



January 26, 2024

Hon. Lisa Thompson, Minister  
Ontario Ministry of Agriculture, Food and Rural Affairs  
77 Grenville St., 11th Floor  
Toronto, ON M7A 1B3

Dear Minister Thompson:

**Re: *Grow Ontario Strategy***

The Beef Farmers of Ontario (BFO) appreciates the opportunity to provide our thoughts and advice on reducing red tape, including pieces of legislature or regulations that we think need to be aligned with modern practices, ideas on how to attract skilled workers to the agriculture and food industry and issues to raise at the upcoming Federal-Provincial-Territorial (FPT) meeting.

**Advance Payments Program (APP)**

APP is a federal program under the Agriculture Marketing Programs Act (AMPA), which provides agriculture producers with easy access to low-interest cash advances for livestock and crops. Under the program, beef producers can access up to \$1,000,000 per program year in advances based on the value of their cattle. The Government of Canada used to cover the interest on the first \$100,000 advanced to the producer, and advances are repaid once the cattle are sold.

With rising input costs due to inflationary pressures, debt servicing costs due to rising interest rates and trade and supply chain disruptions such as the Ukraine/Russia conflict we welcomed the interest-free limit increase first to \$250,000 (announced in 2022) and then to \$350,000 (part of 2023 Federal Budget). BFO and our national organization, CCA, have been lobbying the federal government to make the interest-free limit of \$350,000 permanent.

The increase in APP enrollment across the beef and broader agri-food sector demonstrates the value that farmers see in this program. As an example, between April 1, 2022 and December 31, 2023, Ontario saw the number of beef farmers in Ontario using APP increase by 187, which is a 40.92 per cent increase bringing the total number of beef farmers in the province using APP to 644. During the same period, we saw the value of advances increase by \$96,347,095 which is a 222 percent increase, bringing the total value advanced to \$139,694,779 with one quarter remaining in the 2023/24 program year. Increased enrollment in APP also creates an incentive to enroll, or stay enrolled, in the AgriStability program, which provides mutual benefits to the government, farmers, and the broader farm sector. Similar per cent increases to producer utilization and the total amount advanced can be seen across the country in the beef sector.

In June 2023 the Standing Committee on Agriculture and Agri-Food released its report on *Grocery Affordability: Examining Rising Food Costs in Canada*. Recommendation 5 in the report noted the following:

*“The Committee recommends that the Government of Canada support agricultural producers and others in the agri-food industry to mitigate their costs and ensure they have sufficient cash flow during this period of high inflation by:*

- *ensuring companies have access to short-term, low-cost credit; and*
- *maintaining the increased threshold for interest-free payments under the Advance Payments Program.”*

**We would appreciate it if during the upcoming FPT meeting you asked your federal counterparts to consider extending the recent increase in the interest-free portion of the Advance Payments Program and to make it permanent.** This would provide much-needed stability, support, and confidence to our farmers, enabling them to contribute to Canada's food security and economic prosperity.

### **Nutrient Management Act**

Modernizing the Nutrient Management Act (NMA) continues to be a priority for BFO. In letters and submissions to OMAFRA and MECP we have stated we believe any regulatory amendments under the NMA should seek to protect environmental integrity, promote a culture of recordkeeping, reduce red tape/compliance costs for farmers, and reduce program/regulatory administration costs. We're pleased with changes made to date, but **continue to recommend to OMAFRA and MECP that they consider the removal of the Nutrient Management Plan (NMP) five-year cessation for farms that do not have a substantial change in their plan as a red tape reduction measure.**

This would align with similar changes made in 2019 to remove the Nutrient Management Strategy (NMS) five-year cessation trigger. Rationale for this change was that it served no or minimal benefit and the main outcome was additional administrative and financial burden for farmers.

### **Crown Land Disposition Process**

We believe further developing farms in Northern Ontario is one of the most significant economically sustainable plans for the region and will contribute substantial economic base activity for decades. Many beef farmers in northern Ontario are interested in accessing Crown land for agriculture use, but are disillusioned by the process, which is cumbersome, time consuming and costly to navigate.

Although the Ministry of Natural Resources and Forestry (MNRF) developed the *Applicant's Guide to Applying for Crown Land for Agricultural Purposes in Northern Ontario*, which is a useful guide for understanding the process for accessing Crown land for agricultural purposes, the process remains burdensome.

**We recommend OMAFRA work with MNRF to improve the Crown land disposition process for agriculture use, and do the following:**

- a) Create a dedicated application stream for obtaining land use permits on Crown land for livestock production.
- b) Recognize beef and livestock production as a permitted alternate land use on Crown land.
- c) Allow divestment of lands in excess of 160-acre lots to align with minimum requirements for establishing economically viable farms.
- d) Consider the creation of an alternative process for farmers to access Crown land that was previously used for agricultural production, but was later returned back to the Crown, for agricultural use.

### **Veterinary Assistance Program**

Through the Grow Ontario Strategy, OMAFRA has committed to attract and grow Ontario's agri-food talent. Access to large animal veterinary care has been a lingering issue in many areas of the province for years and is a growing concern in other areas. The province has taken great steps to address this with the *Veterinary Incentive Program*, the new collaborative DVM program with the University of Guelph and Lakehead University, and with the review of the *Veterinarians Act*.

It is our hope that these initiatives will begin to help address this problem; however, the outcomes of these initiatives will not be felt on the ground in the short-term. An action that can support farmers access to large animal veterinary care now in northern and parts of eastern and southern Ontario, is improving the *Veterinary Assistance Program*. This program is seen as extremely valuable to both livestock farmers and veterinarians who utilize the program, with its intended purpose to promote the viability of the livestock industry by supporting the provision of veterinary services to livestock producers.

**BFO strongly recommends OMAFRA work with the Ministry of Northern Development to address and support needed changes to make the *Veterinary Assistance Program* more effective.**

This includes:

Increase the program budget to better reflect the number of participating veterinary clinics and associated expenses, and to allow for new veterinary clinics to join the program.

Increase in the program mileage rate to better reflect current mileage costs.

### **Business Risk Management (BRM)**

Program complexity is one factor that limits producer participation in AgriStability and AgriInvest and governments have committed to addressing this challenge. However, adding an environmental cross compliance measure is contrary to this objective (i.e., proposed AgriInvest requirement for operations with greater than \$1,000,000 in Allowable Net Sales to maintain an Agri-Environmental Risk Assessment completed by 2025). The existing business risk management suite must remain focused on helping producers manage market risk.

**BFO strongly recommends that if cross-compliance is deemed to an absolute necessity, it will be important to include existing on-farm programs that include a strong environmental component.** For the cattle sector this includes the Verified Beef Plus (VBP+) and Ontario Corn Fed Beef Quality Assurance programs and certification under the Canadian Roundtable for Sustainable Beef (CRSB).

On behalf of the Beef Farmers of Ontario, we thank you for the opportunity to provide our thoughts and comments.

Sincerely,



Jack Chaffe

cc: BFO Board of Directors  
Ryan Puviraj, Director of Policy