

July 5, 2019

Hon Ernie Hardeman
Minister of Agriculture, Food and Rural Affairs
11th Floor
77 Grenville St.
Toronto, ON
M5S 1B3

Dear Minister Hardeman:

The Ontario Federation of Agriculture is pleased to have the opportunity to share our views on the issues needing discussion at this year's Annual Conference of Federal, Provincial and Territorial Ministers of Agriculture being held on July 17-19, 2019, in Quebec City, Quebec.

There is much to discuss about farming and agri-food this year including concerns with the state of international trade, risk of livestock disease, business risk management and its relationship to trade issues, the labour market and opportunities within the new Canada's Food Policy.

I will highlight what OFA believes to be issues most needing to be collectively addressed by you with your colleagues.

Investment in rural infrastructure:

Farming and our agri-food industry rely on transportation, access to services, labour and infrastructure. As our Producing Prosperity campaign (now also adopted by the Canadian Federation of Agriculture and members across Canada) and the Barret report stipulate, our industry can drive the economy in a sustainable manner but only if we have the infrastructure to support it.

Federal and provincial investments in broadband, in particular, are welcomed but must be accelerated to bring our rural communities into the modern age. Broadband and infrastructure investments will help our farm businesses grow and will attract new investment, a skilled labour force in the form of families looking for a home and new lifestyle, thus creating a more vibrant economy.

Business Risk Management:

Immediate and long-term improvements to the Business Risk Management (BRM) programs are needed. OFA fully supports the AgGrowth Coalition's request for immediate enhancements to the suite of BRM programs while long-term program changes are considered. We agree that long-term changes are required to enable the programs to better address the risks Canadian and Ontario farmers face.

Canadian and Ontario farmers are dealing with increased volatility and risk caused by global trade disputes. This has led to a decline in commodity prices which are set by global markets and out

of the control of primary producers. Farmers that rely on export are facing additional challenges caused by a very uncertain trade environment.

In recent years, government support provided through BRM programming has not kept up with inflation. As a result, Canadian and Ontario farmers receive significantly less government support than farmers in the U.S, Europe and China. Canadian and Ontario farmers have fallen further behind in this regard after the U.S government's recent increase in direct support to American farmers impacted by the current trade environment. If the FPT governments do not respond, Canadian and Ontario farmers will be put at a competitive disadvantage.

OFA supports the following recommended immediate improvements to the AgriStability and AgrilInsurance programs:

AgriStability

- Removal of the Reference Margin Limit (RML) provision.
- Restore the reference margin coverage to 85% from the current level of 70%.

AgrilInsurance

- FPT governments immediately begin examining options for enhancing access to commodities that currently have no coverage such as the livestock sector and certain horticulture crops.
- The inclusion of these new commodities will require additional funding as to not diminish the coverage provided to current AgrilInsurance participants.

These program enhancements would be a positive first step and would provide additional support to participants enrolled in those programs. However, program participation remains a significant challenge with many Ontario farmers choosing not to enroll in AgriStability.

Therefore, we recommend the Ontario government lead discussions at the FPT Ag ministers' meeting to explore long-term fundamental changes to the current suite of BRM programs.

Establishing an industry-government BRM technical working group, comprised of FPT officials and staff of industry associations, would enable industry to contribute to the development of fundamental BRM programming changes. OFA will commit policy staff time to be part of such a technical working group.

Labour concerns:

Address Agri-food Labour Shortages

As you know, the agricultural sector faces a unique labour challenge. Canadian farms can't find enough skilled workers, with a labour gap of roughly 63,000 people and over 16,000 unfilled vacancies. These vacancies have real consequences with lost annual sales in excess of \$2.9 billion a year, delayed or cancelled business expansion plans and excessive stress reported by farmers (Canadian Agricultural Human Resource Council, 2019).

With shortages constraining growth and value-added activities throughout the value chain, Canada needs a coordinated, long-term approach to tackle the growing labour shortages in the agricultural and agri-food sector.

Career Promotion

Jobs in the agriculture and agri-food sector are rapidly evolving, yet there remains a negative perception among Canadians. Agriculture needs your support in communicating the diversity of well-paying career opportunities presented by the sector. Industry needs government support to

assist in ongoing efforts to raise awareness of the opportunities in the sector, through a coordinated, pan-Canadian approach.

Understand the Value of the Seasonal Agricultural Worker Program (SAWP) to Canadian Farmers and Celebrate its Successes

The Seasonal Agricultural Worker Program (SAWP) has existed for over fifty years and continues to be a vital part of the success of Canada's edible horticulture sector. We need the federal government to champion and celebrate the overwhelmingly positive impact this program has had on the lives of workers that come to Canada and their families back home, the ability of our farmers to remain competitive in a global economy and the growth in job creation for Canadians (the employment of one SAWP worker multiplies employment of Canadians down the agri-food value chain).

For far too long activists outside of the agricultural sector have had free-reign to vilify the program and those who use it, without credible research to back up their claims. Canadian farmers recognize and support the need for oversight of the program and participants, and the need to take corrective action against those who may be non-compliant, but they also need a federal government that will defend the program they administer and the rights of farmers to access it.

Streamline the Temporary Foreign Worker Program

The Temporary Foreign Worker Program (TFWP) continues to provide farmers and food processors with access to international workers when Canadians are unavailable. This program is invaluable to the continued productivity of the Canadian agricultural sector. However, we remain concerned with the level of administrative burden and uncertainty around the program, as it could jeopardize this important source of labour for Canadian farmers unable to find available Canadians.

As part of the streamlining process, we support creating a 'returning employer' model that would expedite processing for long-standing users of the program.

We also ask for an expanded definition of agriculture that include all commodities and recognize the integrated nature of many agri-food value chains (i.e. fruit pickers working in grower-owned pack houses)

Create a Realistic Pathway to Permanent Residency for Farm and Food Workers

A continued emphasis on high-skilled work leaves the agri-food industry unable to address year-round vacancies on a permanent basis, leaving in-demand occupations without long-term solutions and unduly reliant on a rotation of new TFWs.

The government must increase the valuation of job offers, which saw their value greatly reduced in 2016 from 600 to 50 points. This effectively left many farm and food workers unable to access the express entry program, as low/semi-skilled workers are otherwise unable to accumulate sufficient points.

In addition to the federal government, provincial governments must also provide pathways for all skill levels through their respective provincial nominee programs, to accommodate the needs of this sector with immense potential.

Farmer Mental Health

Farmers and farm families are a minority in Canada and an underrepresented group in discussions around mental health and resilience. The evidence is clear: labour productivity is intrinsically linked balanced mental health and resiliency to stress. We believe the Federal and

Provincial governments must work collaboratively to fully implement the 10 recommendations flowing from the House of Commons Standing Committee on Agriculture and Agri-food Report, *Mental Health: A Priority for our Farmers*. These recommendations provide an excellent roadmap for strengthening the mental health and resiliency landscape for Canadian farmers.

Canada's Food Policy:

The new Food Policy for Canada is focused on food access across Canada in concert with a sustainable food system. While not a comprehensive strategy the Policy will engage federal, provincial and municipal governments in working towards its goals through local food hub initiatives.

The Policy also speaks to a new Canada Brand and Buy Canadian promotional campaigns to increase pride and consumer confidence in Canadian food, along with the development of a National School Food Program. This touches on the notion of public trust, which is gaining some momentum in an on-line world in which farming, and food is targeted by misinformation and bad science.

We believe that a critical part of addressing the public trust issue and building the brand domestically lies in food literacy. If our youth are taught about food, its production and its preparation, the brand would have a chance to flourish. In addition, food literate youth would be better equipped to make healthy choices, thus, in time, alleviating our growing health crisis.

Minister, as said, there is much to discuss. We would be happy to elaborate on any of these points and would also be pleased to work with our provincial counterparts towards ensuring consensus across the Canadian farm sector.

Sincerely,



Keith Currie,
President

C: Janette Leask, Intergovernmental and Trade Policy Branch