



Brief

to

John Nater, MP Perth-Wellington

And

Randy Pettapiece, MPP Perth-Wellington

Presented by

Perth County Federation of Agriculture

And

Commodity & Farm Groups

Friday, March 16, ,2018

Perth County Federation of Agriculture

And Commodity/Farm Groups

MP/MPP Spring Forum, Friday, March 16, 2018

10:00 am – 2:00 pm

Agenda

10:00 am Welcome & Introductions

Opening Comments

10:15 am Presentation of Briefs

12:00 pm Lunch

12:30 pm Continue Brief Presentations

1:45 pm Closing Remarks

2:00 pm Adjourn

Briefs

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Perth County Beef Farmers' Association

Agricultural Roundtable Submission

Background and Context

The beef industry is an important economic driver of Ontario's agri-food sector, contributing \$2.69 billion to Ontario's GDP on an annual basis from primary production, processing and retail. Gross sales from the sector exceed \$13 billion annually and sustain more than 61,000 jobs.

Despite the beef industry's positive impact on the Ontario economy, the sector is faced with growing competition with cheaper imported products and more frequent and volatile shifts in global commodity markets, which is creating significant financial risks for our members, risks that cannot be sufficiently mitigated by private sector risk management strategies.

Additionally, national and provincial risk management programs are under review, NAFTA's future is in question, and escalating production costs associated with: cap and trade, rising minimum wage, an increase in mandatory ethanol content, energy cost increases, and rural property tax burden, among others, have created an unprecedented level of uncertainty and risk for beef and other non-supply managed livestock farmers.

The best option to address these risks and to sustain Ontario's beef capacity and economic output is to level the playing field using federal and provincial Business Risk Management programs. Current funding overwhelmingly favours crop sectors with over 2/3 of total BRM funding directed to crop insurance. We need sufficient and equitable funding for Business Risk Management programs like Ontario's Risk Management Program and AgriStability to allow farmers to better manage risk and focus on greater innovation, their farms' sustainability, and making investments leading to job creation in rural and urban Ontario. The historically disadvantaged non-supply managed livestock sectors need equitable treatment from government under the BRM programs that are offered.

Federal – Provincial Priorities

1. Improved and equitable funding for **Business Risk Management** programs like **Ontario's Risk Management Program** and **AgriStability**.
2. Swift ratification of the **Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP)**.
3. A fair and balanced **Canada Food Guide** that recognizes the benefits of red meat as part of a healthy balanced diet.
4. **Cattle transportation** rules must be based on sound, science-based evidence. Agriculture Canada research shows that 99.95% of beef animals on a longer haul of over 4 hours reach their destination injury free and 99.98% of beef animals on a short haul less than 4 hours reach their destination injury free. Given the beef industry's current success in transporting animals safely, we question the need to decrease the amount of time in transit.
5. Maintenance of current tariff prohibitions under **NAFTA**. We need free and open trade in North America.
6. Improved **access to start-up and expansion capital** for young, new, and expanding farmers as well as no-interest loan arrangements to help farmers purchase livestock and grow their herds.
7. Resolve the lingering technical issues surround **CETA**, with respect to Canadian beef processing practices.
8. **Ontario's Wildlife Damage Compensation Program** is not working for farmers and must be revised.

Bottom Line

Industry is making significant investments in marketing, research, and consumer education, and with the help of government on some of these other critical issues, we *can* spur growth in our industry and create important economic spin-offs for the economy.

The dairy sector supports our economy

Consuming Canadian dairy products is not only a healthy choice for your family, it's also a great choice for our national and local economies. Buying Canadian dairy means investing in Canada, and your community.

3,500 Ontario Dairy Farms supporting over
11,000 farm families, producing almost **3B** litres of milk,
representing more than **\$2.3B** in sales.

Industry investments by producers and processors in Ontario alone exceed \$200M – our vote of confidence in the strength of Ontario's economy today and into the future.

5.9

BILLION \$

74,000

JOBS

1.2

BILLION \$

- The Ontario dairy industry's contribution to Ontario's GDP
- Full-time jobs in Ontario supported by Canadian dairy farming and processing
- Contributed in taxes
- That includes both dairy farming and dairy processing.
- 1 out of 100 Canadian jobs are created by the dairy industry. In some regions of Ontario, dairy supports up to **4 in 10 jobs**.
- Canadian dairy sector, as a whole, generates \$3.6 B in taxes which are reinvested in infrastructure and communities.

Re-Negotiation of NAFTA and TPP-11

The Situation

Dairy Farmers of Ontario are grateful for the support received from Canadian politicians, including Prime Minister Justin Premier Wynne and Minister Leal. In October 2015, to facilitate the conclusion of the original TPP, dairy farmers worked with the Canadian government to a capped cumulative concession of 3.25% across both the NAFTA and TPP trade blocks. Given natural trade flows and geography, it was anticipated the vast majority of this market access would have been taken up by the US. This cumulative concession was significant and, to safeguard the economic contributions of the dairy sector, must not be exceeded in the future. At the same time, NAFTA negotiations should state that, if the US wants access to Canadian dairy, they should join TPP, but not get separate access from TPP.

The Solution

Please write to and/or speak with your federal counterparts about the important role of supply management in the Ontario economy and the agri-food sector. Even if you have done so in the past, it is critically important that you reach out to them again to ensure their support for supply management in these negotiations.

Revamp of *Canada's Food Guide*

The Situation

We are concerned this updated food guide will be advising Canadians to consume plant-based proteins, rather than dairy and animal-based proteins (and may even suggest these are unhealthy). Such recommendations go against the findings of Health Canada's Advisory Panel, the public position of thousands of North American doctors, as well as basic science.

The Solution

Please speak with your federal counterparts, particularly Health Minister Ginette Petitpas Taylor and the Prime Minister, and let them know your desire to see *Canada's Food Guide* recognize the important role wholesome, healthy animal-based proteins, such as dairy and meat, play in a healthy lifestyle.

Health Canada proposal on front-of-package labelling

The Situation

Health Canada is proposing certain foods carry health warnings on the front of the package. The foods targeted are based solely on levels of salt, sugar and/or saturated fat, rather than any other nutritional attributes. As a result, healthy foods such as cheese (even the lower fat versions), flavoured yogurt and whole milk will carry front-of-package labels branding them as unhealthy. Meanwhile, foods such as **diet** soda and some potato chips will not carry these front-of-package warnings.

The Solution

Determining whether a food is unhealthy requires considering more than just salt, sugar and/or saturated fat levels. Please speak with your federal counterparts, requesting that exemptions be granted for nutrient-rich dairy products, and that Health Canada not solely define the overall healthfulness of a food for any policy under the Healthy Eating Strategy by its levels of sodium, sugar or saturated fat. Please request that Health Canada give special consideration to dairy products, which are in a unique position in regard to the Healthy Eating Strategy, and acknowledge that status.

Perth County Egg Farmer Councillors' Report

Egg and Pullet Production Update

Perth County is the proud home of about 8 per cent of Ontario's egg and pullet farm families.

Perth's 30 egg quota holding farms produce about 16.5 million dozen eggs annually from a total of 610,000 laying hens.

This represents 6.2 per cent of Ontario's egg production with a farm sales value of Perth County egg production of about \$30 million.

Perth's 11 pullet quota holders produce about 855,000 pullets representing about 8 per cent of Ontario's pullet production.

On a provincial basis, Ontario's annual egg farm production includes:

- 9.8 million laying hens
- 265 million dozen eggs
- \$500 million farm sales value
- \$1.5 billion contribution to economy
- Retail egg sales volume increased more than 3 per cent again in 2017
- This marks 10 consecutive years of egg market growth

Developments in 2017

Maintaining retail options in the egg market

Egg Farmers of Ontario (EFO) is engaged in a multi-year effort to proactively engage stakeholders and consumers to preserve their choice of eggs in the marketplace from the various approved hen housing systems. Initiated by EFO, the effort is now supported by Egg Farmers of Canada (EFC), all provincial and territorial boards, national and regional graders, Canadian Poultry and Egg Processors Council (CPEPC) and other stakeholders.

During 2016, some grocery retailers and foodservice operators yielded to pressure to make public statements about their future egg purchasing plans. They did this to protect their brands from attacks by activists expressly opposed to animal agriculture.

This is not driven by what is best for the birds or by consumer demand. These statements also ignore egg affordability, sustainability and the environmental footprint of egg production.

These developments were taking place against a background that included:

- Industry decision in February 2016 to begin phase out of conventional housing.
- Final stages of the process leading to the new *Code of Practice* introduced in 2017.

A few of our main objectives are to:

- Proactively tell the real story of egg farming to take back the high-ground on hen welfare.
- Provide consumers with credible information showing that that eggs can be humanely produced in all housing systems approved in Canada's newly updated *Code of Practice for the Care and Handling of Pullets and Laying Hens* and supported by excellent industry standards such as our *Start Clean-Stay Clean™* and *Animal Care Programs* under a new name – *Egg Quality Assurance (EQA)*.

We care for our hens every day

The bar of public perception continues to be raised against the background of the potential for sensationalized media coverage and 24/7 social media discussions.

As egg farmers, we recognize our reputation is our stock-in-trade. We need to look at our farms through consumers' eyes and be what might be called "camera ready" at all times.

A number of television shows in recent years have proved that images of modern farming can be taken out of context and we must battle this with the facts.

Egg and pullet farming has and will continue to change. Productivity has increased, but more importantly, our farmers are meeting the new opportunities presented by the changing expectations of consumers, media, government and anyone who thinks they have the right to know what, how and why we do what we do on our egg farms.

Successful response to an unusual Bronchitis outbreak in 2017

The preparedness and flexibility of the sector to respond to on-farm emergencies was demonstrated beginning in May 2017. The situation arose when some of our pullet and layer flocks had some challenges relating to a specific strain of Bronchitis, identified in 2016, which resulted in false layers and lower than expected production levels in about 20 flocks.

EFO was able to respond to this and quickly developed a plan to assist our farmers who were affected the most and will continue to provide an insurance mechanism to provide protection in the future. Through the efforts of EFO's bronchitis working group, industry support and the co-operation of our farmers, we have initiated research and pullet flock testing to learn more about this particular kind of bronchitis. This will be a year-long research project and we hope to compile some key findings from the work being done.

Trade issues back on the agenda and continuing support for fair farm pricing

Trade is again a significant focus under the approach of U.S. President Donald Trump driving *the North American Free Trade Agreement* (NAFTA) re-negotiations.

Against this backdrop, with more than 50 years since our fair farm pricing system was created, it is important to remind Canadians how and why we have this successful approach.

Perishable staple food products with long planning cycles (12 to 24 months) but relatively short shelf lives, such as eggs and milk, are inherently unstable markets if they are not managed. Stability of supply and prices in these markets is critical public policy for consumers, governments and farmers worldwide.

About 95 per cent of global egg production and 93 per cent of global milk production are consumed in the same country where they are produced. Against this reality, almost all developed countries use specialized systems to manage and stabilize these markets, often with a complex web of subsidies, government buy-back programs, price supports and many others in countless combinations.

The U.S., as one example, has its own forms of supply management using many variations of quotas, price controls, guaranteed purchase prices and government market clearing for milk, cotton, peanuts, citrus and sugar and will NOT permit free trade in their market – but they will dump surpluses internationally when it suits them. **Ending fair farm pricing and supply management in Canada would not be met with similar deregulation in the U.S. This was the U.S. position in the first Canada-US Trade Agreement and NAFTA negotiations and remains their firmly entrenched trade position.**

In the 1960s and 70s, Canada's egg industry was plagued by chronic overproduction and unstable prices. The government introduced supply management as a subsidy-free way of stabilizing the egg market for consumers, while providing farmers with fair returns.

Supply management promotes the steady production of high-quality eggs. It's a sustainable agriculture system that encourages consumption of local products. It allows egg farmers to earn a living from farming, not from taxpayer dollars.

Ontario egg farmers appreciate the ongoing all-party commitment to the three pillars of our marketing system and the fair farm pricing it provides for eggs. The system works for consumers, retailers, government and farmers to provide consumers with a constant supply of high-quality eggs at affordable prices.

This is a sustainable food marketing system that matches production of eggs on the farm to consumer demand. It ensures stability of supply from the farm to the processing sector to the consumer and ensures that enough eggs will be available to meet Canadians' needs.

Grain Farmers of Ontario – District 9 (Perth)

Who we are:

Grain Farmers of Ontario is the province's largest commodity organization, representing Ontario's 28,000 barley, corn, oat, soybean and wheat farmers. The crops they grow cover 6 million acres of farm land across the province, generate over \$2.5 billion in farm gate receipts, result in over \$9 billion in economic output and are responsible for over 40,000 jobs in the province.

The Crops GFO's farmer members grow



Highlights of Initiatives important to our farmer members

Ethanol

The proposal to Ethanol in Gasoline regulation includes an increase to the mandate for ethanol in regular grade gasoline from 5% to 10% by 2020. We are pleased to see the Ontario government committed to growing the ethanol market in Ontario. Corn ethanol produced in Ontario increases market opportunities for local farmers. It is also an effective way to reduce greenhouse gas emissions from cars on the road and the ethanol industry generates jobs and economic activity for the province.

Farmers are not the only ones who will benefit from growth within the biofuels industry. Income stability for Ontario's grain farmers becomes money spent in our rural communities. An October 2017 study by Doyletech Corporation found that the economic impact of increasing the provincial ethanol mandate to 10% will contribute an additional \$638 million per year to Ontario's economy.

TRADE

It is extremely important that the Canadian government support the needs of agriculture. Canada remains one of the top five exporters in the agriculture sector. Ensuring Canadian inclusion in global trade agreements allows our members, and grain farmers across the country, to maintain a level playing field and help be a driving force for global standards.

NAFTA

We encourage the province and the federal government to continue to pursue the successful conclusion of the NAFTA agreement, this agreement is important for our farmer members.

China Trade Agreement

China's demographics and economic scale make it an attractive market for Canadian agri-food exports including Ontario corn and soybeans and corn and soybean products. The Grain Farmers of Ontario strongly support negotiations with China that would lead to reduced tariffs on corn and soybeans and provide clarification on non-tariff barriers such as genetically engineered crops and phytosanitary regulations.

CPTPP

GFO was pleased that Canada was included in the CPTPP. The new trade deal with 11 countries (Australia, Brunei, Canada, Chile, Japan, Malaysia, Mexico, New Zealand, Peru, Singapore and Vietnam) gives the agriculture sector in Canada new opportunities for trade and exports.

Research

Grain Farmers of Ontario provides funding for research projects that address the present and future needs of our farmer-members. Last year, Grain Farmers of Ontario invested \$1.7 million into new and ongoing research projects with every \$1 invested by the organization being matched with \$3.45 from government and industry funding sources, which is a total value of \$7.6 million. The 2018 research will target projects addressing four priority research areas: Agronomy and Production; Weed, Disease & Insect Pests; Breeding & Genetics, and Crop Utilization & Quality. There is an emphasis this year on pesticide resistance management and coping with breakdown of resistance, and the management of grain corn ear mould incidence and reducing the occurrence of vomitoxin (DON).

BRM

The Federal Provincial Territorial (FPT) Agriculture Minister commitment to a comprehensive review of the current suite of business risk management programs was welcomed by Ontario's grain farmers last summer. Reliable risk management programs are not just about disaster relief – having appropriate tools to manage risk enables farmers, like myself, to invest in innovations on the farm benefiting the economy, environment, and our province as a whole. As the review is underway, GFO is calling on the FPT Agriculture Ministers to commit to meaningful engagement in the National Business Risk Management Review (BRM).

GFO is pleased with Minister Leal's support at the Agriculture FPT table on the federal BRM review.

GFO is pleased to see the Progressive Conservative party's commitment to properly funding the risk management program.

Protecting the Great Lakes

GFO is part of a partnership struck between the Ontario Commodity organizations called the Growing Ontario Together coalition and the Province to address the issues of phosphorous levels in lake Erie. Timing matters, 4Rs and a strategy to encourage the adoption of cover crops are all underway to achieve reductions on the impact of phosphorus on Lake Erie.

Grains Analytical Lab

The Grains Analytical Testing Laboratory has completed its first year of operation. This joint venture with SGS Canada is the only private/public quality testing facility in Canada. Located in Guelph, the lab is a full analytical testing facility for cereal crops. In summer 2016, the lab conducted all of the analytical testing for the Ontario Wheat Harvest Survey. This survey collects samples from across the province during harvest and provides critical quality and functionality information for industry. By utilizing the Grains Analytical Testing Laboratory, information was provided in a more time efficient manner, which is critical for showcasing Ontario as a leading producer of high quality wheat.

Sustainability

Grain Farmers of Ontario is working with the Sustainable Agriculture Initiative (SAI), a global, cross commodity sustainability program, to showcase the sustainable practices of Ontario grain and oilseed farmers. SAI is a global food industry initiative that seeks involvement from the full supply chain. It was built to facilitate sharing (at a pre-competitive level) between companies and commodities.

Public Trust

Connecting with the non-farming public is often described as our greatest challenge in agriculture, but it is also our greatest opportunity. Through our Good in Every Grain public outreach brand, we reach millions of people by telling authentic stories of Ontario's grain farmers. By leveraging strategic partners and utilizing a variety of media, our stories have really come to life this year! A social media campaign, 52 weeks of #YourFarmers, was launched in January 2017 to profile an Ontario grain farmer every week in 2017. Thanks to the support of our farmer members, we've opened our farm gates to the public online. This campaign is among our most successful, it draws new followers daily and profiles are shared widely across social platforms.

Perth County MP/MPP Forum

Pork Industry Briefing 2018

Modern Challenges for the Pork Industry



Recent years have marked an era of change and accountability for Ontario pork producers. Now, more than ever, we are facing societal pressures, changes to environmental policies and herd health issues. Consumers want to better understand where their food comes from and how animals are raised. Retailers are adopting sustainability criteria into their procurement processes. Policy makers want to see agricultural practices reflect evolving societal expectations. Recognizing these trends, and the need for more education, greater dialogue and increased transparency, Ontario Pork released its first Social Responsibility Report in 2016, which we have followed with two progress reports, in 2016 and 2017. This makes us the first livestock commodity group in the province to commit to improvements in areas that measure economic, environmental, social and animal care performance, based on global measurement standards. Lifecycle analysis of the carbon footprint shows that Ontario's pork production is on par with the North American average, and compares favorably to the world average. Our producers are the foundation of Ontario's pork sector which contributed over \$850 million in GDP and over 12,700 jobs to our economy in 2016, and we take great pride in providing high quality, healthy and nutritious food to Ontarians and people around the world.

Agriculture's Economic Impact

Agriculture, coupled with the agri-food sector, has emerged on of the major economic drivers in the province. The food processing for example, which in turn relies on Ontario's diverse and productive agriculture sector, is one of Ontario's top two manufacturing employers, contributing more than \$37 billion annually to Ontario's gross domestic product and sustains more than 807,000 jobs. Without a doubt, the strength of Ontario's food processors depends on the viability of our farms.

Ontario's agriculture and agri-food sector contributes approximately \$37 billion to the province's economy and supports more than 807,000 jobs across Ontario.

Perth County – By the Numbers

- Perth County is one of the largest contributors to overall Ontario pork production.
- In 2017 the county accounted for nearly 900,000 market hogs from 216 hog producers.
- This represents over 16% of Ontario market hog sales and 18% of hog producers in Ontario.
- Overall hog production increased slightly, even while the number of producer declined slightly.

Ontario Pork Industry Overview

- 1,192 pork producers in Ontario marketed 5.41 million pigs in 2017, approximately 3.3% more than 2016.
- Ontario's pork industry "farm-to-fork" generates \$2.5 billion in economic output and 12,789 full-time equivalent jobs.
- The agriculture and agri-food sector in Canada directly provides one in eight jobs, employing over two million people.

INDUSTRY COMPETITIVENESS & TRADE

- Pork exports have been the driver of the growth of pork production in Ontario and Canada – two out of three pigs produced are exported (as live animal or in pork products).
- The economic benefits of strong agricultural and food exports are well documented, e.g. in the federal government's Barton report (2017) and the Ontario Premier's Agri-food Challenge which has a goal of doubling exports by 2020.

Points of Interest:

- In 2017 alone, Ontario exported close to \$630 million worth of pork products.
- While Ontario exports to many countries, the U.S. still takes over half of our exports by volume and almost two thirds by value. Ontario's main markets outside of the U.S. are China, Japan and Taiwan and Mexico.

Business Risk Management Programs

The national programs **AgriStability** and **AgriInvest** were put in place to act as a foundation of stability for Canada's farm sector which in turn is the bedrock of local processors, butchers and grocers. These programs have been weakened over the past decade through design changes that undermine their effectiveness for farmers. It is also important to recognize the importance of Ontario's **Risk Management Program**, especially in the wake of the tremendous downturn the Ontario livestock sector experienced in the last decade. In addition to providing stability to the province's agriculture sector, the program provides also value to the taxpayer and the rural economy. For example, an industry-commissioned economic impact study commissioned in 2015 found that:

- over the 2011-2014 period, every dollar in program payments generated \$2.24 in positive economic activity; and
- without RMP, the resulting contraction in economic activity and employment could lead to a loss of approximately 3,250 jobs from the Ontario economy.

Key Messages:

- In 2011, the national programs AgriStability and AgriInvest left gaps that made the creation of the provincial RMP program necessary to help protect non-supply managed commodities in Ontario.
- These gaps have gotten worse in recent years, as a result of program cuts by both levels of government.
- Farm stabilization programs need to be strong in order to be effective. Specifically:
 - Increase the annual **RMP budget to \$150 million** and allow unused funds to roll over for future use.
 - Increase the **AgriStability coverage level** available to participants from 70% to 85%.

Market Access (Exports)

Farm support programs across Canada have been reduced over the past two decades. The promise of increased market access has been central to governments' stated rationale behind cuts to farm programs over this period. Unless government is able to live up to this promise, the net effect on non-supply managed commodities will be detrimental and unfair if domestic policies are cut without an offsetting growth in export opportunities. In particular, this means getting the Comprehensive and Progressive Trans-Pacific Partnership (CPTPP) across the finish line so that Canadian exporters can start capitalizing on the agreement's great opportunities. It also means concluding the NAFTA renegotiations successfully without compromising access to the large U.S. market.

Key Messages:

- Continued government leadership is needed to **fully implement existing international trade agreements (i.e. CPTPP)** and pursue **new trade agreements** to achieve favourable market access for Canadian exporters, such as **China**.
- The U.S. remains our largest export market. Its physical proximity means Ontario pork products can be shipped to American buyers in chilled form which fetches higher prices than if the product has to be frozen (as is the case when it is shipped to China) . **It is critical that NAFTA renegotiations are concluded** without compromising our access to this large and lucrative market.

Competitiveness and Reducing Red Tape

Producers recognize the challenges our modern society faces like keeping our lakes clean and making sure that medically important drugs are used responsibly. And we understand we are part of the solution. We know that healthy soils and healthy animals are not only important for the environment but for the bottom line as well. What we don't understand is when government imposes costly new requirements on our domestic producers while not imposing any equivalent requirements on imported products. This completely ignores the fact that we can't pass on our costs, since we are competing on the international market whose prices are largely set on the Chicago Mercantile Exchange and are outside of our control.

Key messages:

- The standards at which Ontario producers raise animals and grow crops are very high, including our internationally recognized Canadian Quality Assurance program and the Code of Practice which was developed in partnership with veterinarians, animal welfare representatives, including the Canadian Federation of Humane Societies, and animal scientists.
- Our Social Responsibility Report makes it clear we are committed to doing even better in the Ontario pork sector.
- We need government to work *with* farmers, not *against* us, to come up with practical policy solutions that don't unduly add cost and red tape and harm our domestic farms relative to our international competition, on issues like:
 - new antimicrobial drug use policies which will mean that producers can only get their drugs from veterinarians;
 - proposed changes to livestock transportation rules that could significantly handicap our industry;
 - carbon taxes that raise the cost of heating and transport fuel; and
 - electricity (hydro) costs that remain above those of our competitors, e.g. Manitoba, Quebec, Iowa; and
 - Ontario's minimum wage which was raised very rapidly to \$14/hr without a chance for businesses to adjust.

Perth County Federation of Agriculture

Carbon Tax Offset/Exemptions for Agriculture

The introduction of the carbon tax has been implemented in Ontario for several months and the federal government is telling all provinces they must participate in a similar program or face significant penalties. This raises several questions in regard to agriculture:

1. Canada per capita produces a great deal of carbon, largely as a result of our northern climate that necessitates burning carbon to heat our homes and businesses. Compared to the rest of the world however, Canada produces a small percentage of the carbon. What is the point of Canada trying to be a “leader” on this issue? Why are we hurting our economy in a quest to improve a problem that Canada contributes little towards and will result in a questionable impact?
2. Is this a plan to decrease carbon in the environment or is this a revenue generation tool for governments?
3. Agriculture was promised that carbon offsets would be implemented for agriculture. They have yet to be announced. Is there work going on in regard to offsets and when could we expect to see a program introduced?
4. Are there more simple methods of decreasing the burden on agriculture, than developing complicated offset programs that could be implemented?
5. The revenue from carbon taxation is now included in government budgets to pay for infrastructure expenditures and other expenses. Can this tax just be taken off the books as proposed by many or are there other ways of replacing this revenue?

OFA's PRODUCING PROSPERITY CAMPAIGN

Ontario's agri-food sector is an economic powerhouse for the Ontario Economy. To keep it viable we need strong vibrant communities and the infrastructure to support them. Distributing economic development investment across the province is the solution to challenges facing rural and urban communities

Rural Ontario Challenges

- Reliable internet not widely available
- Infrastructure not up to par
- Property taxes rising
- Labour hard to find
- Schools are closing
- Opportunities for youth to remain in community are dwindling

Urban Ontario Challenges

- Poverty rates are climbing
- Gridlock and congestion make for long commutes with high carbon emissions
- Affordable housing tough to find
- Infrastructure can't keep up with population growth

Key benefits of distributed economic development for all of Ontario include:

- Creating investment and job growth
- Building affordable communities
- Secure a sustainable food production system

Agriculture contributes \$13.7 billion to Ontario's annual GDP and 158,000 jobs are generated by the farm sector. New investments in rural Ontario will grow existing businesses, attract new companies and boost opportunities for rural economic development.

Investments that are needed include:

- Natural Gas- if this was available across the province it could save rural residents more than \$1 billion in annual energy costs
- Transportation- rural Ontario needs roads, bridges and proper drainage to support growth and transportation of goods and services
- Broadband – reliable internet supports farms and rural communities and puts them on an equal footing with their urban counterparts
- Schools – rural schools are needed to attract and retain local employees by providing a quality education

By improving the prospects and infrastructure in rural Ontario, new opportunities are available for working and living in smaller and mid-size communities across the province. Rural communities will provide new lifestyle and home ownership opportunities and help reduce challenges in urban areas.

For more information please go to: www.producingprosperity.ca