



THE HARPER RECORD

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Harper and Biofuels¹

In Budgets 2007 and 2008, the Harper government allocated more than \$2.2 billion to support the increased use of biofuels.² This financial commitment of public funds was accompanied by legislation. Bill C-33 will require all gasoline sold in Canada to have a minimum amount of 5% biofuel content by 2010. By 2012, all diesel and heating oil will have 2% biofuel content.³ The Senate of Canada voted in favour of the bill on June 26, 2008, the day after Pat Mooney testified urging the Senate “to delay a decision here and spend more time looking at this issue. I think the scene is changing day by day and week by week...” The following is his testimony.

Pat Mooney

AT THE BIODIVERSITY convention meetings in Germany, we had this strange feeling that all of Africa as a block was asking for a moratorium against any development of biofuels. They were saying, “please go no further.” They are asking for an end to subsidies in Europe. On the other side, we had the European Union, 27 countries, that wanted to change their position. We talked to them individually. They wanted to shift from supporting biofuels, but they could not. Brussels, as a group, had

made the decision months before for the negotiations and they could not turn the ship around that fast.

One country after the other is saying they know it is a problem and they know they have to address it.

Africa is the hungry continent — the continent for which it was a problem. The world is saying to them that this is an industry that they can develop and take to their hearts as Africans. Africa is saying, “We do not want this. We do not trust how this will play out for us.”

Everyone basically ignored Africa. It was Brazil, the United States, Canada, and the European Union that pushed through their position. Even then, with enormous caveats saying “We are not so sure about this; it needs to be studied more,” and so on. However, they did not agree to the moratorium...

First is that we always tend to want to say we are only doing something for our country. It will only be for Canada or Brazil, and will not have an impact beyond that. Having dealt with agricultural commodities for the last 40 years, I find that remarkable. There is never a time when what we decide to do about agriculture in Canada does not affect the rest of the world. There is always a knock-on effect from what Canada does in wheat, corn or canola production, etc., that affects global food prices and stocks and who grows what where.

I recently talked to a colleague from Paraguay who told me that soybean production is moving into the forest lands in Paraguay. Soybeans are not used for biofuels, so I failed to see the connection. She explained that the connection is that corn is being grown in the old soybean-producing areas for biofuels, and soybeans are being pushed into the forest areas.

Those kinds of links and connections are happening around the world, and they can have an enormous impact. Unless we can be assured that the unimaginable has happened — that we can somehow isolate Canadian agriculture from the rest of the world — whatever we decide in Canada regarding fuel and food crops will have an impact on the rest of the world, and an impact on food prices.

Looking at the arguments about pricing in the world’s food supply and how much of it is influenced by biofuels, look at who is saying what on this topic. On one side, you have the United States govern-

ment and the fuel industry saying that only 2% or 3% of the increase in food prices can be traced back to biofuels. On the other side, you have the IMF, the International Food Policy Research Institute which is supported by the Consultative Group on International Agricultural Research affiliated with the World Bank, and the World Bank itself all saying that the impact of biofuels on food prices is 30%, and up to 65% under some conditions...

The second issue is that of climate change.

We see ourselves in a food emergency, which will last for a decade by all considerations. It is not only a year or two. It will last for the next 10 or 20 years.

Within that time-frame, we know there is this food emergency and we know that food stocks are the lowest they have been in decades. We also know, however, that climate change is coming and we do not know what will happen to food production because of climate change...

In regard to the Canadian Prairies, I was in Saskatchewan a few weeks ago. People there were telling me that the bottom half of the province will be a dust bowl.

When someone says do not worry, we have extra land and opportunities here, we do not know what will happen with climate change. Therefore, to impose upon an extraordinarily fragile food security situation by adding a whole new factor is simply incredibly risky and dangerous. It is a new pressure that we will not be able to reverse once it is established, because the demand in the industry will be structured for it.

We must be sure what we are doing because, if we are not sure, people will starve. The estimate now is that we have 100 million more people who are hungry in the world than we had six months ago. Some estimates indicate that it will increase to 290 million more hungry people by the end of this year.

To add to that pressure and to throw the factor of biofuels into this equation does not make sense to me.

Whether it is at scientific or biodiversity conferences or the World Food Summit, there seems to be a consensus emerging that the current situation is not good. Generation-one biofuels do not work very well, but we should not worry, we're told, because generation-two biofuels

are coming down the road. We can relax because that will take care of all the problems for us.

I have some worries about that. It was interesting to hear the industry representatives here talk about how you can convert rubbish and algae into fuel. Without question, that is very interesting. It is absolutely fascinating. I hope it works, but we do not know for sure that it will.

That is not what is being done now. We are talking about the land area in corn and canola production, which is the big issue. It was unusual to have an industry lobbyist present to you what is not happening yet. He did not talk to you about what is happening, which is about corn, canola, and sugar cane production around the world today. This is where the impact will be for the next 15 to 20 years. The scientists and governments I talk to about these generation-two biofuel developments believe that commercial yields — if the process works at all — are far down the road. We will continue to have the current problem of taking biofuels from major food crops for a long time to come. This will all occur in the context of the current food emergency and climate change...

How can we do this to ourselves? I have sat through and been part of many food summits over the decades. I have heard these forecasts not to worry, that hunger will not be a problem in the future, and we will take care of that. I was in high school in Winnipeg in the 1960s, when I heard John F. Kennedy say we have the means and the capacity to wipe hunger and poverty from the face of Earth in our lifetime; we need only the will. He was wrong. It did not happen.

I was at the World Food Summit in Rome in 1974, which was a very political summit during the last food crisis, and heard Henry Kissinger say that within 10 years no child will go to bed hungry. That is not true. That did not happen.

I was at the World Food Summit in 1996 in Rome when our government joined other governments in saying that by the year 2015 we will have half the number of hungry people we have today. It was to go down to 415 million from 830 million. Today, the number of hungry people is 862 million. It has gone up, not down. The estimate is that by the year 2020 there will be 1.2 billion people who are hungry on this planet. Instead of reducing the number by half, we will increase the number of people who are hungry by one-and-a-half times.

I have heard governments say for a long time that they will solve the problem of world hunger, that there is lots of land, that they will increase crop yields, or that they will take care of the water problem. It has never happened.

What *has* happened is that energy consumption has increased and the hungry have increased in numbers during that time. I would like to see proof that what is being decided today, perhaps by the Senate, will truly be something that will not impair the health and well-being of those 1.2 billion people who are becoming hungry. I doubt that will happen. I worry that we will grab at straws and hope our usage of fossil fuels will be reduced by 0.65% or 0.70% by the biofuels industry because of this bill. It is so marginal. We could reduce fossil fuels that amount by simply slowing down our cars by one mile per hour. But it would cost \$2.2 billion to do it in terms of the bill. Pumping up our tires could have the same effect without costing that kind of money.

With this bill, we would be setting in place the infrastructure and an industry that will not get rid of the problem in five or 10 years. It will still be there. If Saskatchewan or Alberta were to dry up and could not produce the required yields, the infrastructure would disappear and we would have to turn to California or Brazil or Indonesia. Some of the governments in Africa at the food summit said to us, please do not do this.