

News Release

Quebec agricultural producers see little in budget

LONGUEUIL, May 3, 2006 – Reacting to yesterday’s federal budget, Gib Drury, president of the Quebec Farmers’ Association (QFA), said that “the budget is long on generalities and desperately short on immediate relief. Farmers cannot wait for assistance to survive the current income crisis and many will have trouble scraping up the cash to plant this year’s crops.”

Speaking from his beef farm in the Gatineau Hills, Drury emphasized that “the Conservatives campaigned on a promise to deliver \$2.25 billion a year to the agricultural sector. Yesterday, they announced just \$1.5 billion in assistance.”

Between 1995 and 2005, Canadian farm debt grew by 90 per cent. Net farm incomes were at an all time low. Despite recent efforts by farmers to attract government attention to their crisis, the budget fails to deliver much needed support. “Prime Minister Harper claims to be delivering on his promises,” said Drury. “But some are taking a higher priority than others and agriculture is low on his list.”

Although the budget reiterates the government’s promise to replace the flawed Canadian Agricultural Income Stabilization program, no concrete time frame was given and no details were presented as to how this support will come through.

“Farmers in other countries don’t have to survive off ‘one-time investments,’” Drury continued. “In Europe and the United States the national governments are solidly supporting their agricultural sectors. Here we get the crumbs – and it takes marching on Parliament Hill to get even that!”

Drury described some of the budget’s provisions as bitter sweet. For example, the GST reduction is beneficial, but for farmers “it would have been much more helpful to have had a reduction in the taxes charged on fuel.” Similarly, the infrastructure investments are welcomed but the benefits will not be seen for another five years. Another example is that the lower taxes on small and medium-sized businesses will only assist farms that are profitable.

Some have been charitable and have called this a transitional budget but the QFA expected more support for agriculture and rural Quebec from the Harper government.

ABOUT QFA: Founded in 1957, the Quebec Farmers’ Association represents the province’s 2,100 English-speaking agricultural producers.

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