# -Agriculture OFA officials contest government support figures

By ROB SAVAGE Toronto Bureau Thomson News Service

TORONTO - Federal government officials have greatly exaggerated the level of government support going to farming, the Ontario Federation of Agriculture (OFA) said Friday.

OFA President Brigid Pyke contested arguments that the federal government provides \$8.8 billion in support to farming. The subsidies this year only come to about \$1.6 billion, Pyke said.

Pyke said International Trade Minister John Crosbie is using exaggerated figures.

"It frightens me that Crosbie may actually believe that his government is shovelling \$8.8 billion at farmers on an annual basis," Pyke said in a news release. "If he does (believe that), he should not only be censured but fired."

The OFA's directors have voted to censure Crosbie's comments.

OTTAWA - The Canadian

Federation of Agriculture ap-

plauded Agriculture Minister

Don Mazankowski's announce-

ment that interest-free cash ad-

vances will be available for Cana-

dian farmers awaiting the op-

Interest-free provisions of both

the Prairie Grains Advance

Payments and the Advance

Payments for Crops Programs

came to an end last year. With a

sudden downturn in commodity

prices and a weakening farm

economy, the CFA asked that the

interest-free provision be

Farm income for 1990, across

the Prairier provinces, is ex-

pected to be more than 40 per

cent under the 1989 level and

about 40 per cent below the

previous five-year average.

Saskatchewan alone is expected

to experience a 68 per cent

decline in realized net farm in-

TORONTO - The application

Food's Farm Income

deadline for all components of the

Ontario Ministry of Agriculture

Assistance Program is Oct. 31,

imately half of the applications

have been received by the

ministry so far. With the deadline

less than a month away, we are

urging farmers to fill out their

forms and forward them to us

now," said Rolly Stroeter, direc-

tor of the farm assistance pro-

The Farm Income Assistance

"We estimate that approx-

restored.

portunity to market their crops.

Interest-free loans

made available

Crosbie's statements were reported in news articles earlier this week. The Trade Minister took jabs at Don Mazankowski, the federal agriculture minister, saying Mazankowski should be "ashamed" of the amount going to farming.

Crosbie is reported to have said annual federal subsidies came to \$8.8 billion. The federal government is proposing some subsidies be cut by 50 per cent.

According to the OFA news release, the \$8.8 billion figure was calculated by taking the difference between the world price of agriculture products and the Canadian prices. Pyke said it is a peculiar method of calculating subsidies.

"It is the same as saying that because the world price of labor is \$1 an hour and workers in Canada made an average \$8 an hour, that the \$7 difference is a government subsidy maintained by Canada's minimum wage

"The return of the interest-free

provision will go a long way to

alleviate the serious cash flow

problems faced by many Cana-

dian farmers." CFA president

Don Knoerr said, "The govern-

ment has shown its willingness to

The CFA president, however,

expressed concern. "This

measure is temporary, designed

to deal with an immediate ex-

treme situation. This is very

sueful, but there is a major need

for a long-term income stabiliza-

tion program for farmers. This

must be implemented soon

enough to deal with the net in-

come effect of the current situa-

tion. Thre is also a need for a

review of the long term effec-

tiveness of our advance payment

of these programs is not the only

issue that needs review. We also

must be certain that an effective

delivery system is available,"

Farm businesses with a 1989

gross farm income of at least

\$15,000, which paid at least \$5,000

in farm interest in the fiscal year

ended during 1989 are eligible for

the Interest Assistance Compo-

nent. Farm businesses which pro-

duced and harvested any of the

eligible crops are eligible for the

Grains and Oilseeds Component.

Ontario-licensed breeders of

ranch-raised mink and fox are

eligible for the Fur Component.

Fruit, vegetable and tobacco-

producing farm businesses are

eligible for the Horticultural

not received an application form

or need information can contact

the Farm Assistance Programs

Branch at 416-326-9895 or their

Eligible producers who have

Component.

local OMAF office.

"The interest free component

programs."

Assistance deadline close

the President said.

listen to farmers," he added.

The OFA news release said Canadian agriculture is facing a "national disaster" and subsidies are needed.

"We have to keep farmers in business through the bad times so that Canadians will continue to have a safe and affordable supply of food in the long term."

Roger George, the first vicepresident of the OFA, also slammed Crosbie's calculations.

"Mr. Crosbie must know that average annual cash transfers to the agriculture industry are nowhere near the \$8.8 billion figure cited by hime and now other national commentators."

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