



## **Food versus fuel debate rings of hypocrisy** *By Peter Gredig, Content Manager, Farms.com Ltd.*

I don't know about you, but I'm starting to get a little tired of the so-called food versus fuel debate. North American food consumers have had it so good for so long, that even nominal increases in food prices have them looking for someone to blame. The mainstream media has been quick to over-simplify the issue with the food versus fuel argument which infers that using ag commodities like corn, soybeans, canola and wheat to make biofuels is the sole reason for slightly higher food prices. The truth is that there are numerous factors at play, including rising energy and labor costs.

If society is so concerned about productive acres being dedicated to food production, why have we not had the "food versus urban sprawl" debate, or even the "food versus golf courses" argument? Let's call a spade a spade – diversity in demand is a welcome development in agriculture. A cheap food policy that has the average consumer spending less than 10 percent of their income on food has enabled everyone past the farm gate on the food chain to secure a reasonable margin. Now that commodity prices deliver a positive margin for farmers, consumers are leaping to the conclusion that this is all about biofuels. Europeans are accustomed to paying more for food, yet they retain a high standard of living. They have placed a higher value on food. Going forward, stronger global demand for food and new end uses for our commodities means North American consumers will face a more realistic value for food, and I say it's about time.