



*News Release*

**Recent changes in the Tobacco Transition Plan have tremendous implications, not just for the tobacco industry, but for Canadian agriculture in general**

Guelph (April 29, 2009) In a paper released today by the George Morris Centre, Larry Martin points out that the new Tobacco Transition Plan (TTP) rules affect succession planning, diversification by both TTP participants and their families, and the very structure of the family enterprise. "This is bad policy" says Martin. "You can't change the rules in the middle of the game, after people have already made critical decisions and investments based on the original plan."

One of the biggest concerns, which could have implications for those involved in any farming operation, is the prohibition of succession. According to Martin, "it is the nature of Canadian agriculture for one generation to help the next by loaning funds, making loan guarantees and renting the land. To exclude tobacco farm families from this process seems to go against the very principles of Canadian family enterprise. No other Canadian farmers or small businesses are limited from assisting their children to continue their parents' farming businesses."

Trish Fournier, General Manager of Lake Erie Farms, states that "this paper is important since it demonstrates the wide implications of the policy attached to the TTP program that became clear only after documents were signed by farmers. It really is not about tobacco production at all. It is about ensuring that a program is doing what it is intended to do and is not creating new problems elsewhere. It is also about ensuring that the transition away from the reliance on tobacco in the affected communities is as successful as possible. The policy, as it stands now, has gone to the extreme in an attempt to prevent any potential individuals from taking advantage of the program. In my opinion, it is unnecessary and unreasonable to have gone this far. There are better ways to ensure the intent of the program is maintained, ways that would have less devastating consequences for the area, particularly in terms of its diversification. Unfortunately we are short on time. I welcome the opportunity to discuss these options with Agriculture and Agri-Food Canada."

In light of the timing for the tobacco crop, the release of this paper is an immediate call to action for federal Minister of Agriculture and Agri-Food Gerry Ritz. According to Martin, "if the Minister does not act quickly, there will be almost no crop this year. This will put one more stake in the heart of a processing industry that has been withdrawing from Canada. It will also be one more signal to industry that this is really not a good country in which to invest."

The paper, *From the Sublime to the Ridiculous - The Canadian Tobacco Transition Program: Canadian Agriculture Deserves Better Policy Than This* is available on the George Morris Centre website, [www.georgemorris.org](http://www.georgemorris.org).

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