAQ believes that, on the contrary, there would have been a loss of 400 businesses. However, for the quotas to operate correctly requires discipline on behalf of all producers.

On the question of a reform of income stabilization insurance (ASRA), Beaulieu believes that the Commission is off-track. “Over a ten-year period, this would eliminate all small producers,” he declared, speaking of a suggested measure of eliminating the 25 per cent least productive operators, according to the calculation of the each year’s cost of production.

Thierry Larivière

LTCN 2008-02-21

Young farmers have mixed reaction on CAAAQ’s farm succession

Don’t look for a chapter on farm establishment and succession in the Pronovost Commission report. The proposed measures are scattered throughout and deal with quota prices, income security, training and education, as well as advisory services. Although there were numerous proposals made by participants at the hearings, no recommendations appeared concerning fiscal measures to discourage the dismantling of farms. Moreover, no farm-transfer savings plans or mention of specific financing for succession were made in the report.

In an interview with the newspaper *La Terre de chez nous*, the Commission President Jean Pronovost admitted that the commissioners were not happy to have skipped this huge problem faced by aspiring farmers. “We do not have the competence, or the time to acquire it. However, we are aware that there is a major project presently in the works,” he declared, referring to the “*Politique jeunesse*” (youth strategy) of the Quebec Ministry of Agriculture (MAPAQ).

The president of the *Fédération de la relève agricole du Québec (FRAQ)*, Benoit Martin, was very disappointed not to find any recommendations on fiscal measures, particularly some which might make farm transfers more profitable than farm business dismantling. Martin stated that his

ideas have been well received by Minister of Agriculture Laurent Lessard concerning the creation of a reserved capital fund that could serve as a down payment for new farmers who do not have the necessary start-up capital required by financial institutions.

Some good measures

Among the recommendations that affect young farmers, the FRAQ is pleased with those proposing a price ceiling on quotas and the creation of a quota bank for new start-up businesses. “The present system can generate a very nice inheritance, but it is also an obstacle to establishing new farm businesses and it favours the dismantling of farms,” Martin explained. Although the recommendations reflect some measures that are already in progress or in the planning stages, Martin hopes their mention in the report may help to sipped things up. Producers also applauded another measure supporting the *Centres régionaux d'établissement en agriculture (CRÉA)*, whose numbers have dropped from nine to four following the reorganization of advisory services in 2005. While acknowledging the gradual disintegration of these services, the commissioners stressed that it would be “preferable to concentrate the support services on the human dimension of the farm succession process.” The Pronovost Commission suggested that MAPAQ should provide core financing for the CRÉAs.

Certain reservations

The reform proposed for income stabilization (ASRA) was not well received, even if it would result in financial support for all farm businesses without distinction as to their size or production sector. Any advantage gained from the reform would not sufficiently compensate for the loss of aid related to the cost of production, according to the FRAQ.

Finally, the *FRAQ* considers it too hasty to make financial support for new farm start-ups conditional on obtaining a college diploma (DEC), especially during the present period of a scarcity of aspiring farmers.

Richelle Fortin
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A gentle hand is always best

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In looking at milk quality in the last two columns, I talked about the importance of proper milking procedures and vigilance in maintaining your milking and cooling equipment. There is a third factor in producing quality milk that is a little harder to define but is no less important, it is the manner in which you handle your cows.

I remember walking into the barn of Guernsey breeder Ivor Williams in North Gower just west of Ottawa almost 25 years ago and there prominently displayed over the entrance to the stable was a hand-lettered sign that read, “Every cow in this barn is a mother and a lady, and should be treated as such.” Like all good cow people, Ivor knew that his cows would thrive under that kind of care. They are more willing to give their milk, less stressed and therefore less prone to getting sick. And it’s a darn sight nicer to work with calm relaxed cows than with animals that are jumpy and ready to kick or bolt at the slightest movement. Cows that are treated in a gentle, caring manner respond in kind and are more productive.

It begins at birth. Animals develop a memory, so as much as possible, every experience they have with humans should be positive. When you have to give a calf a needle, don’t surprise it with a sudden jab out of nowhere, but scratch her under the chin or let her suck on your fingers, and continue to do this after the injection so the last thing she remembers of you is a good feeling. Calves that are touched and handled often become well socialized and look on humans as a source of pleasure rather than a source of fear or anxiety.

People working with calves need to have a lot of patience, especially when trying to train a calf to drink from a pail. Lose your temper and ill treat the calf just once, and you have broken the bond of trust. It takes a long time to rebuild that trust and sometimes it just will never happen. It may sound chauvinistic, but I have found that women generally are better with calves. They are more nurturing by nature, tend to be gentle and have more patience, and are less likely to strike out at an animal in anger. My Dad has always maintained that women tend to make better milkers for the very same reasons. They won’t hit a cow because they’re smart enough to know that it won’t do any good and it will more than likely hurt them more than the cow!

When we first moved our herd to the U.S. we hired a young man as herdsman. Within a couple of weeks, on one of my visits, I noticed that the cows were a little jumpy. When I spelled him off for a weekend, I knew that something was definitely up—the cows were nervous every time I raised my hand to plug in a pulsator, danced back and forth and kicked a lot. Any time I got near them, they watched me suspiciously. These were not the same cows I had put in this barn just a few weeks before, cows who would hardly pay attention when I moved between them, and would continue to chew their cud and remain relaxed. At first I suspected stray voltage, but when I saw two cracked pulsators repaired with electrical tape, I knew what was going on. When I confronted the employee, he admitted that he had cracked a pulsator on the back of a cow because she had kicked his glasses off during milking. By the way all of the cows were behaving, this had happened more than once and more than with just the one cow. Our somatic cell count had climbed, which could be partially attributed to the fact that the general level of care had dropped off, but I believe the major reason was stressed out cows.

The young man was let go to seek “other gainful employment” and we started on the long road back to regaining the trust of our cows. It was a valuable lesson—there are some people who quite frankly should not be working with animals. The people working in your barn have to be calm and patient, and they have to enjoy being around cows. Like the sign says, “Every cow is a mother and a lady, and should be treated as such”. The well being of your animals and by extension, your livelihood, depend on it.

Status tags: helping to get rid of paperwork

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There's no question about it—you can't stop progress. As you may already know, identification tags used in sheep production are equipped with electronic RFID chips that allow the automatic reading of your animals' identity with the use of a hand-held stick reader or scanner. The collected data can then be downloaded to the producer's computer, where it may be used as he or she pleases. This is already common practice for many Quebec sheep and lamb producers who have been using these tools for two or three years now.

Stick readers can also be used to read the RFID tags of a group of animals on the farm and the information is then downloaded to the FormClic Ovin software program.

This software is available free of charge on the website www.agri-tracabilite.qc.ca to allow producers to fill out their traceability reports without using paper forms. Once completed, they can transmit them over the internet (even without a high-speed connection). This is another way of quickly and efficiently sending your reports to ATQ, while eliminating the possibility for mistakes that comes with manually recopying data!

But progress doesn't stop here—the sheep sector can also benefit from the rapid advances made in RFID technology, particularly through the use of “status tags.”

What are status tags?

The idea here is to make use of RFID electronic tags to permit quicker access to information needed in traceability reports. The basic idea is to provide the producer with electronic tags that already have specific information encoded inside. During the course of a pilot project conducted by *Agri-Traçabilité Québec* this year with 12 sheep producers, seven beef producers and a slaughterhouse, the “status tags” tested were pre-programmed either “MALE” or “FEMALE.”

Take the example of a sheep producer who is in the process of identifying his lambs. In addition to his stick reader, he has in his possession the two pre-programmed tags for sex identification. After identifying the animals visually, he reads the animal's number with the stick reader (the ATQ tag), then proceeds to take a second reading on the appropriate status tag, depending on the gender of the animal. Once these readings are completed, all that remains is to download the collected information into the FormClic software. All of the columns in the electronic form will then be filled in automatically with the correct information: the animal's number and its sex. The only thing left is to insert the animal's birth date and transmit the completed form to ATQ.

Imagine for a minute the possibilities that will become available to sheep producers within the next few years: status tags linked to animal movement (pasture, pen, auction, slaughterhouse), to the animal's category (milk-fed lamb, light lamb, heavy lamb), to vaccinations, gestation status and photoperiod. The possibilities are endless, exceeding the simple data related to traceability and becoming an invaluable support tool for any sheep producer's flock management.

Thanks to the many possibilities offered by RFID tags—combined with FormClic report software being used more and more in Quebec—the volume of paperwork that producers have to fill out can be reduced to a minimum. At the same time, RFID tags accelerate the transmission of data, rendering the traceability system more efficient all round.

The completion of the research project “Evaluation of the performance of various tools (status tags)” was made possible through the financial support of Agriculture and Agri-Food Canada, within the framework of the Canadian Integrated Traceability Program.