



GEORGE MORRIS CENTRE

The following is a transcript of a commentary that was produced exclusively for farmcentre.com and its owner, the Canadian Farm Business Management Council (CFBMC) under contract with the CBC (Canadian Broadcasting Corporation). The commentary appears on www.farmcentre.com Monday, March 6, 2006.

Has the marketplace failed farmers? (FINAL TEXT: martin)

Wayne Easter's report on the state of Canadian agriculture has many good ideas but some serious shortcomings.

But what's most distressing is the underlying attitude that farmers are victims who can only achieve prosperity through government action.

It's certainly easy to see why some farmers feel that way. They produce safe and wholesome food; have become dramatically more productive over the decades; and yet see their real incomes declining. It's easy to conclude that the marketplace is incapable of rewarding their enterprise and accomplishment.

It's not, however, a view that I share.

Challenging times bring both threats and opportunities. To avoid the former and seize the latter, you need to first identify them, undertake an honest appraisal of your strengths and weaknesses against them, and then take the actions that offer the best chance of success.

So yes, Canadian agriculture is under threat because of low-cost competitors like Brazil, Argentina and China. US and EU farm subsidies as well as trade barriers remain a very serious problem. And our small, aging population in Canada means that there will be limited growth opportunities at home.

But are there also numerous opportunities. Food marketing is segmenting in ways never seen before. Consumers want specific attributes – such as local, organic, prized health components, and gourmet-on-the-go – and cost is not always their primary concern.

There's strong evidence that World Trade talks will cut trade subsidies and improve access over the medium term. Our recent history clearly shows we are leaders when it comes to taking advantage of such trade liberalization.

There are also opportunities in the creation of bio-products and efficiencies to be achieved in the agri-food supply chain that could result in more income flowing to primary producers.

I'm not saying these opportunities are easy to achieve. But before we write off the marketplace entirely, doesn't it make sense to see what it offers, what it demands, and what we might do to prosper in it?

For CBC commentary, I'm Larry Martin, chief executive officer of the George Morris Centre in Guelph, Ont.

The George Morris is undertaking a project to develop a comprehensive policy to aid the development of the commercial agri-food sector in Canada. To find out more, visit www.georgemorris.org, click on Media Room and look for Beyond the Easter Report discussion paper.