

The Crisis in Rural Alberta

understanding the need

identifying solutions

2006

contact information

Ken Kultgen
Mayor of Foremost & farmer

kkultgen@la.shockware.com
403.647.7623

comments from a mayor and a farmer

Ken Kultgen

Who in government said that we only need 25,000 farms in Alberta? We have about 50,000 now and defeats having a strong rural communities.

A rural initiative needs to recognize that unless you keep existing farms and businesses strong in rural communities, efforts to place new industries in those communities defeats any and all other initiatives.

Who is leaving our rural communities? Sons and daughters are leaving as no future in agriculture unless action is taken. Compounding the problem, are those producers who leave and move to cities because no services are left in rural communities. The age of the farmers who are now on the land is to the point that, with no natural succession to younger farmers, rural areas not sustainable.

The grain and oil seed sector is largest user of rural services and local business. As a big user of equipment, our needs from and contribution to the support of local businesses are high. The livestock sector is not a large user in comparison. Fuel dealers, fertilizer dealers, hardware and parts stores are a few examples.

Our local elected politicians are farmers (or agriculture-related). If we lose our agriculture industry, who will be the local elected members? What will be the focus of those who remain?

Economists see disastrous year ahead for the grain and oil seeds industry

*February 15, 2006
Press Release*

articles to read

Measuring Need & Level of Hurt
Canadian Federation of Agriculture

***Economists See Disastrous Year
Ahead for the Grain & Oil seeds
Industry***

University of Calgary economist
Dr. Christopher Bruce of *Economica* (2006)

***Paying ranchers & farmers for land
stewardship***

Calgary Herald editorial by Shelley Willson
January 20, 2006

***Strahl asks farmers for patience to
deal with agriculture income crisis***

recognizing the scope of the crisis

How bad is it?

affecting communities emotionally and financially

- This is a province wide problem of particular concern in rural Alberta.

big stress for everyone

- farmers, business, families, community services
- If the farm community is not economically sound, the secondary support industries will fail.
- Financial failures lead to family failure, and mental and physical health problems: children see the stress in their parents and cannot cope. Farm families are directing their children away from agriculture

support family farm before it is too late

- The grain and oil seed industry will not survive without significant and immediate help.
- Farm foreclosures and receiverships are strong evidence of the fact that we are past the tipping point. Farmers are exiting the agriculture business because they cannot now “produce” themselves out of the crisis.

impacts our entire province

- The impact of the freefall in the agricultural economy has a larger impact on Alberta’s urban centres than might be expected.

reference & contacts

Ken Kultgen

Mayor of Foremost & farmer

kkultgen@la.shockware.com

403.647.7623

**Canadian Federation of
Agriculture**

www.cfa-fca.ca

AgCat

Alberta Grain & Oil Seeds

Crisis Advocacy Trust

www.agcat.org

**the price of wheat is dramatically
similar to the price enjoyed by
farmers over 100 years ago.**

former Alberta Agriculture Minister

LeRoy Fjordbotten

why is it happening now?

most agree that there is a crisis

- All economists who have seriously addressed the problem agree that the crisis is real and dramatic.

International trade war

- Canada is losing the ongoing international trade war. In fact, Canada has so far chosen not to seriously defend its grain and oil seed producers from the consequences of international subsidies

the perfect storm

- Grain and oil seed producers are experiencing the worst crisis ever for their industry.
- Input costs have skyrocketed.

**The provincial government
can play an important role
in facilitating a partnership
between the agricultural
and energy sectors**

solutions

short term

agree that this is a crisis
support immediate action by both levels of government
current programs are insufficient and ineffective
an emergency payment that will not set a bad precedent

what can i do

get your locally elected government council to support taking action and assisting with the solutions to this crisis
write to your provincial association and encourage them to support actions to a solution
write to the Premier, the Minister of Agriculture, the Minister of Municipal Affairs encouraging them to take action in support of rural Alberta