



Ontario Federation of Agriculture



Long-Term Thinking
for Today's Issues



ONTARIO PORK



Ontario Agriculture Sustainability Coalition Speaking up for Sustainable Farms and a Local Food Supply

How you can make a difference:

The Ontario Agriculture Sustainability Coalition (OASC) has proposed a number of retroactive reforms to AgriStability and has called for the creation of a Business Risk Management Program (BRMP). The Federal, Provincial and Territorial Ministers of Agriculture met on February 5th and discussed our recommended changes as well as a production insurance program for livestock. The ministers agreed to engage in more consultation with farmers and bring the matter back to their July 2010 meeting. This is the third year in a row that they have promised to examine the crisis in agriculture. **You can make a difference by telling government what Ontario farmers need.**

Consultations have been done - it's time for Ministers to act!

Recently Minister Ritz said that 80% of Canadian farmers believe AgriStability works. We know this is not the case. We are asking for your help in telling Minister Ritz that AgriStability must be fixed and that a cost of production BRMP program, commencing 2009, is urgently needed.

We believe Minister Mitchell supports Ontario farmers and will work with her fellow provincial Ministers and Minister Ritz to press for national AgriStability adjustments and the adoption of the AgriFlex plan that will enable Ontario's BRMP. She needs to hear from you and so do her federal and provincial colleagues, including Minister Ritz and Premier McGuinty.

What you can do to help - Phone, Write, Call, E-mail:

Send an email to your MP or MPP – to do so please visit:

<http://www.oasc.ca>

Contact Hon. Gerry Ritz

- email Minister Ritz ritzg@parl.gc.ca
- Comment online at http://www.agr.gc.ca/cb/min/index_e.php?s1=help-aide&s2=contact
- Write him at: The Honourable Gerry Ritz
Agriculture and Agri-Food Canada
1341 Baseline Road
Ottawa, Ontario K1A 0C5

Contact Hon. Carol Mitchell

- E-mail Minister Mitchell minister.omafra@ontario.ca
- Comment online at <http://www.omafra.gov.on.ca/english/about/comment.html>
- Write her at:
The Honourable Carol Mitchell,
11th Floor,
77 Grenville St
Toronto ON M5S1B3

Hon Dalton McGuinty, Premier

- Comment online at <https://www.premier.gov.on.ca/feedback/feedback.asp?Lang=EN>
- Write to him at:
Premier Dalton McGuinty
Legislative Building, Queen's Park,
Toronto ON M7A 1A1

Call OMAFRA at 1-877-424-1300 or AgriCorp at 1-888-247-4999 and ask about the current status of BRMP in Ontario.

What Should I Say?

It is always better to personalize your comments as a producer. But here are some key points:

- As an Ontario farmer, I am very disappointed that governments do not understand the problem and do not appreciate the urgency of the situation on our farms.
- An investment in agriculture is urgently needed to keep farmers on the land – otherwise farms will be lost. A predictable and bankable program is needed to secure a sustainable sector ready to invest and innovate now and into the future.
- The OASC has developed amendments to AgriStability that will work for Ontario farmers. They have also developed a workable Business Risk Management Program that will sustain our industry. These changes are needed now!
- Agriculture, food production and processing is one of the provinces most important employers and economic engines. There are over 80,000 farm jobs in Ontario across about 57,000 farms. Related agri-food industries, such as processing plants and grocery stores employ about 740,000, pumping in \$28 billion into the Ontario economy. Jobs will be lost without government leadership!

How would the changes work?

The only protection Ontario farmers have against a drop in profitability comes from the AgriStability program. The program is cost shared using the traditional funding formula using 60% federal and 40% provincial funds. While the program has been helpful for many producers, it hasn't met the needs of diversified farmers and the program provides diminishing returns as reference margins shrink.

The Ontario Agricultural Sustainability Coalition (OASC) is asking for a cost of production based Business Risk Management Program (BRMP) to run as a companion to AgriStability. The proposal would fund 100% of the difference between the average market price and a floor price that's based on the cost of producing each commodity. Producers would pay premiums that would equate to 30% of the long run costs of the program. Governments would split the remaining program cost using their traditional 60/40 cost share.

Producers would receive the BRMP payment as soon as the industry average prices are calculated. AgriStability benefits would be calculated when producer applications are submitted. If the AgriStability benefit were greater the producer would receive the AgriStability payment

less any BRMP payment already made. If the BRMP payment were higher the producer would not receive an AgriStability payment. In most cases, the BRMP payment would be higher than AgriStability.

* Updates will be available on the OFA website www.ofa.on.ca .

* OASC members are meeting with politicians and farmers are encouraged to meet their MPs and MPPs where possible.

Backgrounder

Ontario Agriculture Sustainability Coalition - Coming together for risk management

Commodities in crisis, like livestock and fruits and vegetables, have been hit hard in the last two years and some are losing their farms, yet industry representatives are experiencing mild response from government. Farmers have heard government on more than one occasion say a collaborative approach is what the Ministry of Agriculture needs in order to get programs through, so that's what they're doing.

In October 2009, leaders of non supply managed commodities, namely Ontario Cattlemens' Association, Ontario Fruit and Vegetable Growers' Association, Ontario Grains & Oilseeds, Ontario Pork, the Ontario Sheep Marketing Agency and Ontario Veal, together with Christian Farmers' Federation of Ontario heeded the call by the Ontario Federation of Agriculture (OFA) to come together to design programs that would work for farmers. The OFA hosted the inaugural meeting of the Ontario Agriculture Sustainability Coalition (OASC) whose purpose was to achieve provincial buy-in for a business risk management program for all non supply managed commodities.

When the leaders of the coalition met with the Agriculture Minister on November 18, 2009 it was agreed that changes to existing programs were needed and business risk management program development was a worthy endeavor.

Since then numerous technical program development sessions have taken place including government. The OASC has developed a proposal that enjoys the endorsement of the entire agriculture sector.

The OASC believes the following:

- Ontario's local food supply is threatened.
- Farmers need a commitment from both levels of government to secure future local food.
- Governments need to take immediate action to preserve local food production
- Investing in agriculture pays dividends – it will grow our economy.
- Agriculture needs the federal government to come to the table with their 60 per cent share.
- Agriculture is the largest economic contributor and third largest employer in Ontario.

Without immediate action our respective sectors will face irreparable harm that will snowball to significant and long term impacts on our rural economy and communities.

Ontario Agriculture Industry Snapshot:

- Primary agriculture – 57,000 farms, 43,700 hired full time equivalents
- \$10 billion in farm cash receipts
- Agri-food industry – 740,000 employed, \$28 billion industry