

**Agricultural Advisory Team  
Advice to the  
Government of Ontario**

**October 2004**

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## INTRODUCTION

In June 2004, Agriculture and Food Minister Steve Peters appointed us as advisors to the provincial government to ensure that Ontario's growth management strategy addresses the concerns of agricultural stakeholders, especially with respect to on-going economic viability.

In making the announcement, Minister Peters said the Agricultural Advisory Team would help protect Ontario's agricultural interests while furthering the government's commitment to establish a greenbelt and build strong communities.

We travelled the province and heard from a cross-section of Ontario farmers and other key stakeholders about the concerns and opportunities facing Ontario agriculture today. While there was not always consensus, or even agreement, on some fundamental issues among those from whom we heard, there was an honest attempt to make constructive suggestions and define workable solutions to sustain and enhance Ontario's agriculture industry.

We heard about the urgent need for government and the industry to work together to develop a clear vision to enable Ontario agriculture to be sustainable both economically and environmentally, today and in the future.

We heard about the wide range of things that must be done to enable sustainability, and the hard choices that must be made if agriculture is to continue to be the successful economic driver it has been throughout Ontario's history.

We also heard that some of the core functions of the Ministry of Agriculture and Food have been eroded over the past several years, and there is a need to restore the Ministry's ability to be influential in areas important to Ontario agriculture.

The advice we received during our meetings formed the basis of this report. Among the priorities going forward is the pressing need to map Ontario's agricultural resource, the need to transform Ontario's land use planning system and its tax and assessment regime, making them more responsive to the needs of agriculture.

It is within this context – and at a time when the province is proposing wide-ranging change to its land use planning and growth-management policies – that we have focused the mandate given us by Minister Peters and the Ontario Government.

The complexity and diversity within the agriculture industry necessitates that many other Ontario Government ministries must work in concert with Agriculture and Food to achieve solutions to the challenges faced by the industry. These governmental partners include, among others, the Ministries of Natural Resources, Attorney General, Environment, Finance, Municipal Affairs and Housing, Health and Long-Term Care, and Tourism and Recreation.

Everyone must clearly understand that there is a finite amount of productive land in Ontario and without it we lose the ability to feed ourselves and our children. Agriculture and farmers are vital to the quality of life we enjoy in Ontario and must be recognized and respected for the contributions they make to our communities, our environment and the well-being of our society.



The Honourable Lyle Vanclief



Bob Bedgood

## **OUR MANDATE**

In establishing the Agricultural Advisory Team, the Ontario Government asked us to seek input from farmers and technical experts on a variety of land use and planning issues, including:

- Land-use planning policies that affect farm viability, including specific issues relating to the *Farm and Food Production Protection Act*, the minimum distance separation formulae and conflict resolution practices.
- Criteria to help identify viable blocks of prime agricultural land.
- The range of land uses suitable for specialty crop areas.
- The role non-government land trusts and other organizations could play, including identifying supportive and educational tools to protect agricultural land.
- Regional market/educational strategies to improve public/market awareness and strengthen local opportunities for agricultural activities in protected areas.

We were also asked to suggest strategies to strengthen opportunities for agricultural activities in protected areas and to identify other, more complex, agricultural land use planning issues to be addressed in the long term.

## **CONSULTATION PROCESS**

Acting on a recommendation from the Golden Horseshoe Greenbelt Task Force, the Minister of Agriculture and Food established the Agricultural Advisory Team with a provincial mandate and focus. To gather as much information as possible to provide relevant and practical advice to the provincial government, the Agricultural Advisory Team conducted a consultation process that focused on achieving both geographic reach and obtaining technical expertise and opinion.

Hence, our advice was shaped and influenced by both the commonality and divergence of opinion we heard in our 11 stakeholder meetings throughout the province. In addition, we received a number of written submissions from stakeholders and the public.

## **WHAT WE HEARD**

Because our mandate was provincial, we heard many comments and suggestions that reflected local or regional viewpoints on such key issues as severances, zoning and the need for infrastructure.

Yet, we also heard much common thinking on those topics and other fundamental issues such as the need to refine the Minimum Distance Separations (MDS) formulae and the need for greater use of conflict-resolution mechanisms to resolve differences before they escalate to the courts.

We also heard that the issues and challenges faced by farmers and rural residents on the edge of major urban centres are significantly different than those who live just outside them and often vastly different than those who live in more distant farming areas across rural Ontario.

We acknowledge the work of the two broadly-based Task Forces in the Niagara Region and the Greater Toronto Area (GTA). The issues and challenges faced by living and farming in the “urban shadow” are well documented and analyzed in these reports: *The Regional Chair’s Task Force for the Long-Term Viability of Farming in Niagara* and the *GTA Regions and Federations of Agriculture Proposed GTA Agricultural Action Plan*.

While we provide more context and detail in our advice, we believe the key issues identified can be most effectively grouped under four key themes, with the sustaining economic viability of agriculture being the common thread that links them all. Those themes are:

### **Land use and planning**

Issues and items identified include:

- Use and granting of severances;
- Minimum Distance Separations (MDS) formulae;
- Provincial planning reforms, including the Greenbelt and Growth Management initiatives;
- “Leapfrogging” of development pressure;
- Easements and land trusts;
- Protection of specialty crop areas;
- Identifying viable blocks of prime agricultural land;
- Setting urban boundaries; and
- Zoning and related mechanisms to keep land in agricultural production

### **Tax and assessment reform**

Issues and items identified include:

- Tax and assessment policies that support and encourage value-added, on-farm enterprises;
- Scope and scale standards or guidelines for on-farm enterprises;
- Better recognition of the environmental services and benefits flowing to society from stewardship on rural lands; and
- Tax transfers, development charges and/or other fiscal mechanisms to protect farmland or to “compensate” farmers who perceive potential loss of land value – or the opportunity to sell their land at a higher value – because of provincial land use and planning initiatives.

### **Public education and promotion**

Issues and items identified include:

- Increased promotion and marketing of Ontario agriculture;
- More profile and support for Foodland Ontario;
- Greater public and consumer education about the value of agriculture to Ontarians, the province’s economy and environment and the quality and safety of Ontario food; and,
- The need to maintain a secure supply of Ontario produced food.

### **Government funding, policy, regulation or legislation**

Issues and items identified include:

- The *Farm and Food Production Protection Act (FFPPA)*;
- The *Trespass to Property Act* and liability;
- Mandated agricultural advisory committees at the municipal level;
- More funding for agricultural research and related programs; and
- Proactive resource management to better control predation and crop damage by wildlife.

## **ADVICE TO GOVERNMENT**

This advice does not encompass all the issues and concerns we heard during the stakeholder meetings. However, we have attempted to distill themes and issues that were common to the industry.

Using our mandate as the focus, our advice is intended to move Ontario agriculture forward, prevent further fragmentation of farmland and infrastructure, and enhance the viability of farmers.

### **Mapping Ontario's agricultural resource**

Without an identifiable and productive land base, Ontario cannot continue to support a viable agricultural industry. A key priority must be to determine where the agricultural land base is, what it produces and what its potential is for the future.

Viability is much more than just soil quality – although that is important. It covers a range of factors from climate to access to markets; but most importantly it is about having the land we need for on-going production of safe and secure Ontario-grown food.

We need to know as much about Ontario's agricultural resource as we know about Ontario's natural and economic resources, if we are going to make sound land use and planning decisions about agriculture. Moreover, the benefits and impacts move beyond agriculture, because if farms are viable, rural communities will also be more viable. Therefore we advise that the Ontario Government, through the Ministry of Agriculture and Food:

**Begin immediately to map Ontario's agricultural resource, enabling sound decision-making that would encourage and strengthen the viability of agriculture. This should focus on:**

- **Exercising leadership in forging strong partnerships with key stakeholders to develop comprehensive criteria, which will enable the quick and accurate identification of this resource;**
- **Identifying, protecting and preserving unique specialty crops areas;**
- **Funding targeted research and using proven techniques such as Land Evaluation and Area Review (LEAR) studies to help support this initiative;**
- **Providing resources for on-going oversight to monitor, support and ensure compliance with provincial policies; and**
- **Developing these maps for agricultural lands in the Greater Toronto Area and the Greater Golden Horseshoe as part of the release of the government's Greenbelt and Growth Management initiatives.**

### **Urban boundaries**

Accurate mapping of Ontario's agricultural resource will enable better growth management planning by both the provincial and municipal governments. Agricultural land can no longer simply be seen as the place where urban development could occur.

We heard that growth management needs to focus as much on encouraging development within existing urban boundaries through intensification, in-filling and brownfields development, as it does on setting new boundary lines. Therefore, we advise that the Ontario Government:

**Establish clearly defined urban boundaries for residential, commercial and industrial uses to provide the agriculture industry with the confidence needed to plan its long-term investments. These boundaries should address the following requirements and/or concerns:**

- **Preventing fragmentation of agricultural land;**
- **Predictability for future land use and agricultural operations;**
- **Preventing ‘leap-frogging’ of development from protected areas into adjacent ones;**
- **Fulfilling urban density criteria before boundary expansion occurs; and**
- **Lowering infrastructure and servicing costs for urban communities.**

## **Severances**

At every regional meeting there was a lengthy discussion on the impact of severances on the business of farming. Should there be a strong provincial policy statement that prohibits them, or should there be sufficient flexibility to ensure that local and regional circumstances can be addressed?

We heard that almost 80 per cent of new lots created on Ontario’s agricultural land between 1990 and 2000 were for residential use.

We heard from some that severances attract ratepayers to support schools and pay for social and public safety services and roads, but we also heard from others that these severances add cost and servicing pressures to rural municipalities.

We heard allowing severances may provide farmers with needed capital, but severances may also restrict future farm expansion and lead to conflict in local communities. Recognizing these issues, and mindful of the continuing negative impact of fragmentation on Ontario’s farmland, we advise that the Ontario Government:

**Develop a strong provincial policy statement prohibiting severances for residential purposes on agricultural land, except:**

- **Surplus farm dwellings where the construction of a new dwelling on the property is prohibited through a restricted covenant on the deed, an agricultural easement, agriculture production only zoning, or a combination of the above.**

**This advice is conditional on the Ontario government finding and enacting the proper legal tool(s) to ensure the severed property remains in agriculture over the long term.**

## **Minimum Distance Separation (MDS)**

Another topic raised at every meeting was the Minimum Distance Separation (MDS), a planning tool used to determine a recommended distance between a livestock facility and other land uses. The objective of MDS is to prevent land use conflicts and minimize nuisance complaints.

MDS varies according to a number of factors, including type of livestock, size of the farm operation, type of manure system and the form of development present or proposed. There are two MDS formulae:

- **MDS I** provides minimum distance separation for new development from existing livestock facilities; and
- **MDS II** provides minimum distance separation for new or expanding livestock facilities from existing or approved development.

Based on what we heard many have difficulty in understanding MDS and how it is applied and enforced. We also heard that farmers need long-term confidence that other surrounding land uses will not unduly hinder their present and future farm operations. We advise that the Ontario Government, through the Ministry of Agriculture and Food:

**Integrate MDS I and MDS II into a common MDS formula that treats livestock uses and non-farm development the same. As part of this process the government should also:**

- **Review MDS every five years to incorporate proven technological advances and innovation;**
- **Ensure the MDS expansion factor is only applied to an existing livestock facility after three years of use;**
- **Require existing lots of records to meet MDS standards;**
- **Allow minor variances from MDS of up to five per cent; and**
- **Provide additional training and guidance to planning authorities and the general public to assist with implementation of MDS.**

### **Farm and Food Production Protection Act (FFPPA)**

We heard that there are locally-based mechanisms that have been effective in resolving conflicts between farmers or between farmers and their non-farm neighbours. However, we frequently heard the need to strengthen the *Farm and Food Production Protection Act* (FFPPA), to enable farmers to engage in normal and approved agricultural practices. Therefore, we advise that the Ontario Government, through the Ministry of Agriculture and Food:

**Urge greater reliance on the *Farm and Food Production Protection Act* to clearly identify normal and approved farm practices. Improve the application and awareness of the Act by:**

- **Emphasizing early-mediation and conflict resolution to address contentious issues before they escalate, including calling upon and involving people with expertise and knowledge of agriculture issues to act as mediators with the goal of avoiding a hearing; and**
- **Increasing public education and communications to raise awareness and understanding in both the farm and non-farm community about normal and approved farm practices.**

### **Agricultural advisory committees**

To ensure that in municipal land use, planning and development decisions that may have a significant impact on the viability of agriculture are made with the strong input and expertise of farmers and others in the agricultural sector, we advise that the Ontario Government:

**Mandate that agricultural advisory committees be established in all municipalities with lands zoned for agriculture within their boundaries. These committees should be constituted at the level of municipal government that has the responsibility for the land use planning function.**

### **Permitted on-farm uses**

We heard one of the issues linked to economic viability is the opportunity for farmers to operate auxiliary businesses on their farms. We recognize the importance of value-added and value-retaining agricultural activities, provided they are secondary to the agricultural use on the farm, and are derived from products from that individual farm operation. We advise that the Ontario Government:

**Allow on-farm businesses of any kind, provided they are secondary to the agricultural operation and meet the following criteria:**

- **Gross income less than the gross income of the farm;**
- **No more than 1,600 square feet in size;**
- **No more than 4,500 hours annually of employee work time; and**
- **Serviced by approved on-site private systems.**

### **Tax and assessment of permitted on-farm uses**

Related to the issue of permitted on-farm business uses is how they are assessed and at what tax rate. We heard at many meetings that there is considerable uncertainty and frustration over how these tax and assessment rates are applied.

We also heard about the urgency with which the province and the farm community must continue and conclude current discussions to clarify assessment policy and taxation levels. We laud the recent approach taken affecting maple syrup production.

We advise that the Ontario Government:

**Apply the farm tax rate to auxiliary on-farm businesses, as described in the above advice. For businesses outside those criteria, we urge the Municipal Property Assessment Corporation, in consultation with the farm community, to define within the next 12 months a clear set of rules so farmers know what is allowed and at what tax rate.**

### **Control of predation and crop damage by wildlife**

Farmers across Ontario told us that they are experiencing significant loss due to livestock predation and crop damage by wildlife. With estimates of crop damage alone identified at approximately \$40 million annually, farmers are growing increasingly frustrated and are calling for strong and proactive action from government to address this costly and growing problem.

While we acknowledge the recent announcement by the Ministry of Natural Resources to help farmers who face economic hardship due to deer-caused crop damage, this policy must be extended to cover other wildlife predators that kill livestock and/or destroy crops. Therefore we advise that the Ontario Government:

- **Instruct and appropriately fund the Ministry of Natural Resources to improve its wildlife management strategies in a way that will reduce wildlife predation and crop damage;**
- **Direct the Ministry of Natural Resources and other public service agencies to significantly improve their response times to land owner concerns about wildlife predation and crop damage;**
- **Continue to amend hunting laws and regulations to allow for more flexible and lengthy seasons, additional tags and higher limits for those wildlife species linked to agricultural loss and damage; and**
- **Develop a public education strategy to improve communications among farmers and public safety agencies, such as the Ministry of Natural Resources, provincial and municipal police agencies, about issues related to wildlife predation and damage.**

### **Trespassing on farm property**

Trespassing on private lands is an increasingly contentious issue for farmers and other rural residents across Ontario. A proliferation of outdoor recreational activities and the desire of urban residents to enjoy green spaces has heightened awareness around this issue. The issue of trespass requires a concerted public education and communications effort to build greater awareness and understanding about its impacts and implications. Therefore we advise that the Ontario Government:

**Immediately develop a multi-pronged approach to address trespass on private property, including:**

- **Assessing the capacity of current legislation to address today's challenges;**
- **Stepping up enforcement of current legislation, and applying the full range of sanctions to deter violators;**
- **Partnering with farm organizations to develop a signage program to help deter trespassing; and**
- **Expanding public education and communications programs for both farmers and the public on the due diligence and liability implications related to trespassing**

### **Support for research**

We heard strong support across Ontario for greater investment in applied agricultural research, especially research geared to the needs of specific crops and climatic/soil zones throughout the Province. We heard that the 'flat-lining' of research investment coupled with rising costs and inflation has diminished our ability to conduct the range of leading edge research required to keep Ontario agriculture viable and competitive. We advise that the Ontario Government:

**Lead in the creation of new partnerships, which will achieve an increase in research investment of 10% per year over the next 5 years. This should not fall completely on the Ministry of Agriculture and Food and should include financial support from ministries such as Health and Long-Term Care, Economic Development and Trade, and Environment, as well as the agri-food industry, to address public health issues, food safety and quality, and water quality.**

## **Promotion and marketing**

There was considerable discussion at every meeting about the need to more actively support, promote and market Ontario products to both consumers and retailers. There was also recognition of the strength and effectiveness of Foodland Ontario, with many participants at our meetings indicating they would like to see greater identification and promotion of Ontario products so that they become the first choice of the consumer.

As well, there was widespread concern expressed that Ontario not lose its ability, through loss of productive farmland, to maintain a safe, high-quality and secure locally-grown food supply. We advise that the Ontario Government:

### **Enhance promotion and marketing of Ontario agriculture by:**

- **Building on the strong public and industry support for Foodland Ontario to better position Ontario products in the marketplace;**
- **Increasing financial support by enlisting additional partners from within government and producer, processing and retail sectors to promote Ontario products;**
- **Working with industry stakeholders to highlight the role that Ontario agriculture plays in ensuring a safe, high-quality and secure food supply; and**
- **Focusing promotion and marketing efforts on changing consumer behaviour so they make Ontario-grown food their first choice and to ask for it by name at retailers.**

## **Land-use planning capacity at OMAF**

In concert with our advice regarding mapping of agricultural land, there needs to be an increased capacity within the Ministry of Agriculture and Food (OMAF) to develop, monitor and influence land-use and planning policy and decisions that affect agricultural viability. This capacity should be readily available to other provincial ministries and municipalities and should be geared to identifying – and protecting, if necessary – those lands, which have potential for agricultural production both now and in future. Therefore, we advise that the Ontario Government:

### **Expand and properly resource OMAF's land use planning function to:**

- **Conduct research and develop policies, tools and techniques for identifying and protecting agricultural lands;**
- **Represent agriculture at Ontario Municipal Board hearings, committees of adjustments, zoning and by-law changes, etc.;**
- **Monitor and track the province's effectiveness and success in protecting agricultural lands; and**
- **Provide additional education and training to municipalities, planners and the broader public, about the need to preserve agricultural land.**

## **Compensation**

Throughout our regional meetings, some presenters suggested that government adopt a range of fiscal mechanisms to protect farmland or to “compensate” farmers who perceive potential loss of land value – or the opportunity to sell their land at a higher value – because of provincial and municipal land use planning initiatives.

We also heard that there is a difference between loss of current permitted uses on farm property (i.e. agricultural zoning) and a perceived loss of development opportunities (i.e. speculation/hope on future permitted uses).

We advise that the Ontario Government:

**Does not provide direct compensation for loss of perceived future opportunities, but moves quickly to implement the other advice in this report to provide Ontario agriculture with the investment, support and recognition it requires to plan for future prosperity.**

### **Environmental payments**

We heard that farmers provide much more than food production. They provide society with many environmental and natural benefits, for which they may not always be appreciated, recognized or rewarded by government and the general public. We advise that the Ontario Government through the Ministries of Agriculture and Food, Environment, Natural Resources and Tourism and Recreation:

- **Recognize and take seriously the environmental benefits agriculture contributes to society;**
- **Lead research with both governmental and non-governmental stakeholders, to identify and assess what has been done in other jurisdictions; and,**
- **Develop programs and financial incentives to farmers that recognize these societal contributions and which could provide an additional income stream for agriculture.**

### **Land trusts**

We heard from some that land trusts and related initiatives could be a tool in certain specific instances to keep agricultural land in production and provide farmers with economic support for reinvestment and expansion.

We also heard that these mechanisms could be an effective tool for public education in areas where farmland needs to be protected due to intense urban and non-farm encroachment.

We advise that the Ontario Government:

**Work with the federal government to change tax laws to recognize land trusts for agricultural lands and support a broader public education campaign about their potential benefits.**

### **Acknowledgements**

The Agricultural Advisory Team would like to acknowledge and thank the many individuals who took time to provide input for this report.