



July 7, 2008

The Honourable Leona Dombrowsky
Ontario Minister of Agriculture, Food & Rural Affairs
77 Grenville, 11th Floor
Toronto, Ontario M5S 1B3

Dear Minister Dombrowsky,

On behalf of the Ontario Cattlemen's Association (OCA), the representative body for Ontario's 19,000 beef producers, I would like to thank you for the opportunity to provide comments on the proposed non-Business Risk Management *Growing Forward* initiatives. As you know, the Ontario beef industry is in a crisis for a multitude of reasons. The recent program announcement in Alberta further exacerbates our situation by putting us at a competitive disadvantage within Canada. We need a comprehensive response to the crisis and to the Alberta program from both levels of government. OCA is encouraged that the provincial government continues to consult with industry stakeholders to ensure the new suite of programs in *Growing Forward* fit the needs of Ontario producers.

To begin, I would like to emphasize three overall principles we believe each initiative of *Growing Forward* should follow. First, a primary focus of every initiative should be policy that fosters the competitiveness of Canada's industry and producers on a global basis. Second, efficient regulatory processes that promote competitiveness and innovation should be a clearly stated intention of policies. Third, policies should recognize individual needs and differences of provinces and provide for flexibility in delivery to accommodate regional issues. It is appreciated that these principles have been recognized by both levels of government in their consultations with industry.

Competitive and Innovative Sector

Accelerate the Pace of Innovation and Facilitate the Adoption of New Technologies

Investments in research and development will help improve the competitiveness of Canada's agriculture industry. We appreciate the proposed *Growing Forward* initiatives that address this, such as the Science Clusters and the Canadian Agri-Innovation Council. Additionally, the proposed Innovation Commercialization Centres and Science to Support Commercialization of New Agri-Based Products are very important to include in *Growing Forward*. In the beef industry, the Beef Information Centre can only do so much with the funding they receive from check-off dollars. Since it is often that only one out of one thousand pre-commercial products are successful, the Innovation Commercialization Centres will help to improve the quality, convenience, and consumers' perceptions of food products, including beef and beef products.

We are also encouraged by the proposed initiative for a Bioeconomy Strategy. Developing a comprehensive national strategy that engages industry and governments in identifying and addressing common obstacles to capturing new opportunities from the emerging bioeconomy is very important to the beef industry. The bioeconomy offers gains to some people and industries across Canada but at the same time is damaging to others. A national strategy should ensure that bioeconomy policies are non-intrusive and ensure benefits accrue where the market warrants.

Absent from the proposed *Growing Forward* initiatives is a commitment to provide future Canada-Ontario Research and Development (CORD) funding as was made available in the Agricultural Policy Framework. The CORD program dedicated funding for industry driven innovative projects in the non-supply managed sector that committed to increase profitability, improve product quality, and develop new technologies, markets and products for the Ontario agriculture and agri-food sector. Such initiatives ultimately enhance the economic viability of the province's rural sector. For both major and minor commodities in Ontario, this source of funding was extremely valuable in addressing research and development issues important to producers. We request that there be a similar provision of research and development funds in *Growing Forward*.

Enabling Competitive Enterprises and Sectors

The proposed Farm Program Entry and Navigation Platform will be of great value to our producers who are often unaware of the programs and services available to them. A one-stop platform to access information on the programs and services that are most suitable for their situation would be very beneficial. We are also pleased to see that Business Development programming such as Canadian Farm Business Advisory Services, Planning and Assessment for Value-Added Enterprises and the Canadian Agriculture Skills Service (CASS) will be maintained in *Growing Forward*. However, CASS should no longer be limited to low income producers. Expansion of this program will help producers learn new skills and improve their farms or will help them exit the industry if necessary. The Planning and Assessment for Value-Added Enterprises program should be expanded to serve producer organizations exploring value-added opportunities for their members. We also request that such programs are streamlined into a more comprehensive package to avoid duplication. It is very encouraging to see that it has been proposed that such programs will provide for enhanced participation by young or new entrants. Young people face an increasing amount of barriers to entering the agriculture industry. Giving young and new farmers the right skills and incentives will ensure Canada's future economic competitiveness in the agri-food sector.

We are very pleased to see the proposed *Growing Forward* initiative of Veterinary Drugs. Canada is at a distinct disadvantage on the availability of new veterinary animal health products due to the excessive time Health Canada's Veterinary Drugs Directorate takes to approve new products or new label claims for existing products. Increasing scientific capacity and streamlining all drug approvals will encourage more pharmaceutical companies to apply for approvals in Canada, which is a small market when compared to the United States.

Transform Canada's Strengths into Domestic and Global Success

Ontario produces high-quality beef and other marketable agriculture products. However, trade-distorting government policies around the world and limited access to the world's markets inhibit our export growth. We must have improved global access to export more beef to more markets. Our beef industry could sell much more beef in the high value markets of Europe, Japan and Korea if their protective tariffs were lowered. The proposed International Trade and Development Expansion initiative as well as the Market Information and Export Capacity Building suite of activities would improve our producers ability to compete in the global market. Our producers rely on consistent and accurate market information as an essential tool for maximizing their profits. We request that within these activities there is an emphasis on the continued development of international trade standards to ensure that global trade is based on science. We also support the continuation of Brand Canada International and Value Chain Roundtables which will help to promote success in export markets and develop strategies to address any opportunities and challenges that may arise.

Absent from the proposed *Growing Forward* initiatives is the development of a new dedicated Trade Directorate. This initiative would pull together resources from the Canadian Food Inspection Agency, Agriculture and Agri-Food Canada, and International Trade Canada to initially focus increased resources on market access agreements for Canadian cattle, beef and beef products.

A Sector that Contributes to Society's Priorities

Enhance the Safety and Security of the Food System

We are pleased to see the continuation of the development and recognition of Food Safety Systems for all agricultural sectors. The beef industry has completed the development of a Food Safety System and is currently in the process of the Technical Review Part 2. We are also pleased to see that it has been proposed to continue to provide financial incentives to producers for attending food safety workshops, seeking technical advice and purchasing equipment. The proposed financial incentives for first certification audits will be very valuable to our producers, as this is not currently covered by federal funding and will help to enhance producer utilization. We also request that more administration costs are eligible for funding to promote the program and increase producer uptake as these costs can be cumbersome to the organization delivering the program.

Promote Environmentally Responsible Agriculture

Ontario beef farmers contribute significantly to the public good through environmental stewardship and through the production of high quality, safe foods. As such, Canadian farmers should not bear the entire cost of implementing environmental programs. Public contributions to the programs should be ongoing. We are very pleased to see the proposed agri-environmental initiatives in *Growing Forward* such as the continuation of such on-farm programs as Environmental Farm Planning, the National Farm Stewardship Program and Greencover Canada. It is important that Greencover Canada address the excessive administration burden in this program. More flexibility is necessary. The streamlining of these programs into one on-farm package will be very valuable to our producers. We request that the delivery of these programs be flexible in order to accommodate regional issues.

The proposed Agri-Environmental Science initiatives are also of great value to our producers. Gaining a better understanding of the mechanisms by which agricultural practices, water and climate change interact in order to identify best practices will encourage producers to continue to adopt sustainable land use practices. We request that within the suite of agri-environmental programming, there is the development of market-based mechanisms to support willing buyer-willing seller arrangements to provide incentives for the provisions of ecological goods and services.

A Sector that is Proactive in Managing Risks

Minimize the Occurrence and Extent of Risk Incidents

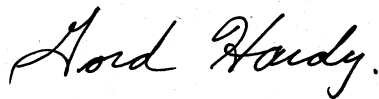
The proposed initiative to develop National Biosecurity Systems is of great interest to OCA. We are encouraged to see that the development of standards would be a government-industry partnership. This is essential. We support the proposed voluntary participation and the funding incentives for involvement. Regulating biosecurity standards would be cost-prohibitive to producers and government and will not be supported by industry. We recognize that on-farm implementation of biosecurity measures is of great importance to minimize the risk of foreign animal disease. However, a national, voluntary approach with financial incentives is necessary to promote uptake and minimize risk.

The development of a National Traceability System is also of great interest to OCA. As you know, the Canadian beef industry already uses the Canadian Cattle Identification Agency Canadian Livestock Tracking System for traceability purposes. In addition, the province of Ontario has embarked upon a traceability system through the development of OnTrace. We request that a National Agriculture and Food Traceability System work within the principles and structure of both the CCIA Livestock Tracking System and that of OnTrace at the provincial level to avoid unnecessary duplication and labour.

We are very encouraged to see that many programs that are vital to the success of Canadian agriculture are proposed to be continued. There are a number of proposed new initiatives that have the potential to ensure Canadian agriculture is sustained and profitable. We request that in the introduction of new programs or in the continuation of current programs there are smooth transitions with no interruptions.

Again, thank you for providing us with this opportunity to comment.

Best Regards,



Gord Hardy
President