

# **OFA – Policy Advisory Council (PAC) Meeting**

**April 1, 2025**

## **Hybrid Meeting**

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### **Welcome & Introductions**

Drew Spoelstra welcomed everyone to the meeting and introduced co-chair Julie Danen from the PAC Steering committee.

### **OFA Update**

Drew Spoelstra, President provided updates on the following:

#### *Tariffs*

OFA's focus is currently on trade and tariff challenges, including what the USA has imposed as well as Chinese tariff issues affecting western producers and some in Ontario.

OFA will work with commodity partners, to create an industry opportunities document, including buying and supporting home grown solutions, the possible need for additional support programs. The Canadian Federation of Agriculture to drive it forward.

Drew explained that the Executive team filmed a video for members to summarize what OFA is working on with regards to the trade and tariff issues and played it for the group.

<https://www.youtube.com/watch?v=vZWfO4Q6anA>

The removal of the carbon tax do we know what will be affected?

Drew responded that it will be the consumer facing carbon tax that will be removed this includes the gas pumps, natural gas, propane and farm use fuels. The industrial carbon tax remains an unknown, the line between consumer and industrial carbon tax is a grey area and most likely won't be clarified until after the federal election. This includes the carbon tax on commercial elevators.

#### *Cultivating Local Project Update*

Drew explained that the project was a huge success and is now complete. This project was developed in response to demand and growing interest in seizing local selling opportunities, OFA's Cultivating Local: Seizing Opportunities to Grow Ontario's Local Agri-Products Sector project hosted nine free online workshops from November 2024 to February 2025 to provide key experts and resources for producers and prospective producers to learn more about the opportunities to sell in-demand products direct to consumer in Ontario.

### *Succession Planning Workshops*

Hosted by OFA benefit partner Farm Life, five succession workshops around Ontario were open to OFA members in the months of February and March, including one virtual meeting. All were well attended.

### *Around the Province*

Drew highlighted that the OFA Board and staff have been very busy attending several events across the province this winter including participating in Ontario Farmland Trusts Farmland Forum, various farm shows including London and Ottawa, and other conferences including Good Roads, ROMA, EDCO and several Commodity AGM's.

### *Elections:*

Drew offered a sincere appreciation to local counties and federations on their engagement during the most recent provincial election to inform candidates on OFA's key priorities.

With the recent announcement of an April 28 federal election, Drew encouraged counties to again engage with federal candidates.

Renfrew county commented that during an election campaign they invite each candidate individually to a farm (different farm for each candidate) with the same hosts. We get great feedback from the candidates on their experience.

## **Interprovincial Trade Panel**

### *Al Mussell, Agri-Food Economic Systems*

Al started that understanding way we have trade barriers in the first place starts with the constitutional framework, highlighting the division of agricultural jurisdiction between federal and provincial governments under Section 95 and Section 121, which permits provinces to regulate interprovincial trade through non-tariff barriers. This fragmentation has led to historical trade conflicts, such as the "Chicken and Egg War" and disputes over marketing boards and supply-managed products.

The Canadian Free Trade Agreement (CFTA) aims to address some of these issues by promoting regulatory reconciliation. However, provincial regulations, such as those related to pesticides and truck weight limits, continue to create trade barriers. Studies estimate that these barriers impose significant economic costs, with provincial border effects equivalent to a 6.9% tariff on goods, particularly impacting food and meat trade. While the internal trade landscape is evolving, resolving these inefficiencies is unlikely to address broader international trade challenges, particularly with US protectionism.

*Brock Dickinson, Director of the University of Waterloo's Economic Development Program*

Brock described that his job allows him to travel to local communities all over Ontario to help build local economies and grow jobs. Tariffs are his current focus. What and how do we prepare for what comes next? We are moving into a period of uncertainty; the US administration is saying different things every day. Media coverage is focused on the auto industry, however there is a lack of awareness on the impacts on agriculture.

Brock praised OFA's focus on mental health programs and resources for farmers in these times of chaos and uncertainty.

Three key ideas with regards to interprovincial trade:

### **1. We Need Speed but Not Haste**

Our need to respond is required but not too quickly to not cause more problems. As we move forward, reduction of interprovincial trade barriers is a priority. Politicians want to lead us on this. As you can see by a senior politician Christina Freeland being given the file on trade issues. Fear is in haste and speed of the decisions to be made government may not understand all the implications.

### **2. Development of Relationships Across Provincial Boundaries**

Some Canadian industries are speaking out against interprovincial trade. It is important that provincial trade barriers in our commodity are aligned with the producers in other provinces. Are we building the relationships of our counterparts in other provinces?

### **3. Starting Small**

Start with identifying small barriers and think how we grow it from a small place to a larger context. Brock gave the example of the community of Lloydminster, British Columbia being on the border with Alberta. They could slaughter in BC but not sell their meat products to Alberta one block away. This unique community and its location overcame some of the barriers, and it is an interesting model to look at as we move forward with more complex barriers.

*Dan Kelly, Canadian Federation of Independent Business (CFIB)*

Dan started by thanking the agriculture community for being members of CFIB. CFIB has 100,000 business members of those 10,000 are agriculture businesses.

Dan stressed that you never want to let a good crisis go to waste. Tariffs are giant concerns and tomorrow April 2 will show how deep. On the positive side today is carbon liberation day in Canada. This tax would not have been ditched if not for tariffs/election and the changes to capital gains tax. Governments are recognizing you can't take the economy for granted.

Interprovincial trade has been a problem for decades and governments are now recognizing it. It is important to know what the barriers are. There are thousands of little differences that impede trade that add no value to Canadians. Yes, there are cases that harmonizing rules across Canada makes sense, however it is estimated that each province/territory has over 400,000 regulatory

requirements, not including federal rules and regulation. Harmonization would take decades; neutral recognition is the way to proceed. If it is licensed in one province it should be allowed in other provinces. There are some reasons for differences with specific commodities and those should be identified by the agriculture industry and single out the most sensitive.

### **Panel Discussion**

Drew Spoelstra facilitated a panel discussion with the three speakers.

**Some regulations are in place for a reason, OFA is talking with our commodity partners, how do we avoid the unintended consequences when dropping interprovincial barriers?**

- Through advocacy
- Identify the areas of serious sensitivity in your sector and make the government aware of them
- Know the barriers
- Be specific as to what the barriers are and map out some of the regulations that exist
- Work closely with your commodity partners

**What do you see as the easiest regulations to get approval from other provinces and how quickly do you see change happening and can it happen fast enough to help us now?**

- It may not be easier, this political momentum is a great opportunity, recognizing the differences in regulation. Recognize each regulation as sufficient not necessary harmonize the regulations
- Example: Agrologist in New Brunswick but must go through a battery of tests to move to work in Saskatchewan
- Harmonizing or matching regulations between neighbouring provinces that all have high standards. Bureaucrats spend months to harmonize one regulation and created hundreds of more in the process – battle never gets won. May need to experiment on some regulations, do not want to miss this momentum on desire for change by the government.
- We are underestimating the challenge and the scope of this opportunity, it feels comfortable with how we current do things.

**We are seeing exemptions being explained with three terms. Exceptions, exemptions and ministerial exemptions. Explain the differences of these terms?**

- Ministerial exemption – minister can issue a special permit to import a product. You can make a request through Global Affairs Canada.
- An exception refers to specific circumstances where a general rule does not apply. It typically means that under certain conditions, a province or entity is allowed to deviate from a general regulatory requirement, but this deviation is typically limited to the specific situation outlined in the exception.

- *Example, a province may have a general rule that allows free movement of goods across its borders, but there could be an exception for certain products (like hazardous materials) that require additional regulation or restrictions.*
- An exemption refers to a formal release or removal from a legal requirement or regulation. When something is exempted, it is explicitly excluded from being subject to the usual rule or law. Exemptions are often granted based on specific criteria and may be permanent or time limited.
  - *Example, a province may be exempted from certain aspects of a national standard for agricultural products, meaning the province is not required to follow the same rule as the others, often because of unique local needs or conditions.*

## **Breakout Session**

Attendees were divided into breakout tables and asked to consider the following questions:

1. *What interprovincial trade barriers currently affect farmers in your county/region?*
2. *Are local members recognizing any strategies that could potentially ease these barriers to make farm their operations more productive and profitable?*
3. *What interprovincial trade barriers should OFA focus on promoting removal of and why?*
4. *What interprovincial trade barriers should be maintained and why?*

A summary of the answers is documented in a separate document.

## **Election of PAC Steering Committee**

Voting took place for three positions on the 2025 PAC steering committee. The following individuals were nominated prior to the meeting:

- Paul Buckley, Kawartha Lakes/Haliburton
- Angela Field, Renfrew
- Angela Leach, Brant
- Erica Murray, Huron
- Katie Normet, Wellington
- William Orford, Manitoulin North-Shore
- Terry Otto, Ottawa
- Patrick Verkley, Middlesex

The successful nominees were Angela Field, Erica Murray and Terry Otto.

**Motion:** *Van Wieren/Gilroy... "THAT the election ballots be destroyed."*

**CARRIED**

## **Revive Projects**

Three revive projects were highlighted.

1. Waterloo, Wellington and Dufferin Federations partnered for joint governance training, moderated and presented by RLB. The session involved focus groups and discussing successes, failures, solutions and how we could all work together better—both as a single Federation, but also as three counties with common goals, and with OFA overall.
2. Northumberland hosted a grain extraction workshop for the first responders in their county. Having a couple of fire fighters as directors helped them get a perspective of what is desired and where and how the training is offered. SATRA, (Safety and Technical Rescue Association) was the company that did the training. The workshop was at capacity with fire fighters, as well as a few paramedics. Specialized equipment was brought in so hands-on procedures could be practised giving first responders the specific knowledge they need to do on farm extractions in the case of emergencies. Local news reported on the event and the Ontario Farmer also published an article.
3. The Bruce Federation of Agriculture (BCFA) and Bruce County partnered to implement a crucial initiative aimed at enhancing road safety for residents, agricultural users, and visitors to Bruce County. Twenty-five agriculture based "Share the Road" signs have been strategically placed on major entry points to the county and county roads known for high traffic related to agricultural activities. These signs will serve as a reminder to motorists to exercise caution and share the road responsibly with agricultural equipment. The signs are strategically located on roads that are major entry points to Bruce County and on county roads that experience significant agricultural traffic. The emphasis being on ensuring visibility in areas where both local residents and the three million annual visitors enter the county, particularly those coming from urban centers.

## **County & Commodity Updates/Emerging Issues**

### **Perth**

#### **Fire Department Emergency Response**

Bin extraction situations in the county where fire department will not do a rescue due to lack of heights training. They own the equipment but do not have the training to do it This leaves farmers

doing rescues that they are not trained to do. We are inquiring what other counties are experiencing.

*Durham county commented that the fire department will not take the truck into the fields for a rescue. An incident in their area, a bailor ran over a farmer, rescue team had to walk in to get the victim which cost valuable time and resulted in the farmer having more sustained injuries. County is hoping that the fire department gets off road capabilities.*

*Grey county PAC member commented that he is a volunteer firefighter. They have an RTV on tracks at their unit. When it comes to training – it comes down to the cost. It is annual training; it is costly takes time and equipment. Our department does an annual community garage sale raising approximately \$10-20,000.*

*Perth county commented that their Fire Marshall has made it clear that if you are calling for a farm rescue, they are coming to recover you not to rescue you. Advice to other counties to talk to your municipal fire stations and clarify their intentions before there is an incident on farm.*

*Kent county commented their fire department will not go into a bin; policy is not to go in no matter what. They blame it on insurance and lack of training.*

*Brian Crews commented that it is a budgetary issue, and the occupational health and safety act. The Fire Chiefs job is to decide who is trained and equipped to do the job and how much can the municipality afford.*

## **Kawartha Lakes/Haliburton**

### **Condemnation Rates and Provincial Meat Inspection**

There is a significant discrepancy in how livestock is condemned by veterinary inspectors at provincial meat plants, both within the provinces and between provincial and federal plants. Additionally, the Ontario meat inspection code (Food Safety and Quality Act, 2001) lacks transparency, particularly regarding the disposition of condemned livestock. There is no adequate appeal process for livestock condemnations in Ontario.

The Beef Farmers of Ontario (BFO) has passed a motion and is actively meeting and advocating for these issues. Kawartha Lakes/Haliburton has submitted a resolution to the April OFA board meeting for consideration. Wanted to bring the issue up today at PAC to see if other counties are having issues.

*Essex county PAC commented that he is a meat plant operator, I have not noticed a rise in condemnation rates over the last few years. If you have good communication with your local veterinarian, they can do a hands-on inspection. As an operator you should be able to tell if it is good before the inspector arrives.*

## **Elgin**

### **Expropriation of Farmland and paying Fair Market Value**

Issue in Elgin with an expansion of a main road on a St. Thomas to London route. Province wants to expropriate some of the farmers land, they are offering \$16,000 per acre, the land is worth double that.

Renfrew county expropriation of land for a dump, landowners were told it is not based on market value rather appraised value. The landowner hired an appraiser, and the municipality hired an appraiser. Issue was the appraisers were very far apart in agreement of the land value.

Drew commented that there is lots of talk on the federal campaign trail of 500,000 homes to be built in Canada. Land expropriation file will be a key priority for OFA.

## **Adjournment**

**Motion:**        **Maltby/Danen... "THAT the meeting of the PAC be adjourned."**

**CARRIED**