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national farmers union
In Union Is Strength

FOR IMMEDIATE RELEASE

MAY 11, 2007

**LOWEST FOOD SUPPLIES IN 50 OR 100 YEARS:
GLOBAL FOOD CRISIS EMERGING**

SASKATOON, Sask.—Today, the United States Department of Agriculture (USDA) released its first projections of world grain supply and demand for the coming crop year: 2007/08. USDA predicts supplies will plunge to a 53-day equivalent—their lowest level in the 47-year period for which data exists.

“The USDA projects global grain supplies will drop to their lowest levels on record. Further, it is likely that, outside of wartime, global grain supplies have not been this low in a century, perhaps longer,” said NFU Director of Research Darrin Qualman.

Most important, 2007/08 will mark the seventh year out of the past eight in which global grain production has fallen short of demand. This consistent shortfall has cut supplies in half—down from a 115-day supply in 1999/00 to the current level of 53 days. “The world is *consistently* failing to produce as much grain as it uses,” said Qualman. He continued: “The current low supply levels are not the result of a transient weather event or an isolated production problem: low supplies are the result of a persistent drawdown trend.”

In addition to falling grain supplies, global fisheries are faltering. Reports in respected journals *Science* and *Nature* state that 1/3 of ocean fisheries are in collapse, 2/3 will be in collapse by 2025, and our ocean fisheries may be virtually gone by 2048. “Aquatic food systems are collapsing, and terrestrial food systems are under tremendous stress,” said Qualman.

Demand for food is rising rapidly. There is a worldwide push to proliferate a North American-style meat-based diet based on intensive livestock production—turning feedgrains into meat in this way means exchanging 3 to 7 kilos of grain protein for one kilo of meat protein. Population is rising—2.5 billion people will join the global population in the coming decades. “Every six years, we’re adding to the world the equivalent of a North American population. We’re trying to feed those extra people, feed a growing livestock herd, and now, feed our cars, all from a static farmland base. No one should be surprised that food production can’t keep up,” said Qualman.

Qualman said that the converging problems of natural gas and fertilizer constraints, intensifying water shortages, climate change, farmland loss and degradation, population increases, the proliferation of livestock feeding, and an increasing push to divert food supplies into biofuels means that we are in the opening phase of an intensifying food shortage.

Qualman cautioned, however, that there are no easy fixes. “If we try to do more of the same, if we try to produce, consume, and export more food while using more fertilizer, water, and chemicals, we will only intensify our problems. Instead, we need to rethink our relation to food, farmers, production, processing, and distribution. We need to create a system focused on feeding people and creating health. We need to strengthen the food production systems around the world. Diversity, resilience, and sustainability are key,” concluded Qualman.

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For More Information:

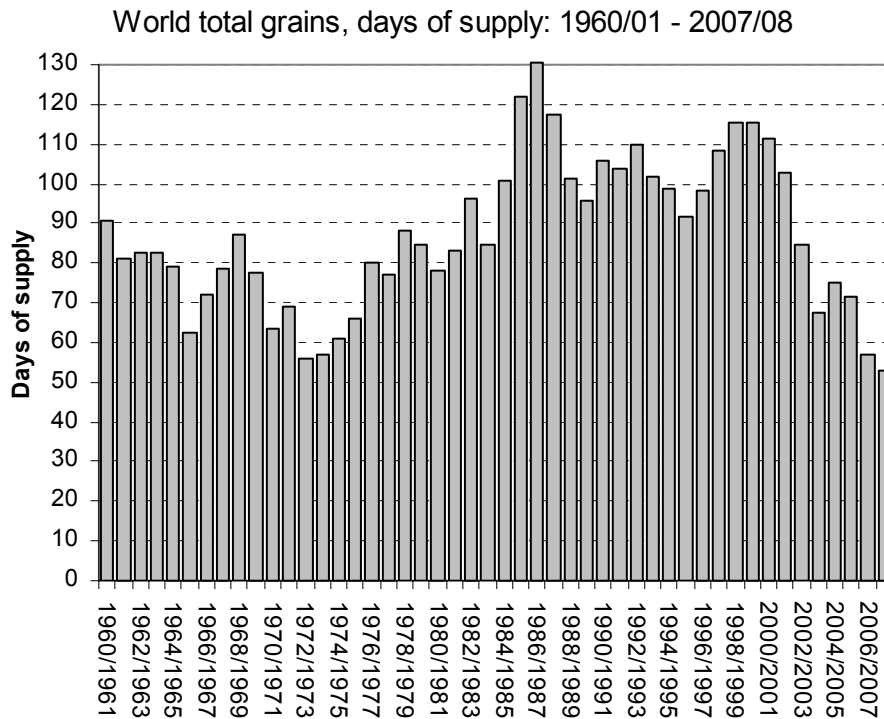
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Backgrounder to the NFU's May 11, 2007 news release

The United States Department of Agriculture reports recent grain supply and demand numbers on its World Agriculture Supply and Demand Estimates (WASDE) website at <http://usda.mannlib.cornell.edu/MannUsda/viewDocumentInfo.do?documentID=1194>

The longer-term data on world grains supply and demand is at Production, Supply, and Demand Online (PSD) at <http://www.fas.usda.gov/psdonline/psdhome.aspx>

The NFU created the graph below using USDA data from the above-noted sites. The graph takes stocks/use ratios (“ending stocks” divided by “total use”) and multiplies these percentages by 365 to get a more intuitive “days of supply” number.



Note that the graph projects supplies for the upcoming year to hit their lowest record levels—lower even than the 1973 levels that spurred a rapid price increase. Note also the unprecedented and steep downward trendline for the past 8 years.