



Long-Term Thinking
for Today's Issues

The CFFO Newsletter

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

Volume 5, No. 2
May 2007

District Association Success Stories

The leadership of the Christian Farmers Federation of Ontario has put a good deal of effort over the past year into encouraging its district associations to become more active and creative.

That encouragement seems to be paying off. District associations have responded by becoming more involved in local policy initiatives, hosting bolder information meetings and paying more attention to the policy work of the provincial Federation.

In this issue, we highlight some of the activities of our CFFO district associations. We believe that healthy district associations will help better serve our members, further the policy work of the CFFO and add new members. The following is sampling of some of the success stories seen over the past few months.

Wellington Invites Raw Milk Producer

When the Wellington Christian Farmers Association puts together a public information meeting, people tend to pay attention. The most recent event brought Michael Schmidt, the controversial producer and distributor of raw milk from the Durham area, to the Wellington meeting. He shared his views about the regulations leading to the charges brought against him and his personal conviction that consumers should have the option of buying raw milk. As President Henry Stevens outlined at the beginning of the meeting, it was not meant to be a forum to discuss the court case or "a board bashing session," and the more than 100 people who attended fully respected this and made sure the discussion stayed focused. The event received extensive media coverage and many compliments from members and non-members alike who appreciated having the chance to hear Schmidt's point of view, regardless of their own opinion on the subject.

Grey-Bruce Contributes To Local Land Use Debate

The Grey-Bruce Christian Farmers Association recently developed its own policy in response to a Bruce County proposal to allow 50-acre lots in an agriculturally zoned area. The district had been invited to provide input into the decision, and proceeded to host a mini policy session, inviting a number of members and non-members directly affected by the policy change. This policy session took place in the evening and consisted of a facilitated session led by Gerald Poechman, CFFO Vice-President.

Participants discussed the potential benefits of the proposed 50-acre lots, such as increased opportunities for young farmers to get started with less capital, opportunities for existing farmers to sell off 50 acres of their less productive land, better chances for smaller producers to rent smaller acreage, and making smaller parcels available for the Mennonite and Amish communities. But the debate quickly turned to arguments against the proposal. Potential negative impacts were grouped in two categories: urbanization and impacts on agricultural practices. Possibly the

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biggest concern was that 50-acre lots could quickly be bought up by non-farming residents and turned into large estates. This scenario would mean higher land prices, thereby disadvantaging young farmers. More non-farmers in the area would further decrease the clout of farmers. The possibility of more commuters moving into the area led to more questions than answers: would the increase in collected tax revenues be enough to offset the increased costs to the community for road maintenance, waste management, medical care and other costs? Normal agricultural practices are seen as vulnerable and moving more urban residents into an agricultural area was seen by participants as a recipe for more conflict. In addition, more productive land will be taken out of production due to setbacks. Productive farm units would also experience more difficulties related to expansion or intensification due to additional lot lines and MDS limitations. By the end of the meeting, this group of farmers was unanimous in its decision to recommend that the proposed amendment not be approved. This recommendation, including background information, was later presented to the local Council by the Grey-Bruce district's leadership.

Thunder Bay Foodgrains Bank Project

A successful growing project in the Thunder Bay area brought a number of young people from the church out to help clean up 50 acres of recently cleared land. Randy Cramer donated the 50 acres as part of a Foodgrains Project initiative. In total, about 25 volunteers helped with the clean up, disking, seeding and other chores involved in taking on a project of this size. In the end, six combines were involved in the harvesting. The project grew about a ton of barley per acre; some of which has been sold and some is still in storage. It's projected that the Foodgrains Bank will receive approximately \$6,000 from this project. Currently, the search is on for another growing site of approximately the same size to continue the task of helping the less fortunate.

Haldimand-Norfolk


Landowners and farmers in this area have formed a coalition to deal with taxation issues related to private gas wells. Private wells that are used for farm purposes by the owner are under threat of being taxed at a higher rate and of being included in additional regulations. The Gas Well Coalition, including representation from the Haldimand-Norfolk Christian Farmers, has come up with a number of recommendations, based on the notion that private natural gas wells are a valuable asset to rural Ontario. The recommendations range from documenting everything (including dates, inspectors, conversations, orders, etc.) to contacting your MPP, the Ombudsman of Ontario, your local GFO representative and the Minister, as well as considering investing in legal advice.


Oxford's Leadership Contributes To CFFO Discussions


Oxford's district association is notable for its attention to detail in carrying out its business. Oxford is well-known by the various committees for its consistent attendance and well thought out responses to policy issues. According to John Markus, President of the Oxford Christian Farmers Association, it isn't hard to be an active contributor to the policy development that takes place at the CFFO. Before every Provincial Council meeting and if needed before Stewardship and Policy West meetings as well, the local president calls a meeting to discuss the issues that are on the agenda and the board members talk about the Oxford response. The board member(s) who agree to attend the meeting then bring that response to the table at the meeting. It's a simple approach, but it yields great results for the district association and the larger Federation.


Federation Business





 CFFO President John Kikkert has been actively involved on the Minister's Strategic Advisory Committee. The committee recently made a series of recommendations to the Minister and Premier. The recommendations dealt with the bioeconomy, organic and niche markets, branding Ontario foods, food safety regulations and a "Buy Ontario" procurement policy.


 A number of commodity and farm organization annual meetings have been attended by Executive Board members, including meetings for turkey, chicken, pork, egg and coalition groups.


 President John Kikkert and Vice President Henry Stevens recently met with the Deputy Minister of Agriculture and Agri-Food Canada. The CFFO delegation discussed commitments needed to keep Ontario agriculture strong, farm income, environmental stewardship and trade concerns.

 Leaders from the CFFO met earlier this year with leaders from the OFA to discuss areas of mutual concern.

 President John Kikkert made a presentation to Susan Klein-Swormink for her tireless work on behalf of the Farm Line. The Farm Line is a call centre for farmers requiring various forms of assistance.

 The CFFO's Supply Management Committee drafted a letter to Dairy Farmers of Ontario regarding new dairy assessments. Executive Board reviewed the letter and endorsed sending it to DFO.

 The CFFO sent an official response to the federal government expressing our concerns regarding the second generation discussions on the Agricultural Policy Framework.

 The audited financial statement for 2006 has been examined and endorsed by the Executive Board. After circulating it to Provincial Council for review, the statement will be presented at this year's annual Convention for review and endorsement.

CFFO's Top 5

The Christian Farmers Federation of Ontario has identified five areas of concern and emphasis that it is using in discussions with federal and provincial politicians and public servants. Here is a listing of priorities from the Christian Farmers Federation of Ontario.

1. **Commitments needed to maintain and develop Ontario agriculture.** The CFFO has committed itself to long-term thinking on the commitments government needs to make in order to create and maintain a prosperous agriculture that contributes to the health of the province's citizens. We have documented many of those commitments in "*Closer to the Heart: A CFFO Vision for Farming.*"
2. **Farm Income.** Supply Management has been a success story for Ontario farmers and we believe that the system should be maintained and protected. It has provided long-term predictability for farmers and industry, while also granting a steady income stream not requiring periodic government financial aid. For those commodities outside Supply Management, it is imperative that well-designed safety net programs be built and maintained. Finally, we believe that there is a role for management training for farmers, in order to ensure that each farmer strives to perform better at managing income, debt and marketing.
3. **An equal place for farmers in the food chain.** We believe the long-term answer to farm income problems is partly structural in nature. For example, farmers are increasingly choosing or being pushed into supply chain arrangements. These arrangements have the potential for delivering adequate financial returns for farmers --- but only if the arrangements are structured in such a way that farmers are equal partners. We welcome adjustments to Ontario's farm product marketing legislation that allows the many benefits of this legislation to be applied within supply chain arrangements.
4. **Environmental Stewardship.** Protection of prime farmland and wildlife habitat are both important parts of environmental stewardship. The CFFO

sees governments becoming more vigilant in their protection of farmland. In regard to wildlife habitat protection, the members of the CFFO have agreed that the province should consider establishing a fund to pay for environmental services. The CFFO believes that the best way for farmers and government to achieve greater environmental benefits from farmland is to adopt a model known as Alternative Land Use Services (ALUS). The model is based on farmers voluntarily creating a stewardship plan that is designed to both conserve environmentally sensitive areas and to deliver increased capacity for cleaner water and air, wildlife habitat and an attractive rural environment. A monetary value is established for the delivery of specific environmental goods and services that provide public benefits to society from private land.

5. **Trade Concerns.** Last year, CFFO members adopted a position statement on World Trade Negotiations that emphasizes fairness in trade, sustainability, a bottom-line on which trade-offs are acceptable and unacceptable, support for maintaining supply management and the creation of fairer opportunities for grain and red meat producers. Canadian agriculture has not been a significant cause of the distortions that exist in the international market for farm products. Many of our policies are in response to the trade distortions created by the policies and programs in other countries.

District News



Chatham-Kent

About 40 people attended the Chatham-Kent Annual Meeting and Banquet in March, including MPs Dave Van Kesteren and Bev Shipley. Guest speaker Earl Morwood, representing the Ontario Groundwater Association, spoke on Bill 43 and the implications for farmers and rural residents. Jacques Tetreault and Doug Doumas were both re-elected to the local board. The board has been actively involved in clean water issues, with several board members attending information sessions put on by the local conservation authority regarding Source Water Protection. The board is also continuing its co-operation with the local Federation of

Agriculture and National Farmer's Union through the Chatham-Kent United Farm Voice (CKUFV). The CKUFV has held two meetings with the municipality regarding local issues. They are most pleased to see a common forum to present issues and receive feedback.

East-Central

On the evening of March 23, the day after the provincial budget was presented, approximately 65 people came out to a meeting with the Minister of Agriculture. Organized by the East-Central CFA, the meeting included several MPPs as well as a group of 'protesters'. Minister Dombrowsky spent about 15 minutes on a general presentation, while the next hour and a half was dedicated to answering attendants' questions. It turned out to be a very well-led and organized event and Minister Dombrowsky indicated her appreciation for the CFFO and the organization's President, John Kikkert.

Haldimand-Norfolk

The district held its annual banquet in late March, with Dr. Peter VanderZaag as the guest speaker. The meeting was attended not just by members, but also by Diane Finley, MP and Toby Barrett, MPP, as well as the local mayor. Dr. VanderZaag spoke on *The Future of Agriculture from a Global Perspective and our Role as Christians in it*, based on his extensive experience in humanitarian activities around the globe.

Huron

Approximately 40 members of the Huron Christian Farmers Association got together for the association's annual meeting and banquet in late March. Dr. Rene Van Acker, Professor and Chair at the Department of Plant Agriculture at the University of Guelph, gave a presentation exploring all the interconnected facets of farming, such as production, community, environment and economics. Van Acker's slide presentation was very well received and fits in well with the topic of sustainability in farming.

Quinte

The annual meeting, which took place in early March, focused on a presentation by Ed Woods, Head Planner

for the City of Quinte West. Woods talked about the agriculture-related policies in the Official Plan and the process of updating that Plan. Woods also gave an interesting overview of the mapping system for the municipality – the most advanced system currently in North America.

Rainy River

Despite inclement weather, about 15 people, including local politicians and media representatives, attended the annual meeting in Emo in early April. Gerald Poechman, CFFO Vice-President, was on hand to provide the members with an update on Federation activities and to respond to their questions and concerns. He also gave the participants a thorough overview of the CAIS program.

Renfrew-Lanark

Approximately 20 people attended the annual meeting, where Wayne Senior, CFFO member and Vice-President of the Ontario Small Farm Producers Association (OSFPA), was the guest speaker. OSFPA's members sell directly to consumers at the farm gate and through farmers' markets. Senior gave an interesting presentation on his involvement in direct-to-consumer marketing. He believes small farmers can survive by way of niche farming, and says the OSFPA can play a role in offering assistance.

Simcoe

Simcoe's Annual Luncheon Meeting took place in late March, with members treated to a full and varied agenda. In the morning, both Nathan Stevens and Jenny Denhartog, CFFO staff members, gave presentations. Stevens outlined the CFFO's response to the Agricultural Policy Framework discussion documents, while Denhartog gave a short presentation on her job of working with CFFO districts. A representative of the local Healthy Waters program also gave a progress report. The afternoon proved to be an excellent opportunity to learn about on-farm bio-diesel production, current technology and cooperative efforts, with presentations by people who are enthusiastically involved in the on-farm production and use of bio-fuels.

Thunder Bay

CFFO Vice-President, Gerald Poechman spoke at the Thunder Bay Annual Meeting. He gave members an overview of the Federation's activities and also discussed organic standards and a variety of dairy-related issues. Poechman also participated in the local Soil & Crop Association's annual meeting, providing information on issues that the farm organizations are involved with on the provincial level.

Wellington

Approximately 40 members attended the Annual Banquet on April 20, including MP Michael Chong and OMAFRA representative Gerry Horst. Two new board members were acclaimed: John Deetman, a pork producer from the Kenilworth area and Roel Van Zandwijk, a broiler and cash crop farmer from Moorefield. The Wellington board thanked the outgoing board members, John Katerberg and Robert Musselman, for their contributions to the local association for the past years. Guest speaker Murray Riddolls gave an inspiring video presentation on his recent trip to Uganda, where he has been involved building homes and schools for orphans for the past 18 years as part of a mission project.

Wentworth-Brant

More than 60 people showed up for the annual spring banquet, which the district hosts in addition to its annual meeting. Dr. Conrad VanDijk gave a much appreciated presentation on his work in Sierra Leone as part of his involvement with the Christian Veterinary Missions of Canada. In addition, Rick DeGraaf presented an update on CFFO activities. A summer event is in the planning stages and will be an "on the farm" social evening.

CFFO Policy Notes

The Federation has developed position statements or draft documents on a number of subjects. These documents have been discussed within the CFFO's committees at district association meetings and at Executive Board and Provincial Council.

- At our January Provincial Council, the CFFO passed



a policy statement calling on municipalities to proactively deal with waste within their own jurisdiction. The goal of the policy is to place the onus of stewardship on the community responsible for the generation of waste. The CFFO suggested that alternative methods to landfill be used, with an overall goal of zero-waste.

- The CFFO has developed a critique of Agriculture and Agri-food Canada's Next Generation of Agri-food Policy. At the core of our arguments lies the connection the farm family has within their community and its importance in the health of the rural community.
- The Ontario Endangered Species Act is being replaced by the Species at Risk Act. The CFFO expressed its views on the proposed changes in January while the proposed legislation was under review. Further discussions are being done in our Stewardship and Policy meetings, with the hope that there will be public hearings in the near future.
- The CFFO is exploring the policy implications of our Discussion Document, ***A Place for All***. We have begun work on four policy pieces that flow out of this document. The first priority springing from the document is the issue of taxation of on-farm value-added operations. Ontario's Farmers are being encouraged to innovate, yet they face the potential for vastly increased taxation from adding value to their products. The other issues we will be examining include marketing through direct sales and local cooperatives, collaboration between farmers, and improving information and education services for farmers, particularly the means of information transfer.
- Green energy is being touted as a new revenue stream for Ontario's farmers. The CFFO is looking at this fledgling Ontario industry with an eye towards identifying the on-going hurdles that farmers are facing if they choose to invest in a green energy project. In addition, the Federation is also developing policy solutions to offer to our government to help make green energy viable.
- The CFFO's Pork Committee has been discussing the future of their industry and has almost completed a discussion document on the subject.

Coinciding with this document are uncertain times facing the industry, with the potential loss of a large portion of the processing space in Ontario in the near future.

- The CFFO's Sheep Committee is tackling the issue of predation and crop losses due to wildlife. Public support for a diverse ecosystem in rural Ontario is strong and as Christian farmers we care for all of God's creation, yet there is an increasing economic cost for many farmers associated with maintaining wildlife. At the same time, niche programs are adding value to farmer's flocks and crops, resulting in Ontario's traditional compensation program being outmoded.
- The CFFO's Supply Management committee is discussing means to strengthen the industry, responding to competitive changes within a supply managed framework and tackling the issue of quota prices and their disconnection from income potential.

Seminar Series

This year's Seminar Series was held in seven locations across the province, from Thamesville to Kemptville, and provided members an opportunity to learn more about farm business planning.

The morning sessions were particularly informative, with a variety of expert speakers providing updates on profitability and opportunities. Dr. Dave Sparling and Scott van Engen were present at a number of the sessions to give a presentation on future opportunities for the primary sector. Dr. George Brinkman, the morning speaker at other sessions, provided participants with an in-depth analysis of the current level of capitalization and its impact on profitability, on farms in Ontario, Canada and other jurisdictions.

The afternoon sessions gave seminar attendants an opportunity to learn more about farm business planning from OMAFRA specialists and CFFO staff, followed by farm planning training in facilitated group sessions.

Auditor's Report

February 1, 2007

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, 2006 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, 2006 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, 2006

	<u>2006</u>	<u>2005</u>
ASSETS		
CURRENT ASSETS		
Cash	\$162,307	\$84,062
Accounts receivable	3,944	4,238
Prepaid expenses	<u>4,174</u>	<u>4,727</u>
	170,425	93,027
CAPITAL ASSETS		
	<u>5,542</u>	<u>4,836</u>
	<u>\$ 175,967</u>	<u>\$ 97,863</u>
LIABILITIES		
CURRENT LIABILITIES		
Accounts payable and accrued liabilities	21,559	9,607
Deferred Revenue	<u>-</u>	<u>1,400</u>
	21,559	11,007
NET ASSETS		
Invested in capital assets	5,542	4,836
Unrestricted (available for general purposes)	<u>148,866</u>	<u>82,020</u>
	<u>154,408</u>	<u>86,856</u>
	<u>\$175,967</u>	<u>\$ 97,863</u>

STATEMENT OF REVENUES AND EXPENSES FOR THE YEAR ENDED DECEMBER 31, 2006

	<u>2006</u>	<u>2005</u>
REVENUES		
Farm organization funding fees	\$743,400	\$745,800
Less: refunds	<u>(92,053)</u>	<u>(119,285)</u>
Net farm organization funding fees	651,347	626,515
Membership fees - other	5,980	7,800
Annual convention	25,035	19,985
Commodity group donations	2,050	-
Interest income and other	<u>9,037</u>	<u>7,898</u>
TOTAL REVENUES	693,449	662,198
EXPENSES		
ADMINISTRATIVE		
Amortization	6,423	6,846
Bank charges and interest	909	1,110
Equipment repairs and maintenance	7,362	6,254
Insurance	2,387	2,352
Farm business registration administration fees	44,108	44,251
Office and printing supplies	9,862	12,022
Postage and courier	10,520	15,290
Professional and consulting fees	4,370	3,752
Rent	19,108	34,080
Salaries and benefits	237,537	259,431
Staff travel and expenses	17,019	12,326
Telephone	<u>8,898</u>	<u>10,195</u>
	368,503	407,909
PROVINCIAL ACTIVITIES		
Annual convention	17,734	16,765
Board and Committee expenses	39,430	48,922
Farm community activities	16,590	17,903
Farm media/newsletter	12,358	10,670
Promotion and advertising	<u>11,325</u>	<u>9,495</u>
	97,437	103,755
CONTRIBUTIONS TO DISTRICT ASSOCIATIONS		
Meeting and travel expenses	54,111	55,772
Newsletter	13,551	12,713
Projects	13,116	13,322
Salaries and benefits	<u>79,179</u>	<u>85,806</u>
	<u>159,957</u>	<u>167,613</u>
TOTAL EXPENSES	<u>625,897</u>	<u>679,277</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES	<u>\$67,552</u>	<u>\$(17,079)</u>

Premier's Innovation Awards

Congratulations go out to CFFO members awarded by the Ontario Premier for on-farm innovation. Our winning members include:

- Fritz and Paul Klaesi, of Renfrew County, were awarded one of the two top awards for their adoption of an anaerobic digester that turns manure into energy. The Klaesis system is one of Ontario's first operational systems generating electricity to the grid, after powering two homesteads and farm buildings. The manure-based anaerobic digester generates 750 kilowatt hours of electricity per day or enough to power 30 homes.
- Ike and Beatrix Enter of Hungry Hollow Organics Inc., in Middlesex County, received a regional award for expanding their production to include value-added prepared products, allowing them to use more of every carcass. Their organic ground meat products, such as chili, shepherd's pie and lasagna, require more ingredients than Hungry Hollow can supply, providing other primary producers with a ready market. The Enters have developed a brand with professional packaging and marketing materials to support the products at retail.
- Frank Minten, of Minten Family Farms Ltd. in Lambton County, received a regional award for adopting an effective and environmentally sound way to handle deadstock. Utilizing a composting system he discovered in Manitoba, the system was made even more efficient by obtaining provincial approval to transport the operation's deadstock to a single location.
- Gavin Dandy, of Everdale Organic Farm and Environmental Learning Centre, in Wellington County, received a regional award for teaching young people about how to farm organically. The 150-acre farm offers Future Farming Internships and Collaborate Regional Alliance for Farmer Training programs to train young people in production and marketing methods for organic farming.
- Jake Kraayenbrink, of Kraayenbrink Farms, in Wellington County, received a regional award for developing a way to transport pigs without risking biosecurity. Kraayenbrink outfitted a truck with a fold-up catwalk operated by an air cylinder and a loading chute that is raised and lowered by an electric winch. The winch can be operated from the catwalk or the interior of the truck. The innovation ensures that no part of the truck, other than the tires, touches any foreign objects or the ground, better protecting his herd.



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RETURN UNDELIVERABLE CANADIAN ADDRESSES TO

*The CFFO Newsletter is published four times per year by the
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