

**Pre-budget Consultation Submission to  
The Honourable Charles Sousa, Minister of Finance**

February 26, 2014



Minister Sousa

My name is Bob Gordanier, and I am the newly elected President of the Beef Farmers of Ontario. The Beef Farmers of Ontario (BFO) is a grassroots organization that provides leadership to 19,000 beef farmers from all sectors of the industry. I greatly appreciate this opportunity to provide input into your pre-budget consultations.

I came here today to tell you that there is nothing more important to the farmers I represent than the Risk Management Program. Capping this program has created difficulty, and has left us with a program the banks will not lend on. We are working with bureaucrats looking for a solution. Our hope is that we will be able to achieve an affordable balance between the needs of both government and producers. Beef Farmers of Ontario is requesting that you give the Ontario Ministry of Agriculture and Food the flexibility to work with commodity organizations to find solutions to the RMP which will allow this program to create investment and jobs in Ontario.

Promoting local food is part of the new Ontario government's plan to strengthen the agri-food industry, build stronger communities and create jobs. In terms of creating jobs, and generating income for the Province, I see expansion of the cow herd in northern Ontario as an exciting opportunity. We are currently 400,000 calves short in this province in meeting demand from processors and consumers. Expanding to cover this shortfall will create 16,000 stable jobs, and \$1 Billion in value added GDP. We only need access to a small portion of the 16 million underutilized acres in the great northern claybelt to achieve this growth. We are planning to market to new and growing markets in Ontario and globally. Premier and Minister of Agriculture and Food Kathleen Wynne challenged the agricultural sector to double its annual growth rate and create 120,000 jobs by 2020 as part of this plan. Northern expansion of the cow herd is one way we are enthusiastically accepting the Premier's challenge.



Our Community Sourced Agriculture (CSA) initiative to develop supply in a market that doesn't have supply is another innovative project we are pursuing. This initiative will create a direct link between farmers and urban consumers, starting with the Toronto market, and building these relationships is key to the success of this pilot program.

We are also looking at ways we can do a better job with what we have. We are anxious to hear back from your government in response to our request to raise loan limits for the Feeder Finance Program **without increasing the existing guarantee envelope**. This is necessary because of the escalation in costs of feeder cattle. We are also interested in an improved Breeder Loan Program, and are open to creative ways to accomplish this. For your information, the government guarantee has never been touched, but the program has allowed young and expanding farmers access to competitively priced capital for over 20 years.

I will tell you that our partnership with government is working and I can't wait to show you evidence of success from these projects and others. Expansion of the cow herd in Ontario, innovative endeavours such as the CSA, and the RMP program are ALL co-dependent. It is important to BFO that you understand the crucial link between RMP and the expansion of beef production in Ontario. RMP as it was originally designed allowed our farmers to have confidence in their ability, through hard work, to build their future. We look forward to our continued partnership with you and your government in creating a prosperous path for this great province.

