



Long-Term Thinking
for Today's Issues

The CFFO Newsletter

*Published for members and friends of the
Christian Farmers Federation of Ontario*

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CFFO Seminar Series --- Farmers looking closer to home

By Bill Van Geest

Ontario farmers have heard the rhetoric of globalization for many years. They've been told to "get larger, market globally, or get out." Trade deals have dictated the inevitable elimination of all barriers to international trade with more than one expert informing farmers that they need to be prepared to take on the world.

This message hasn't fallen on deaf ears. Ontario farmers have adapted, often unwillingly. Farms have become bigger, more production is exported and many farmers have hung up their coveralls. But what the preachers of global agriculture didn't let on is that not many farmers would benefit from this change. Even most of those who got bigger wouldn't. The long term downward trend of major commodity prices has accelerated and many commodities are in over supply.

The rhetoric and practice of globalization is unsettling because it violates many farmers' views of their vocations. Size does matter: bigger is not always better. New technologies and greater efficiencies don't always produce better returns. Many believe that the consolidation of input suppliers, food processors and retailers have made them servants of large faceless corporations. Farmers have watched as their local communities crumble, including the disappearance of the local implement dealer and feed mill.

Since 1995, the CFFO has held facilitated workshops for farmers across Ontario. In this year's sessions, amid the accumulated pessimism and gloom of the farm economy, we saw signs of change, perhaps some rays of hope. Farmers saw a way of taking back lost market clout and even began balking at the experts preaching globalization.

Participants were presented with a series of solutions from four major reports dealing with the current crisis in agriculture. After discussion, they voted on their preferred solutions to the crisis. Of the 15 solutions offered to the loss of farmers' market clout, trade and export issues were dead last. Farmers' comments showed that they were no longer accepting the rhetoric of global markets. Much higher on the list were options that strengthen their relationship with the local and regional marketplace: with consumers, processors and retailers.

Time will tell if this is the beginning of a major trend in Ontario agriculture or only an expression of frustration with the current state of affairs. But it does show that not all Ontario farmers are buying the globalization rhetoric being marketed to them.

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Bill Van Geest conducted seminars earlier this year on behalf of the Christian Farmers Federation of Ontario. A report on the seminar series will be issued in the coming months.

Providing Advice to the Minister

CFFO President John Kikkert has been named to a committee providing advice to Ontario's Minister of Agriculture, Food and Rural Affairs, Leona Dombrowsky.

Kikkert is part of a 16-member committee drawn from a broad cross-section of the agri-food industry. It will advise Minister Dombrowsky on how to best implement an industry vision and strategic directions that came out of the Premier's Summit on Agri-Food, held in February, 2006.

The following are areas for which input from the committee will be sought:

- An Outlook Conference, scheduled for November 8-9, 2006. This will be a forum for agriculture and food industry leaders, government officials, researchers and international presenters to discuss the recent performance and mid-to-long-term prospects for this sector. The focus of the conference will be innovation.
- A strategy to better market organic and niche products.
- Methods for speeding up the development of bioproducts and bringing them to market.
- A status report on how the industry is progressing, for presentation at the 2007 Premier's Summit on Agri-Food.

Clean Water Act needs to be refocused - by Glen Duff

The Ontario government has chosen to assure its citizens that drinking water in this province is safe. It has done so through a sweeping piece of legislation called the Clean Water Act. Although laudable in its goals, the legislation will have a negative impact on farmers due to increased regulation, added costs to farm operations and little chance for farmer participation in the decision-making process.

There is a better way --- a far better way.

Rather than choose increased regulation, the CFFO believes the best way to fix things is through treating farmers as equal partners. Farmers have persistently demonstrated that they are more than willing to develop on-farm solutions to societal concerns when approached in a spirit of partnership from government.

The efforts of the Ontario Farm Environmental Coalition in developing Environmental Farm Plans are a shining example of how farmers have voluntarily disciplined themselves to reduce any negative impact on the environment. Governments have come alongside this farmer-led approach and worked cooperatively with both funding and expertise. The CFFO believes this approach shows much more respect to farmers and will create much greater success than can be achieved through the proposed legislation and cost-shifting by government to farmers and rural landowners.

Farmers and rural residents can't be blamed for their frustration with heavy-handed government regulation. The CFFO believes that farmers need a new deal from government, one based on respect and a willingness to work together in partnerships that stress on-farm solutions.

The Ontario government needs to scrap the Clean Water Act and go back to the drawing board. It needs to focus instead on introducing legislation that focuses on a more effective and less costly partnership with farmers. Expanding and enhancing the Environmental Farm Plan is a good place to focus renewed effort and attention.

Glen Duff is a sheep farmer and member of the Executive Board of the Christian Farmers Federation of Ontario.



Small Scale Chicken Flocks

Representatives from the Christian Farmers Federation of Ontario, the Ecological Farmers Association of Ontario and the National Farmers Union Ontario recently met with the Chicken Farmers of Ontario to discuss the issue of small-scale, non quota chicken production.

The CFFO's observation is that the small flock issue has been festering for some time and refuses to go away. As a result, the CFFO developed a proposal to address the issue. Over time, the CFFO entered discussions with EFAO and NFUO representatives and a joint position statement was developed and circulated to the Chicken Farmers of Ontario. A summer meeting took place between representatives of all the groups to discuss the details of the proposal.

The following is some of the text from the joint proposal. It illustrates the main principles involved in addressing the issue of small-scale, non quota chicken production:

How the Marketing Exemption Would Work

Our respective organizations have agreed that a "farmer direct to consumer marketing exemption" would be based on the following conditions:

1. **Level of Exemption** – The maximum number of birds allowed per year would be 500.

Rationale: The Exemption level being requested has been reduced to a maximum of 500 birds per year. This reduction is in response to concerns from CFO that the 2000 birds per year allowed in Alberta may not be appropriate for Ontario. The 500 birds per year figure was arrived at in consultations with CFFO, EFAO, and NFUO. We are using birds per year, rather than kilograms of production, believing it is the simplest method to administer non quota production among small flock producers unfamiliar with the quota system.

2. **Licensing Fee** – Producers would pay CFO a reasonable licensing fee. This would be on a cost recovery basis for CFO to administer the program as well as any agreed upon HACCP program.

Rationale: This fee would be in place so that mainstream quota holders who are currently CFO members would not be paying costs incurred by CFO for non quota holders. The fee would have to be set at a reasonable level so as not to overburden small flock producers with extra expense. The fee will cover administration costs as well as HACCP related costs. The fee should be set on a per farm basis, rather than a per bird basis.

3. **Terms of Exemption** – Chickens must be sold directly to consumers from the farm gate or a Farmers Market. Chickens sold at a farmers market must be sold by the same farm that raised the chickens. All chickens must be legally processed at licensed facilities.

Rationale: Chickens must be sold directly to consumers from the farm gate or a Farmers Market. Chickens would mostly be produced in a manner that differentiates them from mainstream production. This may be certified organic production, but may also include other niches such as antibiotic free, free range, small scale, etc. Chickens sold at a farmers market must be raised by the vendor. These farmers are requesting an exemption from purchasing quota because they will be producing less than 500 chickens per year. Their financial and energy investment, in terms of processing and marketing, would be considerably higher than for farmers who market mainstream broiler production through the typical CFO avenues.

4. **Enforcement of Exemption** – Small lot chick sales would be registered at the time of purchase and recorded to specific farm locations. This information would be recorded in a database, with locations over the 500 bird per year limit immediately red flagged and followed up on. CFO would deal with persons violating the maximum exemption level in a similar manner to producers who marketed chicken prior to an exemption being in place. First offences should entail less severe punishment, with repeat offences being much more severe.

Rationale: CFO would enforce the exemption in a manner similar to the way they enforce the total ban currently. The cost to CFO for enforcement would be negligible when compared to the

current costs of enforcing a total ban on farmer direct to consumer marketing. This exemption proposal would bring into compliance the vast majority of producers who are currently violating the regulation and would reduce the costs that CFO has carried in enforcing the regulation.

5. **Small Flock Committee** – CFO would form a “Small Flock Committee” to help deal with further issues around the exemption as they arise. The Small Flock Committee would be comprised of at least one representative from the CFO board of directors and four members representing small flock owners. The four members could be sourced; one from NFUO, one from EFAO, one from CFFO and one member at large. The Small Flock Committee would provide input and recommendations to monitor the effects (if any) of the exemption on regulated production. The Committee would also provide input and recommendations on any other matters pertaining to small flocks and the Farmer Direct to Consumer Marketing Exemption. These matters would include on-farm HACCP type programs concerned with both flock health and food safety matters.









Rationale: The idea to form a Small Flock Committee was born out of concerns from CFO raised around monitoring the effectiveness of a Farmer Direct to Consumer Marketing Exemption, as well as to monitor the effects of the exemption on mainstream producers and small quota holders who are currently operating within the supply managed system in Ontario. This Committee would help CFO by providing input and recommendations on all matters that could potentially pertain to small flocks. This would presumably be a big help to CFO in its decision-making processes so that small flock owners’ interests are represented. We expect that the creation of a Small Flock Committee for dialogue between CFO and small producers would help to avoid the kinds of confrontations that have taken place over the past winter. This would improve the public relations image of both CFO and small producers. This committee would help to educate small flock producers about on farm food safety and flock health issues.

The CFFO emphasized to the Chicken Farmers of Ontario its stalwart support for supply management and the protection it provides family farmers. The Federation also pointed out that it believes this production would be outside of Ontario’s allocation from Chicken Farmers of Canada and that it would in no way undermine regular chicken production in Ontario.

For a copy of the entire presentation, contact the CFFO office.

Federation Business



-  President John Kikkert, Pork Committee Chair Paul Bootsma and General Manager John Clement, met with Ontario Pork recently to discuss future opportunities in the pork sector.
-  Past President Bob Bedgood made a presentation to the CFFO Executive Board on opportunities and funding available from the Agricultural Management Institute.
-  Both Executive Board and Provincial Council received reports on the findings from the 2006 CFFO Seminar Series. A written report will be available in the coming months.
-  Provincial Council endorsed two motions on Farm Business Registration. One motion endorsed an Executive Board initiative to obtain an increase to the FBR fee. The other motion recommended a motion be forwarded to the Annual Convention seeking additional support for seeking an FBR fee increase.
-  Provincial Council reviewed the CFFO’s audited financial statement for 2005 and recommended that it be forwarded to the Annual Convention for discussion and voting.
-  Provincial Council endorsed a motion calling for the CFFO to add its signature to a Joint Declaration on World Trade Organization Negotiations.
-  Provincial Council endorsed a new position statement on “Creating Public Assurance on Nutrient Management.”
-  Heather Wright, of Petrolia, has been appointed by the General Manager as a District Communications Coordinator for CFFO districts in southwestern Ontario.

District News



Chatham-Kent

Earlier this summer, more than 60 CFFO members and friends enjoyed an evening of fun and fellowship in Ferguson Park, Thamesville. Also in attendance were local government officials and representatives from other farm organizations. The event was a fund-raiser for the Chatham-Kent Scholarship Fund.

Dufferin-Wellington

Dian & Gredina Merkens hosted this year's local summer social on their dairy farm just north of Grand Valley. Lisa Boonstoppel-Pot and husband "Farmer Freddie" provided the evening's entertainment. The social featured a potluck meal and an informative tour of the Merkins' state-of-the-art dairy operation.

East Central

John & Evelyn Brinkman's farm near Grafton hosted this year's annual summer social for the 'eastern region' of the District. The event featured a potluck dinner with a wide variety of dishes. The date for the (now traditional) second annual summer picnic for the 'western region' has been set for Saturday, August 12, at Stephen & Carol Kelly's farm near Little Britain.

Elgin

The local board is inviting all CFFO quota holders and interested parties to a "Round Table" discussion of a draft document the organization has prepared on supply management. It has been referred to the CFFO district associations from Provincial Council. Henry Stevens, CFFO Vice-President & Chairman of the CFFO Supply Management Committee, will explain the CFFO's proposal on transferring of quota.

Essex

The location for this year's annual Essex CFA summer social will be the Sanson Estate Winery, south of McGregor. The winery's gourmet chef will be serving the meal. If you happen to be visiting the area and would like to attend, call President John Barnett for a reservation.

Grey-Bruce

The local summer BBQ for the Grey-Bruce CFA is scheduled to be held at the family farm of Jim & Ruth Martin, near Chatsworth.

Oxford

More than 80 CFFO members and their families had a great evening of fellowship over professionally barbequed hamburgers and sausage-on-a-bun at the family dairy farm of Clarence and Wendy Markus, near Woodstock, earlier this summer. A huge sandbox easily accommodated a large number of toddlers, while the older ones found their own entertainment elsewhere in the yard.

Quinte

The annual summer picnic will be held at the family dairy farm of Don & Greta Prins just outside of Wooler. Weather permitting, their swimming pool will be available, along with a potluck meal.

Renfrew-Lanark

Earlier this summer, nearly 80 local members, families and friends spent an enjoyable evening of socializing over tasty barbequed meats, served by hosts Ken & Hennie Clemmer. The beautifully landscaped yard on their family dairy farm provided the setting for this event. In addition, there was a generous variety of favourite dishes brought in from many Renfrew CFFO farm family kitchens. Pastor James & Janet Wall and Keith Eady provided special, inspirational entertainment for the evening.

Simcoe County

Rounds Ranch, owned and operated by Ken, Geraldine and daughter Carla Rounds from Elmvale near Wasaga Beach, hosted this year's successful annual picnic. In addition to Simcoe County's very best of cuisine, prepared and served by local board members, Carla demonstrated horse riding. The younger set enjoyed swings, pedal carts and a petting zoo.

Wellington

The annual local summer get-together took place

earlier this summer at Sietse and Tienke De Boer's family farm near Arthur. Well over 70 members and friends had a relaxing evening and dined on a fine variety of favourite potluck dishes. The trampoline proved a big hit with the younger set. Special guests for the evening included local MP Gary Schellenberger and his wife Judy. There was a door prize for the person who correctly guessed hay as the most commonly grown crop in Wellington County – over 9,600 acres.

SIGNING ON

The CFFO adds its voice to an international declaration on agricultural trade.

At its most recent meeting of delegates from across the province, the Christian Farmers Federation of Ontario endorsed adding the organization's name to a joint declaration on agricultural trade. The declaration, penned late last year, has been endorsed by farm groups in several countries and outlines preferred basic principles and approaches for trade.

Here is some of the text of the joint declaration:

The voice of the majority of countries in WTO is not being heard.

We, the undersigned, representing farmers in developing and developed countries, share strong concerns about the negotiations in the current world talks on trade in Hong Kong. Less than 10 per cent of agricultural production is actually traded on the world market and any expansion in this trade will benefit only a few countries. The concerns of countries whose main objective is to expand their exports must not be allowed to take precedence over the wider concerns about agriculture expressed in the positions of the majority of countries in WTO - G33, ACP countries, India, G10, United States, Canada and European Union. Free trade will, first and foremost, benefit large-scale corporate farming and multi-national traders in developed and advanced developing countries rather than the poorer developing countries. Developing countries with a

vulnerable and defenseless agricultural sector, in a market frequently manipulated and dominated by a few trading entities must be able to take account of their rural development, food security and/or livelihood security needs. It should be reminded that the Doha Round is a "development round" and is not a "market access round." Access to resources such as land, seeds, water, technology and credit is a priority for developing countries. Free trade will make it impossible for farmers to meet their society's legitimate expectations concerning food security and safety as well as environmental, animal welfare and rural issues. All countries must be able to ensure their food sovereignty. Structural adjustments imposed on developing countries by the World Bank and the IMF have further reduced agricultural services while re-orienting agriculture towards exports and forced governments to reduce their tariffs. This situation must also be taken into account in the Doha Round. We believe that every country has a right to ensure that the concerns of its own citizens about food and agriculture, which extend far beyond purely commercial considerations, are met. Agricultural trade rules must reflect this in a way which is fair and equitable for every WTO member.

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2006

UPCOMING MEETINGS

PORK COMMITTEE	SEPT 22 - Woodstock
S & P WEST	SEPT - GUELPH
S & P EAST	SEPT - NAPANEE
CANADA'S OUTDOOR FARM SHOW	SEPT 12-14 - Woodstock
INTERNATIONAL PLOWING MATCH	SEPT 19-23 - PETERBOROUGH
SHEEP COMMITTEE	SEPT - GUELPH
PROVINCIAL COUNCIL	OCT 18 - GUELPH
ANNUAL CONVENTION	NOV 10 - GUELPH

Auditor's Report

January 25, 2006

To the Directors of
Christian Farmers Federation of Ontario
(Federation des Agriculteurs Chretiens de l'Ontario)

I have audited the balance sheet of Christian Farmers Federation of Ontario (Federation des Agriculteurs Chretiens de l'Ontario) as at December 31, 2005 and the statements of revenues and expenses, changes in net assets and cash flows for the year then ended. These financial statements are the responsibility of the organization's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In my opinion, these financial statements present fairly, in all material respects, the financial position of the organization as at December 31, 2005 and the results of its operations and cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.



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CHRISTIAN FARMERS FEDERATION OF ONTARIO (FEDERATION DES AGRICULTEURS CHRETIENS DE L'ONTARIO)
BALANCE SHEET ~ DECEMBER 31, 2005

ASSETS		
CURRENT ASSETS	<u>2005</u>	<u>2004</u>
Cash	\$84,062	\$92,480
Accounts receivable	4,238	4,891
Prepaid expenses	<u>4,727</u>	<u>5,163</u>
	93,0274	102,534
CAPITAL ASSETS	<u>4,837</u>	<u>7,353</u>
	<u>\$ 97,864</u>	<u>\$ 109,887</u>
LIABILITIES		
CURRENT LIABILITIES		
Accounts payable and accrued liabilities	9,608	5,952
Deferred Revenue	<u>1,400</u>	<u>-</u>
	11,008	5,952
NET ASSETS		
Invested in capital assets	4,836	7,353
Unrestricted (available for general purposes)	<u>82,020</u>	<u>96,582</u>
	<u>86,856</u>	<u>103,935</u>
	<u>\$97,864</u>	<u>\$ 109,887</u>

STATEMENT OF OPERATIONS FOR THE YEAR ENDED DECEMBER 31, 2005

	<u>2005</u>	<u>2004</u>
REVENUES		
Farm organization funding fees	\$745,800	\$766,050
Less: refunds	<u>(119,285)</u>	<u>(130,185)</u>
Net farm organization funding fees	626,515	635,865
Membership fees - other	7,800	7,034
Annual convention	19,985	20,773
Interest income and other	<u>7,898</u>	<u>6,400</u>
TOTAL REVENUES	662,198	670,072
EXPENSES		
ADMINISTRATIVE		
Amortization	6,846	8,758
Bank charges and interest	1,110	1,020
Equipment repairs and maintenance	6,254	7,215
Insurance	2,352	2,278
Farm business registration administration fees	44,251	45,452
Office and printing supplies	12,022	8,622
Postage and courier	15,290	12,456
Professional and consulting fees	3,752	3,775
Rent	34,080	34,080
Salaries and benefits	257,473	255,263
Staff travel and expenses	12,326	10,951
Telephone	<u>10,195</u>	<u>10,694</u>
	405,951	400,564
PROVINCIAL ACTIVITIES		
Annual convention	16,765	20,486
Board and Committee expenses	48,922	43,843
Farm community activities	17,903	19,161
Farm media/newsletter	10,670	10,458
Promotion and advertising	<u>9,495</u>	<u>11,137</u>
	103,755	105,085
CONTRIBUTIONS TO DISTRICT ASSOCIATIONS		
Meeting and travel expenses	55,772	49,288
Newsletter	12,713	14,019
Projects	13,322	14,897
Salaries and benefits	<u>87,764</u>	<u>85,611</u>
	<u>169,571</u>	<u>163,815</u>
TOTAL EXPENSES	<u>679,277</u>	<u>669,464</u>
EXCESS OF REVENUES OVER EXPENSES	<u>\$ (17,079)</u>	<u>\$ 608</u>

~Convention 2006~

Christian Farmers Federation of Ontario

Friday, November 10, 2006
Holiday Inn ~ Guelph

At this year's convention we'll be looking at similarities, differences, challenges and opportunities facing both production-based farms and those farms specializing in products for particular markets. In addition, you will be both challenged and entertained by this year's banquet speaker, Dr. Tony Campolo. Campolo has had a varied career in the pastorate, in academia, as an author and as a commentator in a variety of media.

Mark your calendar for Friday, November 10, 2006 (D.V.) and plan to attend the CFFO Annual Convention at the Holiday Inn, Guelph. Further details will be posted on the CFFO Website and circulated to members as they are developed.



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RETURN UNDELIVERABLE CANADIAN ADDRESSES TO

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