



REGIONAL MUNICIPALITY OF NIAGARA

- Agricultural Task Force -

AGRICULTURAL ACTION PLAN

**GROWING THE INDUSTRY:
Farm Economic Viability for the Long-Term**

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PLANSCAPE
104 Kimberley Avenue
Bracebridge, ON P1L 1Z8

GROWING THE INDUSTRY: Farm Economic Viability for the Long-Term

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GROWING THE INDUSTRY: Farm Economic Viability for the Long-Term

Section 1 Introduction

The agricultural sector contributes significantly to the economy and quality of life in the Region of Niagara¹. To support this sector and ensure that agriculture in Niagara continues to thrive under today's rapidly evolving circumstances, actions are required to support the industry. This action plan for agricultural viability prepared by the Region of Niagara Agricultural Task Force and endorsed by Niagara Regional Council, identifies steps that can be taken to ensure that agriculture in the Region will thrive into the 21st century. While the actions identified here are by no means all that is required to support Niagara agriculture, they are, in the opinion of the Task Force, the most effective bundle to realize its goal to grow the industry at this point in its history. Care has been taken in presenting the initiatives to prioritize those that have the most potential to support the industry.

BACKGROUND

The "Regional Agricultural Economic Impact Study" completed in 2003 confirmed that in 2001, agriculture generated an annual economic impact in Niagara of approximately \$1.8 billion. The \$511 million in regional gross farm receipts generated in the Region resulted in an estimated \$400 million in direct sales, \$562 million in indirect sales and \$832 million in induced sales in 2001. The study also confirmed that Niagara ranked first in the Province in terms of agricultural productivity with average gross farm receipts of \$2195.00 per acre.

As a whole, the agricultural sector in Niagara is healthy. It is based on a highly productive, non-renewable land base that because of a combination of climate, physiography, soil and location, is unique in Canada. Its strength is enhanced by the diversity and depth of the industry in the Region. Over 50% of the Niagara land base is farmed and there is a strong network of services and industries tied to agriculture. The indirect benefits provided by agriculture to the quality of life for residents and the tourism experience for visitors are essential to what defines Niagara and distinguishes it from other regions of the country. A healthy agricultural sector in Niagara benefits all residents, both of the Region and the Province.

Although the Regional Agricultural Economic Impact Study confirmed the importance of agriculture to Niagara, it also identified some disturbing trends. While the number of acres under production is relatively steady, the amount of rental land being farmed is growing. This reluctance, or inability of farmers to make capital investment in land, generally points to vulnerability of the land base. Sectors of the industry are experiencing pressure from foreign competition and are vulnerable to increases in the value of the Canadian dollar, discrepancies in service levels, costs of inputs, access to services and delays at the border. There is the pressure for urban expansions, and urban-type uses and related infrastructure are encroaching into agricultural areas

¹ Throughout this document the Region of Niagara will be referred to as Niagara or the Region.

In 2002, in response to the findings of the economic impact study and in response to a provincial initiative to establish an “agricultural preserve” in Niagara, the former Regional Chair Debbie Zimmerman, established an Agricultural Task Force comprised of representatives of all of the major agricultural groups in Niagara. This Task Force was assigned responsibility to develop a strategy to support agriculture in Niagara.

The Task Force worked diligently to develop a comprehensive strategy to support agriculture. An initial discussion paper was completed in November 2003 and used as the basis for broad community consultation. In response to the input received from this consultation, the strategy was refined and endorsed by Regional Council in May of 2004.

GUIDING PRINCIPLES

The strategy endorsed by Regional Council articulates a vision for agriculture in Niagara.

Agriculture in Niagara is a diverse, multi-faceted industry based on a very special, limited, non-renewable resource created by a unique combination of physiography, soil, location and climate. The strength, stability and diversity of this industry is recognized and will be promoted and protected so it can continue to grow and evolve for the benefit of present and future generations.²

The strategy established a series of goals against which government actions should be tested to ensure they support agriculture.

- *Maintaining the significant agricultural land base with an infrastructure that supports agriculture;*
- *Enhancing Niagara’s rural environment while enabling viable agricultural enterprises to flourish;*
- *Creating circumstances where farms can operate profitably;*
- *Supporting agricultural activities and reducing uncertainty, conflict and risk for the agricultural community;*
- *Providing a mechanism for the long term profitability and succession of farm properties to encourage the next generation to enter the industry;*
- *Establishing a public policy framework at all levels that supports the long term viability of Niagara’s diverse agriculture;*
- *Developing a Niagara brand for quality farms, products and environment; and*
- *Protecting the public interest by preserving the ability to have a sustainable home-grown food supply.³*

The essential ingredients for a successful strategy were identified as:

² “Securing a Legacy for Niagara’s Agricultural Land, A Vision from One Voice”, October 17, 2003.

³ Ibid.

- *Protection of the land base;*
- *All levels of government and government agencies must provide meaningful support for agriculture;*
- *Recognition through broad definition, that agriculture in Niagara is a diverse industry made up of many different components which have different requirements at different times;*
- *Maintaining support that allows profitable agricultural operations, such as provision of infrastructure;*
- *Inclusion of all agricultural sectors in the strategy;*
- *Enhanced profile for agriculture;*
- *Promotion of agriculture's social, environmental and economic significance;*
- *Provision for complementary value added activities that are based on, compatible with and integral to primary production; and*
- *Establishment of a mid peninsula multi modal transportation corridor.⁴*

The strategy then identified actions that could be taken and assigned responsibility for those actions to commodity groups and different levels of government. Possible actions that could be taken to support agriculture included;

- *Establish a Comprehensive Definition of Agriculture for Niagara*
- *Protect the land base;*
- *Develop commodity specific policies*
- *Promote Niagara as a unique agricultural area*
- *Create an economic development strategy to promote agriculture and agriculturally related businesses;*
- *Secure support from all levels of government and ensure that initiatives are coordinated and mutually supportive*
- *Encourage Niagara specific research;*
- *Publicize the reality that agricultural land is a non renewable resource*
- *Educate the public about agriculture and the contribution that agriculture makes to quality of life*
- *Develop infrastructure that supports agriculture*
- *Encourage the development of "farm friendly" transportation infrastructure including the a mid peninsula transportation friendly transportation corridor⁵*
- *Acknowledge agriculture as an "economic engine" in Niagara.⁶*

⁴ Ibid Note - The Preservation of Agricultural Land Society (PALS) did not agree with inclusion of the mid peninsula corridor as a criteria.

⁵ PALS did not support this position

⁶ "Securing a Legacy for Niagara's Agricultural Land, A Vision from One Voice", October 17, 2003

This strategy continues to provide the guiding principals under which actions to support agriculture in Niagara should be taken. It is the basis for the recommended programs contained in this action plan and will be the test upon which success will be evaluated.

PROVINCIAL INITIATIVES

At the time that the Task Force was completing its work, the Province was introducing a number of land use initiatives. Work on three major initiatives – establishment of a greenbelt, revisions to the Provincial Policy Statement and, development of the ‘Places to Grow’ growth plan for the Greater Golden Horseshoe, were ongoing. The work of Niagara’s Agricultural Task Force in concert with the Regional Policy Plan, formed a basis for Niagara’s comments to the Province on these related initiatives. When the Greenbelt Plan was approved, it was encouraging to note that it included a number of Niagara’s recommendations.

Subsequent to the endorsement of “Securing the Legacy for Niagara’s Agricultural Land - A Vision from One Voice”, the Task Force continued to work on implementing the strategy to support agriculture. While acknowledging that the various provincial initiatives addressed a number of issues identified as critical to the ongoing viability of agriculture in the Region; there was also clear consensus amongst Task Force members that additional actions and investments would be required to support agriculture in the area included in the Greenbelt and to realize the vision of ongoing strength, stability and diversity for agriculture in Niagara generally.

AGRICULTURAL ACTION PLAN

In June 2005, the provincial government acknowledged the validity of the Task Force’s position and provided a \$100,000.00 grant to:

(...) help the Niagara Agricultural Task Force implement an agricultural viability plan for the area.⁷

The Task Force responded to this initiative by establishing a goal “*To develop specific programs that will grow agriculture in Niagara to a \$3.6 billion industry annually from its current level of \$1.8 billion.*”⁸ The Task Force determined that the preparation of an agricultural viability plan focused on programs in seven specific areas, would be the most effective way to reach this goal. Selection of the specific programs was based on the work done by the Task Force to date. The programs selected were those identified as having the most potential for supporting agriculture in Niagara at this point in time. The seven areas identified for program development included:

1. Re-establishing the research capability of the Vineland Research Centre to support the agricultural industry.
2. Reducing barriers to growing the agricultural industry with recommended solutions.
3. Specific tax policies for value added facilities as part of the farm operation.

⁷ News Release, Ministry of Municipal Affairs, June 14, 2005.

⁸ Niagara Agricultural Task Force. “Request for Proposals”, July 13, 2005.

4. Providing raw water for agriculture.
5. Developing small and medium processors.
6. Re-visiting the use of the Agricultural Easement program of the earlier 1990's program entitled the "Niagara Tender Fruit Lands Program".
7. Developing a Niagara brand for agricultural products – quality products, quality farms, quality environment for community health.

This plan identifies the actions recommended to implement each of the seven programs. In building each of the program areas, extensive research and consultation was done and has been documented. However to keep this action plan specific, it is limited to a brief background explanation of each program with the focus on specific recommended actions.

In preparing the action plan, note was taken of other initiatives, either existing or proposed, that have potential to support certain of the seven programs identified by the Task Force. The reality is that there are many programs being championed by others that could benefit agriculture. What is required is knowledge of what is out there, co-ordination to ensure programs are mutually supportive and designation of the appropriate leader.

The order in which the programs are listed was specifically chosen by the Task Force. The program dealing with the future of Vineland Station has been addressed first, because, as this process has evolved, it has become apparent that there is potential for Vineland Station to become a focus for and to increase the effectiveness of, all of the other programs. While an enhanced role for Vineland is not essential to the success of the other programs, if properly developed there is in the opinion of the Task Force, a unique opportunity for Vineland Station to become a catalyst for fostering activities to support agriculture in Niagara and to create circumstances for agriculture to be successful on an ongoing basis in the Greenbelt.

Finally, although the funding for this action plan may have been associated with the Greenbelt, it should be clear that this action plan is designed to support agriculture in Niagara as a whole. It always has been and continues to be the position of the Task Force that to foster a healthy agricultural economy in Niagara, a holistic approach must be taken; hence the name of the Task Force's first report, "A Vision from One Voice". With respect to the Greenbelt, it is undeniable that implementation of the Greenbelt Act has created challenges for those within it, some of which are addressed in this plan. However it is also true that it may also have increased the pressure on activities outside of the greenbelt.

The Task Force continues to take the position that a strong agricultural sector in the Region as a whole, is key to the health of all elements of Niagara agriculture. The actions recommended in this plan flow from that premise. The Task Force is willing to continue its work to ensure the various initiatives are implemented effectively and in a manner that will benefit all sectors of Niagara agriculture. By doing so, the Task Force will contribute to the realization of the goal of growing the financial impact of the agricultural industry in Niagara from \$1.8 to \$3.6 billion annually.

Section 2 **Re-establishing the research capability of the Vineland Research**

In the opinion of the Task Force, Vineland Station has the potential to act as a unifying force in co-ordinating, supporting and implementing all of the tasks identified as part of this Plan.

Vineland Station is a unique facility with a long history of providing support to the Niagara agricultural sector. Recently however this potential has not been realized, and the facility has become under utilized. Those researchers who remain have dwindling resources, many are nearing retirement and there are no apparent succession plans.

Discussions with members of the agricultural community elicit wide ranging comments about the current status of Vineland and its future. While the ideas are wide ranging, the one common theme that re-occurs is that Vineland Station is a resource that should not be lost. Moses Rittenhouse's vision in gifting the property to the people of Ontario in 1906, resulted in the establishment of a world class facility that in the last century was a leader in agricultural research. As the Station enters its second century and agriculture faces new challenges, the Task Force is of the opinion that it would be fitting if this resource could once again be used to support and foster the sector.

In considering the role that Vineland Station could play there was consensus amongst members of the Task Force that the Station be developed as a centre for innovation for the agricultural industry by providing:

- Niagara specific research on an "as needed" basis as identified by the industry;
- research to support the horticultural sector (as laid out in the Flowers Canada proposal to Agriculture and Agri Food Canada);
- facilities for housing agricultural organizations with the intent to create a focus for agriculture;
- the base for a foundation to sponsor, co-ordinate, manage and disseminate research that supports Niagara based agriculture and promotes research into agriculture as well as developing areas such as relationships between health and food, bio products, nutraceuticals, water management and energy issues;
- opportunities for private sector research to locate at and utilize the resources of the Station;
- opportunities for public/private sector partnerships to study agriculturally related issues; and,
- facilities for agriculturally related programs which promote the use of Niagara products.

It is not the position of the Task Force that this centre would be under the control of any one academic institution. The institutions in the peninsula and beyond including Brock, Guelph, McMaster, Mohawk College, Niagara College and the Niagara Parks Commission all have programs that support agriculture. The function of the centre would be to support existing programs, foster partnerships, coordinate initiatives and address gaps.

One of the primary issues that has permeated discussions of the Task Force is concern about the future of agriculture in the greenbelt. Although a fundamental rationale for establishing the greenbelt was to support agriculture, there is concern that there is insufficient flexibility within the greenbelt to allow farmers to operate profitably.

The use of greenbelts to manage growth has been tried in other locations in North America and Europe with varying degrees of success. Establishment of a centre to study and advise on the ongoing management of the greenbelt could help ensure that this initiative is effective in supporting and promoting the agricultural industry.

As a small beginning, the Greenbelt Foundation must be located at the Station so it is operating within the areas it was created to serve and promote. In the longer term the innovation centre could include a component that focuses on greenbelt issues, identifies barriers that negatively impact agriculture within it, and advise government on the actions required to help agriculture and the greenbelt thrive.

The Task Force is aware of and supports the Ministry of Agriculture, Food and Rural Affairs (OMAFRA's) current process to consider what the future holds for Vineland Station. Its members are confident that there is a productive role for Vineland Station as an independent centre of innovation to support and promote agriculture in Niagara and in the greenbelt. Agriculture in Niagara, and indeed in the greenbelt, is a somewhat unique type of agriculture and as the initiatives identified in this plan confirm, it requires specific action to ensure it can survive in the face of urban pressure.

There is no question in the minds of the Task Force that it should survive. The agriculture of Niagara is unique, provides a range and quality of product unrivalled in Canada, adds quality of life to non rural residents and greatly enhances the tourism experiences offered in Niagara. By enacting the greenbelt legislation the province has confirmed that it agrees with this evaluation. Therefore it should now be prepared to take the next step in making the greenbelt a success by establishing a centre with services and research capabilities that are dedicated to its needs.

Task: Establish an independent innovation centre at Vineland Station focused on promoting and coordinating research and development that support the greenbelt and the prosperity of the agricultural sector in Niagara.

Lead: Ontario Ministry of Agriculture, Food and Rural Affairs (OMAFRA)

Resources: The Greenhouse Alliance of Ontario, Flowers Canada (Ontario), the Ontario Tender Fruit Board, Grape Growers of Ontario, The Wine Council of Ontario, Niagara Federations of Agriculture, Universities of Brock, Guelph, and McMaster, Niagara College, the Region of Niagara, Niagara Economic Development Corporation (NEDCO)

Section 3 Reducing barriers to growing the agricultural industry

For agriculture to be successful, the circumstances must exist for it to thrive. The tasks identified in this initiative are somewhat random but all have been identified by the Task Force as ones that if implemented, could promote growth within the agricultural sector. In fact, the randomness of the tasks speaks to the problem. Recently farmers have been increasingly affected by random acts by various agencies operating in isolation. The cumulative impact of these various initiatives, randomly introduced in isolation, is crushing for farmers.

CO-OPERATION

In Niagara, as in other parts of the province there are numerous organizations representing different commodity groups and components of the industry. Despite the existence of umbrella organizations such as the Ontario Federation of Agriculture and the Christian Farmers, competition between farm groups and commodity sectors for recognition and resources often pits one sector against another. While the Task Force cannot address these issues on a provincial level, at a regional level it can continue to foster cooperation by continuing its efforts to speak with a unified voice.

This cooperation can be expanded by reaching out to assist other groups addressing similar issues. Concurrently with the development of this action plan, other agricultural groups, specifically in the GTA and Hamilton, are either preparing or working to implement similar plans to support agriculture. The Task Force should work with these groups to prevent duplication of effort and where appropriate, benefit from strength in numbers.

Task: Foster cooperation between agricultural groups

Lead: Niagara Agricultural Task Force

Resources/Partners: OFA, Christian Farmers, GTA Agricultural Action Committee, Hamilton Agricultural Advisory Committee

INCREASING THE INVENTORY

Once agricultural land is taken out of production, there is a significant cost to bring it back into production. This cost is associated with the capital cost of rehabilitation and the time required to bring the land into production which will vary depending on the product. For tender fruit, the time is counted in years.

As the agricultural sector moves through cycles, operators come and go and land is taken out of production. Often agricultural land is lost to a change in use but sometimes it is due to a change in circumstances. This process can be accelerated by specific events, a change in market or a political change.

Niagara is currently experiencing pressures from both types of events. Changes in the market for certain types of product have created over supply in some commodities, undersupply in others. Establishment of the greenbelt has implication for future use of land which has resulted in land that was not under production now being available to come back into production. To address these circumstances, funding for reinvestment is required.

However, securing financing for agriculture has never been easy. Investment in the agricultural sector is not a priority for the financial institutions. Therefore the agricultural sector is faced with the dilemma of having opportunities for growth without access to capital to fund them. Some assistance in supporting reinvestment in agricultural land, or replant programs would be of great assistance in helping grow the industry. What is needed is affordable access to capital for individuals with sound business plans who want to get into or expand farming operations.

Task: Create funding mechanisms to support rehabilitation of, reinvestment in or expansion of agricultural operations.

Lead: OMAFRA, Agricultural Adaptation Council

Resources: NEDCO, FedNor, Community Futures

SUPPORTIVE AND CO-ORDINATED LEGISLATION

Over the past decade, successive governments have implemented legislation that has created a huge burden for farmers. Regulations related to nutrient management, fisheries, habitat preservations, source water protection, to name a few, place increasingly complex bureaucratic requirements on farmers while reducing the productive area available to them. While farmers are amongst the first to support protection and management of the environment, they are increasingly frustrated by the ad hoc method by which this is being approached and the negative implications this approach has for their sector.

Task: Encourage government agencies to work together to integrate and streamline processes and recognize the cumulative impact of unrelated legislation on operators.

Lead: OMAFRA

Resources: OFA, Christian Farmers

Section 4 Specific tax policies

The main issues related to taxes can be summarized in three categories:

- property assessment;
- farmland tax rebate; and,
- impact of greenbelt on municipal tax base.

PROPERTY ASSESSMENT

The issues under this category relate to:

- taxing of value added, on farm activities;
- Inflated assessment due to non farm purchase of agricultural properties
- inconsistencies in the application of tax policies

FARMLAND TAX REBATE

In 1998, the Farm Tax Rebate Program was replaced with a new Farm Property Taxation Policy for farm properties. This change had the effect of shifting the burden of the tax rebate program from the provincial to the municipal level. In Niagara, the cost to the municipalities of this shift in tax burden has increased from \$2,478,281 in 1998 to \$4,140,762 in 2004.

IMPLICATIONS OF THE GREENBELT

Many of the problems associated with the municipal property tax system arise from the fact that it is based on the expectation of growth. Capital planning by municipalities is also based on the assumption that there will be a certain amount of growth. When this expectation is affected by unforeseen circumstances such as the imposition of the greenbelt, the long term plans become impossible to implement and depending on the circumstances, can have adverse financial implications. In some of the greenbelt municipalities, this impact is significant and is compounded by additional burdens placed on infrastructure by influxes of tourists to enjoy the amenities of the greenbelt and loss of the ability to realized anticipated development levels.

Additional burdens on the farmers as a result of the greenbelt include:

- requirements to act as stewards of the land in the public interest
- additional restrictions on farm practices which reduce the productive area available thereby creating a related reduction in yield.

ACTIONS

Implement a tax rebate program for environmental stewardship that affects agricultural lands. This program would be structured on the model used by the Ministry of Natural Resources to provide tax relief for lands registered under the managed forest program or designated as provincially significant wetland.

Task: Implement a tax rebate program for environmental stewardship

Lead: Region of Niagara

Partners: Ontario Federation of Agriculture, Christian Farmers

Resources: OMAFRA, Ministry of Natural Resources, Ministry of Finance

Request that the Province establish a Task Force to address the issue of tax assessment on value added activities. This should focus on creating a specific farm tax class for value added facilities on agricultural land that would be tied to the scale, tenure and relationship of the operation with the agricultural use.

In addition to considering the issue of value added operations on farm properties, this task force could investigate other tax incentives to support agriculture. The issues to be addressed could include:

- Tax concessions for new operators or operators assuming the expense of rehabilitating idle land.
- Addressing the issue of the negative impact abandoned or neglected agricultural land can have in an agricultural area.
- Creating disincentives to those holding land for speculation.
- Encouraging longer term, secure lease arrangements for agricultural land.
- Addressing the burden placed on municipalities in the greenbelt created by change in development options.

Task: Establish a Task Force to address the farm related tax issues

Lead: Region of Niagara

Partners: Ontario Federation of Agriculture, Christian Farmers

Resources: OMAFRA, Ministry of Municipal Affairs, Ministry of Finance

Transferring the responsibility for the farm property tax rebate programs to municipalities with no compensatory revenue transfers, imposes a significant additional financial burden on municipalities with large agricultural areas. This burden is increased in municipalities in the greenbelt which have now lost future development potential and the revenue and taxes that would have been associated with that growth. This type of downloading can weaken a municipality's commitment to protection of agricultural land and support of the agricultural

industry. The Province should address this problem by assuming the cost of the farm tax rebate program for all agricultural operations that qualify for the rebate first within the area of the greenbelt and then of the province.

Task: Request that the province assume the cost of the farm tax rebate program for all bona fide agricultural operations in the Province.

Lead: Region of Niagara, Town of Lincoln

Resources: Greenbelt municipalities OMAFRA, Ministry of Municipal Affairs



Section 5 Providing raw water for agriculture

Prior to the implementation of this process, the Region of Niagara conducted a preliminary “Feasibility Study – Raw Water for Agriculture” to consider alternative opportunities for implementing a Regional irrigation program. A number of the members of the Task Force sat on the steering committee for the study which had the support of the Task Force. The first report identified a number of alternative opportunities for implementing a Regional irrigation study but noted that the cost of the alternatives appeared to be beyond the growers’ ability to pay.

To more fully understand the alternatives available and the implication of each, a second phase of the study is being conducted. The goal of Phase 2 will be to identify the most feasible solution for providing raw water for agricultural irrigation proposed in each of the four regions,

Specifically the objectives of the Phase 2 Study are:

1. to determine the basis for accurate raw water demand estimates (peak day, average seasonal, and ten year return drought seasonal);
2. to investigate the environmental viability of using ground water for irrigating the tender fruit and grape areas above the Niagara Escarpment;
3. to further investigate the feasibility of using off-stream reservoirs as a general irrigation servicing solution;
4. to assess the conveyance efficiency of existing municipal drains if they are used as the raw water distribution network;
5. to further investigate the short listed alternatives described in the Feasibility Study, including the identification of proposed locations and improved cost estimates for the major supply facilities, transmission pipelines, storage reservoirs, and distribution networks;
6. to investigate any room for combining a number of alternatives to develop an optimum raw water servicing solution for each irrigation district;
7. to consult with a wide range of stakeholders on the project in general, its methods, its alternative solutions, its permit requirements and financing;
8. to investigate the impacts of short-listed solutions on the natural and social environments;
9. to evaluate the short-listed alternative solutions using the Class Environmental Assessment methodology;
10. to identify Preferred Solutions and to consult with the stakeholders and the public about opportunities of providing raw water for agricultural irrigation and alternative solutions (a number of Public Information Centres will be required);
11. to finalize the selection of one Preferred Solution for each irrigation district;
12. to investigate and propose a workable irrigation management model for each selected communal irrigation system;

13. to develop a realistic phasing program in consultation with stakeholders;
14. to identify and document the economic benefits of irrigation to farm produces and to the economy; and,
15. to compile all project information in a project report.

ACTION

At this point no action is required. The Task Force should continue to co-operate with the study team to ensure that the objectives of the study, and of the initiative identified by the Task Force, are met.

Task: Support the Regional "Raw Water for Agricultural Irrigation Study"

Lead: Task Force Members

Resources: Niagara Planning Department, Project Technical Advisory Committee

Section 6 Developing small and medium processors

BACKGROUND

There are a number of issues that prompted inclusion of this initiative in the action plan.

Scale of operation, availability of processing facilities and access to market are major issues for all agricultural sectors.

- As large producers move to self inspection, working through the process is becoming more difficult for smaller producers.
- Amalgamations in the grocery sector have resulted in a shift to self stocking requirements and increases in volume required to secure contracts.
- Economic development programs often focus on promoting large operations ignoring the fact that small and medium size operations are often of more benefit to the agricultural community.
- Volume requirements combined with government regulations restrict access to retail outlets thereby forcing the need to establish on farm retail and processing outlets.
- Smaller operators do not have the resources to fund in house business expertise or research.

Planning regulations tend to work against:

- Co-operative enterprises that are both a response to issues of scale and a long established tradition in the agricultural community where sharing facilities and resources is common.
- Value added, on farm operations

In addition to inflexible planning controls, taxation policies can also work against the establishment of value added operations. This issue is addressed under the Taxation Initiative in this plan.

Financing for the start up of small business in the agricultural sector can be difficult to obtain.

Economic development programs often overlook agriculture as a potential growth area despite ongoing opportunities to create jobs related to agricultural production. For example, The Ontario Greenhouse Alliance (TOGA) recently completed an Economic Impact Study which identified evidence of an emerging greenhouse service cluster in Niagara which is of national, if not international significance. The industry could only benefit if growth of this cluster was encouraged and supported.

The example of the carbohydrate cluster being promoted in Port Colborne is an outstanding model of how partnerships between agriculture and industry can work to the benefit of both industry and agriculture.

ACTIONS

An office for agricultural economic development should be established in Niagara. This office could act as an expeditor for the agricultural sector and provide support to farmers and agriculturally related businesses by identifying opportunities, providing assistance with business development, dealing with the planning controls, assisting the approvals process, sourcing funding and facilitating access to research. Input from the agricultural community would be critical in identifying the needs of the sector. This office would work to raise the profile of agriculture, to capitalize on opportunities to establish agriculturally related business in Niagara, assist business both agricultural and related in moving through approvals processes and to assist local municipalities with programs that promote linkages between economic activity and agricultural production.

As part of the economic development function, access to capital to fund new agricultural operations or assist with the cost of rehabilitating abandoned farmland should be a priority.

Task: Create a specific agricultural “**expeditor**” function at the Region and where appropriate, at the municipal level

Lead: NEDCO

Resources: OMAFRA rural affairs officers, Niagara municipalities, Community Futures, FedNor

Assess the feasibility of implementing development permitting to increase flexibility in planning approvals for farm related, value added activities. The approach used by the Niagara Escarpment Commission could be used as a base. This has the advantage of using policies that have been tested and can be evaluated for success.

Task: Implement development permitting for farm related, value added activities

Lead: Niagara Planning Department

Resources: Niagara Escarpment Commission, Ministry of Municipal Affairs, Niagara municipalities

Reduce the influence of large chain operators and provide small producers with access to the market by ensuring appropriate access to inspectors and services needed to operate independently. This would include actions such as permitting abattoirs in reasonable proximity to agricultural operations.

Task: Evaluate need for independent inspection services.

Lead: OMAFRA – rural affairs officers

Resources: OFA, Commodity organizations

Section 7 Re-visiting the use of the Agricultural Easement program

BACKGROUND

The 1995, the Niagara Tender Fruit Land program was developed as part of a long and complex process involving many parties representing governments, the Region of Niagara, farmers and farmland preservationists. The goal of the program was to ensure permanent preservation of the tender fruit lands of Niagara through use of easements or restrictive covenants. It was on the verge of implementation when it was stopped by a change of government. The program is still seen by many as the best solution to ensuring the long term preservation of the fruit lands.

The Task Force has consistently voted to support the Easement program. Prior to being endorsed by Regional Council, the Task Force's strategy, which incorporated the recommendation regarding the easement program, was presented to all Niagara municipalities and numerous farm groups and no opposition to reintroduction of the easement program was voiced. Regional Council, in voting to endorse "A Vision from One Voice" and subsequently the seven initiatives presented by the Task Force as the basis for this plan, has consistently supported this recommendation.

The issue of protecting agricultural land is complicated and has been made more complicated by the implementation of the Greenbelt Act. There may be a tendency to assume with the implementation of the greenbelt, that the work of protecting the specialty crop land is done. However as history has shown governments change and rules do change. Given that the tender fruit lands have been identified and are geographically distinct, a unique program, to apply additional protection could be achieved. The 1995 program could provide a good starting point from which to pursue this initiative. The extensive research done by the Region and PALS, for this program both at the time and since, would be a valuable resource. The newly formed Ontario Farmland Trust could also provide research and could be a mechanism for the holding and management of easements.

Other mechanisms for ensuring permanent protection of the land base, including the use of financial tools, investment strategies and tax incentives, have also been proposed. Government policy has long recognized the uniqueness of the tender fruit lands. Implementation of the greenbelt has established the precedence for higher levels of protection, it would be appropriate to continue to explore additional tools such as are used in the Oak Ridges Moraine and the Pickering area to ensure the goal of permanent protection is realized.

There is also the reality that this large protected area in close proximity to the GTA is desirable as the location for rural residences. The nature of agriculture in Niagara is such that the farms parcels are small enough to be viable as large estate lots. Competition for land between agriculture and estate residential use could drive prices up making it difficult for farmers to afford to acquire or rent land, introduce conflicting uses, take land out of production, and result in a fragmented agricultural area. Implementation of an easement program or restrictive covenants could have the dual advantage of providing an extra layer of protection and providing bona fide farmers with revenue to expand their operations.

ACTION

The Task Force should request that the Province set up an Inter-Ministerial Task Force to explore the possibility of the use of an easement program in Niagara as a tool to enhance the long term land preservation in this special part of the greenbelt, specifically in the tender fruitlands.

Task: Request formation of a Task Force with membership from Provincial Ministries, Niagara Region, agricultural groups and preservationists, to explore tools to enhance long term land preservation in the fruit belt.

Lead: Regional Municipality of Niagara Planning Department

Resources: Niagara Planning Department, Preservation of Agricultural Land Society, Ontario Farmland Trust, OMAFRA, Ministry of Finance, Ministry of Municipal Affairs, Niagara municipalities

Section 8 Developing a Niagara Brand for Agricultural Products

Developing a Niagara brand for agricultural products – quality products, quality farms, quality environment for community health

BACKGROUND

Branding is associated with creating recognition and using that recognition to promote consumption and consumer loyalty. Niagara, because of internationally recognized features such as the Falls and the Escarpment, its positioning as a gateway for visitors from the United States, its profile as a wine and tender fruit producing region and its positioning as a major tourist destination, has a strong base upon which to build an agricultural brand and encourage consumption of Niagara products. However there are a number of additional factors related to this program that need to be acknowledged.

The branding program the Task Force envisions is much broader than recognition of Niagara's role as a leading producer of agricultural product. The Task Force's reference to quality products, quality farms, quality environment for community health sums up what is required. A comprehensive program is required that promotes:

- recognition of the breadth of Niagara production;
- the quality of the product;
- the world class status of area farms;
- agriculture as an essential input to tourism;
- the link between eating well and good health;
- the environmental benefits of eating locally; and,
- consumption of Niagara product.

To achieve this, the branding program needs to be comprehensive and coordinated. A bundle of different steps are required to achieve the overall goal.

In structuring a program, there are a number of realities that should be acknowledged.

There are already a number of extremely effective branding initiatives at work in Niagara. It would be neither practical nor appropriate to interfere with the existing branding initiatives of existing organizations. It would also probably not be well received. Any branding initiative must build on and enhance existing programs, not compete with them.

A number of agencies including the Ministries of Agriculture and Tourism, Tender Fruit Board, various commodity groups and the Niagara Economic Development Corporation have branding as part of their mandate. Partnerships between these various agencies should be established to maximize the effectiveness of any branding activities. There is much to be learned from the experience of others, such as the Tender Fruit Board, the Wine Council, Foodland Ontario and other industries who have effective branding programs.

There needs to be an understanding of why branding is being done and what the target audience is. This can influence if, and how, the branding occurs.

What needs to be implemented is a branding program that compliments existing branding programs, addresses areas not currently being served, responds to identified targeted audiences and focuses on the unifying characteristic of being Niagara based. This Niagara branding should fit within provincial or national programs as appropriate. Where there is potential, the regional programs should capitalize on broader programs. Existing branding should be enhanced; there should be nothing additional done that will compete with existing programs or confuse consumers.

ACTIONS

Agri-Tourism

The Culinary Tourism Strategy and Action Plan 2005 – 2015, sponsored by the Ministry of Tourism, establishes a framework for creating a culinary strategy that would incorporate many of the branding initiatives suggested here. The strategy outlined in the Ministry sponsored plan is a provincial strategy, managed by a Committee chaired by the Deputy Minister of Tourism. The Deputy Minister of Agriculture is also a member of the Committee.

Niagara has been identified as one of five regions where a specific program should be established under the umbrella of the provincial strategy. There is a Niagara Regional Culinary Tourism Committee in place but it is just in the initial stages and is currently heavily weighted with representatives from the tourism sector. This program should be supported by the Task Force and there should be ongoing interaction with and participation by the Task Force on this Committee. This is an excellent opportunity to promote coordination between the goals of the agricultural and tourism sectors and to draw on resources from the provincial government to do so. Strong involvement with this initiative could ensure that many of the branding recommendations of the Task Force are achieved.

An integral part of a culinary strategy would be an inventory, promotion and coordination of all local fairs, festivals, farm gate sales operations, farmers markets, “field to fork” arrangements and “pick you own” establishments. A culinary trail which encompasses all aspects of food and agricultural products could be established. Food as an event to be celebrated could be a theme.

Task: Support the implementation of the Culinary Tourism Strategy and Action Plan by participating in the regional committee and promoting coordination with Regional initiatives.

Lead: Ministry of Tourism supported by Niagara appointed representatives to provide a link between the Agricultural Task Force and the Ontario Culinary Tourism Strategy.

Resources: NEDCO, Agricultural Task Force, Commodity representatives

Product Branding

Within the agri-tourism strategy, a Niagara based branding strategy which incorporates a symbol specific to the Region that could be put on all Niagara products could be developed.

Consideration should be given to a symbol, for example incorporating the falls, which have a significant international profile and is already identified with the Region.

This symbol should, to the extent it is practical, appear on all products produced in Niagara, whatever they may be. However in doing this there must be a coordinating function to establish branding criteria and address issues such as quality.

The symbol should be the basis for consistent Niagara signage identifying all contributors to Niagara production.

This symbol should become the single identifying mark denoting a relationship with Niagara. The goal will be for it to have the recognition of a “Nike ✓”. This brand will not compete with or replace existing brands such as VQA or Foodland Ontario, it will be in addition to them to denote a Niagara produced product. This symbol should then be used as part of signage campaign to identify where local product is available.

Task: Establish a specific symbol to denote products “grown in Niagara” and create signage using it.

Lead: The Niagara Economic Development Corporation (NEDCO) as part of the Re-Branding component of “Navigating Our Future: Niagara’s Economic Growth Strategy 2005 – 2010. (NOF)

Resources: Ministry of Agriculture, Food and Rural Affairs, Foodland Ontario, Ministry of Tourism, commodity organizations with successful brands

OMAFRA is currently researching the potential of expanding the Foodland Ontario program to include all agri food products, not just fruit and vegetables. Consumer research was completed this winter and consultation with the industry will occur over the summer. The Ministry of Tourism’s Culinary Strategy parallels many of the initiatives identified by the Task Force. Both programs have potential to compliment a Niagara branding strategy.

Education

In the past, the Niagara Federations of Agriculture had developed a program for the schools to educate students generally about agriculture and specifically about the agriculture conducted in Niagara. This program should be re-instituted by including a component on local agricultural practises in the school curriculum. This should be a province wide initiative to educate Ontario students about agriculture.

Specific farming operations had formed partnerships with various government agencies to incorporate demonstration projects on farms and to provide a venue where students could come and view farming first hand. Program such as these should be re-established. This would have the dual benefit of educating today’s students about farming and introducing them to it as a career option.

A program should be implemented to educate the public about farming. The availability of local produce and the environmental and health benefits of using local product should all be promoted as part of this initiative.

Task: Incorporate an agricultural module in provincial curriculum.

Lead: Ministry of Education, Niagara school boards, OMAFRA

Resources: Niagara Federations of Agriculture, Training Boards, OMAFRA PALS, Ministries, Colleges and Universities

Buy Local Program

Educating the public about the benefits of buying local is a worthy goal but a more obvious initiative is to encourage all government agencies to adopt a policy of buying locally grown product. This would include all levels of government and government funded operations such as hospitals, correctional institutions and schools. The advantages of healthy food choices could be promoted at the institutional level, in hospitals and schools, as part of the program.

Niagara already supports this type of initiative through events such as Niagara Day at Queen's Park and by implementing a buy local policy. The province should be requested to strongly support a "buy local" policy at the provincial level and to encourage government funded agencies to do the same. To set an example and act as a leader, the Region should adopt a "buy local" product for all events and activities where agriculture products are served.

In response to the government's consideration of expanding the Foodland Ontario program to include all agri food products, background research is currently being done by OMAFRA on the feasibility of implementing different programs to encourage consumption of Ontario produce. Niagara may wish to tap into this process.

The rising awareness of the health benefits of eating fresh, and sensitivity to the environmental benefits of eating locally should be used to encourage consumers to buy local. Use of local produce with the related expectation that it will be readily available in grocery stores should be promoted.

Task: Promote a "buy local" program specifically for the Region, government agencies and generally for the public.

Lead: Region of Niagara

Resources: Ontario Ministry of Agriculture Food and Rural Affairs (OMAFRA), Ministry of Government Services, PALS

Implementation Strategy

The Niagara Economic Development Corporation (NEDCO) should assume responsibility for coordinating this branding initiative and reporting to the Task Force on implementation. This is consistent with the "Re-brand Niagara" goal incorporated in NEDCO's Navigating our Future Niagara Economic Growth Strategy 2005 –2015.

NEDCO can assume the lead by developing a branding program which includes establishing a symbol for Niagara and a branding program to apply to all Niagara products. In assuming this responsibility NEDCO should coordinate with existing programs, such as the Provincial Culinary Strategy, to ensure consistency and support. This program should not interfere with existing programs that are developed on a different platform.

The commitment in the Provincial Throne Speech to research the viability of expanding the Foodland Ontario program to include all agri food products, not just fruit and vegetables as is the case with their current mandate provides an opportunity. This opportunity should be seized and Foodland Ontario should be tapped as a resource for implementing this branding initiative.

Over the past several years NEDCO has produced an inventory of greenhouse operations in the province. This could be used as the model to create an inventory of Niagara agricultural products and provide a guide and linkage between producers and consumers.

As part of the re-branding initiative in their strategic plan, NEDCO identified increasing the profile of Niagara business leaders as a goal. Within Niagara, there are many members of the agricultural community who are major players in provincial agricultural organizations. NEDCO should combine implementation of the goal in their strategic plan with promotion of Niagara agriculture by working with these leaders to promote Niagara agricultural product.

Niagara and the Task Force specifically should support the Ministry of Tourism's "Culinary Tourism in Ontario - Strategy and Action Plan 2005 – 2015". The Task Force should participate on the Regional Committee that has been created specifically for Niagara under this initiative. There are numerous culinary initiatives in Niagara; the key will be to coordinate them. The Task Force should seek representation in this process so they can ensure that linkages to the agricultural linkages sector are being addressed. Members of the agricultural community should be appointed to the coordinating committee.

The Ministry of Education should be requested to incorporate an agricultural unit in the provincial curriculum. This should be supported with funding and delivered through cooperative programs between the Niagara Regional School Board and either the Niagara Federation of Agriculture or interested individual farmers.

For the general public education program it may be appropriate to request funding from the Greenbelt Foundation for programs encouraging consumption of local products grown in the Greenbelt as its goal. In the past PALS has implemented programs to address this. It may be appropriate for them to assume the lead on this with the Task Force supporting a request for funding.

The Provincial government should be asked to implement a clearly articulated policy of buying Ontario agricultural product first. The Ministry of Government Services has the mandate to manage procurement for the government and has its Task Force "Doing Business with the Ontario Government"

COMMENTS

For all of the components of the initiatives outlined above there is an existing model, proposal, proposal or an agency that has expressed intent to take action. What is needed is a coordinated approach to access resources, lobby for support and ensure that programs are mutually supportive not competitive or operating in isolation. The resources are there, it is often a case of agencies operating in isolation without being aware of similar programs and the benefits that could be realized from working together. The focus for the Task Force should be to work with available resources and channel them to achieve their goals.



Section 9 Conclusion

ACCOUNTABILITY

In developing this plan, responsibility for various tasks has been assigned where it deemed appropriate. The Task Force recognizes that it too has a continuing role to play. If this plan is to be successfully implemented, its progress will need to be monitored and the partners will need to be convinced, cajoled and encouraged. The members are willing to assume this responsibility to ensure the plan achieves its ultimate goal, to support the ongoing profitability of agriculture in Niagara.



Summary of Recommended Actions

	Task	Lead	Resources
1.	Establish an independent innovation centre at Vineland Station focused on promoting and coordinating research and development that support the greenbelt and the prosperity of the agricultural sector in Niagara.	OMAFRA	The Region of Niagara, The Ontario Greenhouse Alliance (TOGA), Flowers Canada (Ontario), the Tender Fruit Board, Grape Growers, The Wine Council, Niagara Federations of Agriculture, Universities of Brock & Guelph, Niagara College, Niagara Economic Development Corporation (NEDCO).
2.	Encourage government agencies to work together to integrate and streamline processes and recognize the cumulative impact of unrelated legislation on operators.	OMAFRA	OFA
3.	Create funding mechanisms to support rehabilitation of, reinvestment in or expansion of agricultural operations.	OMAFRA, Agricultural Adaptation Council	NEDCO, FedNor, Community Futures
4.	Request that the province assume the cost of the farm tax rebate program for all bona fide agricultural operations in the greenbelt.	Region of Niagara, Town of Lincoln	Greenbelt municipalities OMAFRA, Ministry of Municipal Affairs
5.	Request the province to establish a Task Force to address the farm related tax issues.	Region of Niagara Partners: Ontario Federation of Agriculture, Christian Farmers	OMAFRA, Ministry of Municipal Affairs (MMA), Ministry of Finance
6.	Request the province to implement a tax rebate program for environmental stewardship on agricultural properties.	Region of Niagara Partners: Ontario Federation of Agriculture, Christian Farmers	OMAFRA, Ministry of Natural Resources, Ministry of Finance
7.	Foster cooperation between agricultural groups.	Niagara Agricultural Task Force	OFA, Christian Farmers, GTA Agricultural Action Committee, Hamilton Agricultural Advisory Committee

	Task	Lead	Resources
8.	Support the Regional “Raw Water for Agricultural Irrigation Study”.	Task Force Members	Niagara Planning Department, Project Technical Advisory Committee
9.	Implement development permitting for farm related, value added activities	Niagara Planning Department	Niagara Escarpment Commission, Ministry of Municipal Affairs, Niagara municipalities
10.	Create a specific agricultural economic development function at the Region and where appropriate, at the municipal level.	NEDCO	OMAFRA rural affairs officers, Niagara municipalities, Community Futures, FedNor
11.	Evaluate need for independent inspection services.	OMAFRA – rural affairs officers	OFA, Commodity organizations
12.	Request formation of an Inter–Ministerial Taskforce to explore tools to enhance long term land preservation in the tender fruit belt.	Regional Municipality of Niagara	Niagara Planning Department, Preservation of Agricultural Land Society, Ontario Farmland Trust, OMAFRA, Ministry of Finance, MMA, Niagara municipalities
13.	Promote a “buy local” program specifically for government agencies and generally for the public.	Region of Niagara	Ontario Ministry of Agriculture Food and Rural Affairs (OMAFRA), Ministry of Government Services, PALS
14.	Incorporate an agricultural module in the Provincial curriculum.	Ministry of Education and Niagara school boards	Niagara Federations of Agriculture, Training Boards
15.	Support the implementation of the Culinary Tourism Strategy and Action Plan by participating in the regional committee and promoting coordination with Regional initiatives.	Ministry of Tourism supported by a Niagara appointed representative to provide a link between the Agricultural Task Force and the Ontario Culinary Tourism Strategy	NEDCO, Task Force, Commodity representatives
16.	Establish a specific symbol to denote products “grown in Niagara” and create signage using it.	The Niagara Economic Development Corporation (NEDCO) as part of the Re-Branding component of “Navigating Our Future: Niagara’s Economic Growth Strategy 2005 –2010. (NOF)	Ministry of Agriculture, Food and Rural Affairs, Foodland Ontario, Ministry of Tourism, commodity organizations with successful brands



PLANSCAPE

BUILDING COMMUNITY THROUGH PLANNING

