

## **The Canadian Government let me down:**

The frustration, worry and anger on my father's face are still vivid memories from my childhood. Dad would place 6 cans of milk at the end of the driveway and only 4 would be taken by the milk processor. This was usually followed by a dinner table discussion on how to pay bills, raise a family and carry on.

As this process repeated itself time after time on farms across PEI and indeed the country, something had to be done. Government recognized milk, by its nature, is different than any other commodity. It cannot be stored or held until it is needed or prices improve. It is perishable and must be shipped and processed very quickly. In essence, dairy farmers were being held hostage by processors who knew farmers had no choice but to sell them their milk, regardless of the price.

Those old enough will recall the milk wars of the 60's, that cumulated in dairy farmers protesting in Ottawa, where someone poured milk from the visitors' gallery into the Minister of Agriculture, Eugene Whalen's Stetson hat. From there supply management was born.

Critics of Supply Management say the world has changed and there is no place for production controls. I agree the world has changed, processors and retailers have never been more powerful and concentrated. Instead of demonizing supply control, it needs to be strengthened. Does anyone really believe the multinational processors of today who operate worldwide (Saputo, Parmalat, etc) will treat farmers any different than their predecessors. Donald Trump portrays himself as a businessman. I find him very symbolic of the way big business treats people around the world. Just grab them by the -----; they can't do anything. Supply Management has allowed farmers to have a little bit of control over the price we receive. We are not wealthy. We are not a cartel. We just want some say in what we receive for our milk at the farm gate. We have no control over the retail price of dairy products. Of interest, last month we received 66 cents per litre while others in the supply chain take the rest.

Supply management is really a contract; we have agreed to produce enough milk to supply the Canadian market while ensuring we maintain the discipline to not over produce and create surplus milk with no home. We have agreed to do so under a cost of production formula that allows for our wages and a reasonable return on investment. The pricing system is transparent and can be viewed on the Canadian Dairy Commission's website. Government provides no subsidies and all earnings are received from the market place. Part of our contract requires government to control imports and

provide border controls to ensure other countries without production discipline cannot dump their surplus in Canada and disrupt the market. Again milk is a unique product and farmers have to ensure they have a market today; we can't wait until tomorrow or next week or next month.

Government has not honored their responsibilities under our contract and has indeed traded away over 18 % of our market once all 3 recent trade agreements are implemented. Additionally, we cannot change our dairy policy or pricing model without it being approved by the US government.

Finally, a note to Prime Minister Trudeau, I have supported you and your government, I have helped with fundraisers, driven local MP's through our riding and answered the call for donations because I strongly believe in the Liberal values of country first, big business later. You and your government have not stood by us, you say you support Supply Management, but your action dictates otherwise.

Our industry feels we have the support of consumers; they like our quality, our small farm size and our place in rural communities across the country. Consumers want quality affordable locally produced milk; why does government not recognize this?

As it stands our country will very shortly need 20% less dairy farmers, it could be my family's farm or your friends and neighbor's. Please let your MP and the Prime Minister know that Canadian Milk Matters, ask them to demonstrate the political will, stand in the House of Commons and vote no to this trade deal.

Submitted by Gordon MacBeath,

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