

10 Appendices

Appendix I - Summary of October 16 Stakeholder Meeting on the Agri-Environment

Christian Farmers Federation of Ontario

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Held at the Gencor Meeting Room
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First, allow me to thank each of you for your interest in attending this meeting. Your input is invaluable to the work underway within the CFFO. I would also like to thank research assistant Sabine Hammel for her help.

On October 16 an open stakeholder meeting, with 62 in attendance, was held by the Christian Farmers Federation of Ontario (CFFO) as part of the ongoing research into “Barriers to Participation in Agri-Environmental Programs in Ontario.” This project is funded by the Agricultural Adaptation Council, which administers Ontario’s share of Agriculture and Agri-Food Canada’s Canadian Adaptation and Rural Development fund.

Following is a report of the day’s events for the information of those who attended, those who had registered for the meeting but were unable to attend, and those who expressed interest in receiving the results of the meeting. At the meeting a kit was distributed containing the agenda, a list of registered participants, an outline of the current research project and two questions for breakout discussion. Also included in the kit was the CFFO position statement on environmental payments, the substance of which is summarized in the section below.

Welcome

CFFO President Jenny Denhartog opened the meeting and described the CFFO’s interest in promoting environmental payments for farmers. While the CFFO has always supported the wide range of agri-environmental incentive programs which have been implemented in Ontario, the organization now believes it is time to develop a new approach, one which recognizes the wider, public environmental goods and services that agriculture could provide. This new approach would be for long-term, comprehensive programs which would have dedicated sources of funding, would be managed in a multi-stakeholder environment and would fully account for the value of the environmental services provided by farmers. The CFFO believes programs should be designed which would make annual payments to participating farmers for the wider public value their stewardship activities could provide.

Currently, incentive programs refund only a portion of the costs incurred by farmers for eligible projects.

What are Environmental Payments?

The concept of environmental payments is not yet well-developed in Canada, and indeed was not clear to all participants at our meeting. Many who attended the meeting would appreciate knowing more about their use as an economic incentive for good stewardship on farms and for achieving a publicly desired environmental outcome. Here is a brief run-down on the concept.

Currently, incentive programs for voluntary implementation of best management practices pay a partial cost of eligible on-farm projects. Basically, environmental payments would be public or private programs which pay a benefit to farmers or other rural landowners for the public “goods and services” their stewardship and other activities could produce. Most of these activities would require farmers to forego optimal production on their land, thereby decreasing their farm income.

Programs which provide environmental payments are currently in wide use in Europe, the United States and other jurisdictions. They have a dual purpose: 1) to achieve a publicly-desired environmental outcome and 2) provide an alternate source of income to farmers. Since they are considered a form of domestic support to agriculture, they could be used as an alternative to Canada’s current regime of production subsidies to farmers.

Some potential environmental “goods and services” which could form the basis of voluntary programs in Ontario are:

- Maintaining wetlands, woodlands and other types of habitat environments
- Maintaining wildlife corridors
- Establishing riparian or other buffer zones
- Voluntary retirement of marginal and/or fragile land
- Voluntary reduction in fertilizer, pesticides and other inputs
- Conversion to organic production
- Management practices which sequester carbon or abate greenhouse gas emissions
- Maintaining scenic landscape amenities
- Others, as negotiated between farmers and wider society.

CFFO’s Research

Charlotte McCallum described her research on the agri-environment for the CFFO since June 2001. Her April 2002 report to the CFFO, *Voluntary Agri-Environmental and Other Incentive Programs to Protect the Environment in Ontario*, is available on the CFFO website or may

be ordered from the CFFO (5653 Hwy 6 North, RR5, Guelph ON N1H 6J2, tel: 519-837-1620, fax: 519-824-1835).

The results of a survey of about 520 visitors to the CFFO booth at four farm shows in Ontario in 2001 are published in the CFFO journal *Earthkeeping Ontario*, November 2001. They demonstrate that voluntary participation by farmers in existing and past agri-environmental programs has been motivated mainly by environmental concerns. However, considerable barriers to uptake also occur, notably about program design and delivery details. This leaves a large reservoir of farmers who do not participate in voluntary agri-environmental programs.

Preliminary results from a questionnaire survey and written commentary from the CFFO's 2002 Workshop series were also presented. The 11 questions it contained were designed to find out if expanding programs to include environmental payments was thought to be a viable alternative to production subsidies. From the 244 quantitative responses, it was seen that the large majority generally understood and approved of the idea, but were clearly ambivalent or split in their opinion as to whether they could replace existing forms of support. As well, many expressed doubt that programs and funding would be sustained.

The many written comments from the CFFO workshop survey supported the quantitative findings. Clearly expressed were reservations about the time and paperwork involved in participating in such programs. In order for the idea to succeed, benefits would have to at least replace the value of any farm production foregone in implementing projects, altering practices or changing land uses. The full analysis of this survey will be presented during the CFFO annual Convention on November 28, 29, 2002.

Data were shown which suggest that, in a number of respects, CFFO members are similar to other farmers in Ontario. They differ mainly in being somewhat younger and having a somewhat higher income, perhaps because they have a somewhat higher representation in the supply-managed commodities (cow's milk, eggs, poultry). We can therefore reasonably infer that the CFFO findings from its workshop series can be generalized to the wider farm community.

Finally, some of the issues deriving from the on-going research project were presented. These were from 15 key-informant interviews and two of the five planned focus groups among farmers throughout the province. These results will be widely available when the project is completed.

Open Discussion

An hour of free and frank discussion surrounding existing agri-environmental programming and practice in Ontario took place. There is a wide diversity of opinion. Issues concerning individual vs. sustained public responsibility were prominent, as were issues surrounding relations between farmers and other stakeholders in regard to stewardship and uptake in

programs. The need to engage farmers in the dialogue is important. As part of this, the need to maintain trust and good relations between extension workers and farmers is clear.

Breakout Sessions

For an hour, eight breakout groups each contributed their insights to two prepared questions. These results were presented in the plenary session.

Plenary

Each breakout group reported its findings. Many of the funding, design and implementation issues and contradictions which are emerging in the CFFO research project were evident in the respondents' notes. There are obvious priorities and basic orientations which funding and delivery agencies must set and cleave to in order to encourage environmental stewardship through any financial instrument, whether it be the current incentive programs or any future environmental payment programs. There is divided opinion on targeting vs. universal access to programs. Prominent in the commentary was the need for long-term commitment by government and clear, strategic policy on access to funding and targeting for specific environmental outcomes. There is also the question whether programs should be part of the regulatory environment, rather than remaining a voluntary option.

Following are the unedited and verbatim comments from each breakout group, for your further use. The commentary is now part of the public dialogue and will be analyzed further for the purposes of the current research. As with the other aspects of this research, these findings will be released in the final report of this project.

Question 1:

How can we resolve issues surrounding current agri-environmental incentive programs? You may want to use these as a guide: design issues, funding issues, implementation issues.

Breakout Group 1

Current agri-incentive programs:

- EFP (Environmental Farm Plan)
- Healthy Futures (for Ontario Agriculture) (an Ontario Ministry of Agriculture program)
- DU (Ducks Unlimited Canada)
- G.L. Sustainability (Great Lakes Sustainability Fund)
- CLTIP (Conservation Lands Tax Incentive Program)
- (note from editor – there are others current as well)

Problems:

- Loss of core funding for on-ground extension people
 - Loss of access to farmers of trusted contacts (e.g. Ag-reps)
 - Continuity of programs even though a change in government
 - No large voice for programs or unified voice
 - No upper level government commitment
 - Connections to provincial government (politics and bureaucracy)
-

Breakout Group 2

Simplify the message

- A body with responsibility to house environmental information and provide to clients
 - A set of principles
 - Partnering
 - Continuity
 - Clarity
 - Person to person contact
 - Trust
 - A strong technical resource base
-

Breakout Group 3

Design Issues

- Clear and consistent objectives
- Simplify objectives
- Ag-representatives
 - build trust
 - assist with projects/applications
- Summary of existing programs and funding sources (CFFO or OFA ?)
 - province wide

Financial Issues

- Long term funding
 - Dedicated taxes
 - Assimilative capacity
 - phosphorous trading
-

Breakout Group 4

Resolution of Issues Surrounding Agri-Environmental Incentive Programs

- Addressing lack of trust
 - involvement of farmers (by invitation)

- education
 - Uptake – mandatory compliance
 - Need for technical assistance
 - Understanding farmers
 - Problem prevention/avoidance vs. problem solving
 - Miscommunication
 - is this really a problem?
 - EFP – seems to work, grassroots development
 - uptake is a problem
 - Fear of mandatory compliance
 - Lack of continuity/sustainability of programs
 - programs only last 3 years – government backing
 - Inadequate funding for programs
 - farmers must pay
 - Paperwork ?
 - Administrative process – must happen
 - accountability – slow process
 - Criteria
 - Design – communication problems
 - Province wide vs. local objectives
 - need for local reps
 - Mandatory training/seminars
 - maintaining professionalism
 - Farmers need to understand WHY to participate
-

Breakout Group 5

How to Resolve Issues

Design Issues

- need to target areas
 - big picture
 - watershed
 - site specific field
- jurisdiction role clarification
 - federal, provincial, municipal, industry, NGO
- funding and programs not sustained beyond one term of office
 - government always wants to announce new
 - lack of government collaboration among ministries
- inadequate 'value' on ecological function
 - woodlots, riparian
 - lack of comparability
 - 'vacant' land (wetland, riparian, woodlot)
 - 'developable' land
- implementation

- increase use of tax incentives
 - overlay disincentives - loss of incentive OR taxed more if you are a poor steward
 - design – current lack of coordination among ministries
 - link NM (Nutrient management) plan to ag. Environment incentive
 - design - lack of security of investment in ‘sustainability’
 - balance with dislike with long term constraint on use
 - cost of annual payments
 - current programs don’t address all current issues
 - access to facts; know which is the most appropriate action
 - provincial vs. local
 - equal distribution of funds vs. funds
-

Breakout Group 6

Solutions

- long term with stability
 - Ontario capital grants program
 - clearly defined with clear objectives
 - achieved through education
 - identified deliverer with consistency – CA
 - province wide but locally coordinated
 - not specific to agriculture but to entire countryside
 - minimum capacity for education and communication to all landowners / users / stakeholders
 - local awareness tied to broad context problems
 - eliminate the ‘we pay you if you don’t pollute’ concept of land use
 - taxes for polluters, urban and rural, goes to funding of the programs, i.e. carbon credits
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Breakout Group 7

Current Program Issues

- we want long term funding and programming
 - we want consistent/uniform delivery across the province
 - farmer and organization input into design
 - allow flexibility for local priorities
 - consistent eligibility requirements across the province
 - involving non-farm community
 - communicating successes, direction of funding
 - new ways of raising funding – including urban and non-farm who enjoy countryside
-

Breakout Group 8

Design Issues/Funding

- government programs – Healthy Futures – 4 year, ran out of time after 1.5 years, delayed payments
- long term commitment needed to programs/funding
- 5 year funding is not even long enough
- short term programs take to develop ~ lose momentum, creditability need to restart something else
- provincial/federal \$ takes too much administration
- at local level programs easier to administer
- defending short term program – pilots for long term programs
- need for built in safe guards with programming
- motivation for source protection ? if remote surface water supply, little need perceived for programs to protect ground water
- local boundaries (political and watershed) determine character of program, implementation based on political location not environmental issue
- consistency of program implementation
- equity at local level is issue (municipal, provincial, federal)
- funding concerns
- CA, locally developed, heavy on extension, people in field seem effective
- if mandatory, municipality cannot help to put people into compliance ???

Implementation

- potential for confusion – overlap (2 agencies providing same funding)
- people not paper, need people on the ground
- efficiency in having human contact, creditability

Question 2:

Are programs which award annual environmental payments feasible for the Ontario situation? You may want to use the following as a guide: What are the barriers? Can the current institutional framework be retained?

Breakout Group 1

Yes, in the big picture (global)

In Ontario, yes, but . . .

Barriers:

- 'Us' vs. 'them' – need for a change in focus from production and yield to land

stewardship

- Perception of responsibility
- Long term funding

- Public opinion that is important
- 'Public' willingness to pay BUT what are we buying
- No long term strategy

Can current institutional framework be retained?

- Need a co-operative approach
 - Connections between government, municipalities, departments of government, conservation authorities and land owners
 - Need a face for landowners to go to (extension workers)
 - Need to increase education.
-

Breakout Group 2

Barriers/issues to be addressed

- Political buy-in
- Costs
- Change in government
- Public perception
- Accountability
 - auditing

Institutional framework be retained

- Don't re-invent the wheel
 - political will can overcome
-

Breakout Group 3

- Utilize existing infrastructure
 - Cost effective
 - People need to adapt and buy-in
 - Longevity of funding
 - long term funding source
 - Consistent programs across province, delivered locally
 - same funding formulas, local decision making
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Breakout Group 4

- Public access?
- Treatment potential of soil – buffer strips
- Tax incentives for agri-environmental project
- Industry – paying for right to pollute – agriculture is receiving incentives
- Monitoring and administration of payments
 - easier than regulations ?
- Supply of funding ?

- Need for comfort with concept
- Where do payouts fall under ?
- Current framework – could not work – overlap
- need for new framework
- Policy – i.e., MOE ~ OMAF
- Delivery is a problem
- Need for relationships with farmers (field reps)
- ??????????????????????

Breakout Group 5

Is Annual Payments Feasible

Barriers

- Long term lock up of \$ in annual payments
- No \$ for stewardship support after payments
- Admin cost of annual payments
 - solution example – NY State – not annual payments instead pay 100% of stewardship (therefore PO not support annual payments)
 - audit – is the value being paid for actual there each year
- Solution: Pay more for long term commitment
- Mistrust on all parts – legal approach
- Adversarial vs. collaborative accountability
- Minimum standards
 - e.g. buffer 3m – better – scale of vegetation but K.I.S.S.
- If payment is ‘income’ it will be disincentive
- Can we retain the current institutions – government
 - delivery

Yes but significant overhaul would be needed

- many expect that it can’t work now – e.g. Healthy Futures
- Lack of Trust – ‘government lies to us’
 - incompetent government - bottom to top
 - universities can’t be trusted either
 - be honest with farmers

Positives

- timing is right
- public interest in environment
- farm community is on the defensive

Breakout Group 6

Environmental Payments

- how to quantify deliverables
- how to quantify results
- address environmentally sustainable agriculture

- in order for farmer to reduce idea of 'maximum yields no matter what' give positive incentives
- get incentives from market
 - awards for environmental practices without major price increase re: organics
- direct payment vs. indirect payment (tax relief) or a choice
- biggest barrier is human nature
- analogy: cigarette smoking – ties individual choice of activities affect other (second hand smoking)

Option: expropriate (negotiate/consenting) environmentally significant lands and pay farmers once and for all to make the land public and protected

Breakout Group 7

Annual Environmental Payments

- who makes the payment
 - tax incentive rebates for certain practices (municipal)
 - barrier
 - what is the goal of funding
 - what is Ontario trying to achieve
 - id measures
 - programs are feasible but need to be carefully developed
 - measure success
 - create concept, aka value, that farmers do more than produce food.
 - not rewarding just for production
 - change public perception
 - current institutional framework is too competitive
 - barrier - variable land value, variable costs
 - how long do land retirements lasts?
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Breakout Group 8

Feasible

- annual payment – definition ?
- full cost – definition ?
- defining societal benefit?
 - will vary depending on location (urban vs. rural)
- how to sell the concept to the general public
- are farmers looking at replacing a program or a new type of program
- do you want perpetual programs

Barriers

- local vs. provincial
- somewhere a standard needs to be set
- if > 5% woodlot, you could set a payment. But not for all
- administrative cost of program
 - need due diligence/audit
 - time / effort
- \$ compensation vs. work effort to make improvements
- need assurances that work gets done
- how far to take the environmental payment
 - to industry
 - golf courses
 - residential development
- environmental payments is not meant to stop pollution but for an environmental benefit
- will incentive programs drive the cost of land, become a lifestyle choice
- trees/water features become target of programs
- farmland could be the loser
- environmental subsidies from society perspective means that farm community need accept conditions
 - will they (farmers) be willing

Institutional Framework

- everyone must be on same field, CA, MOE, etc
 - need to work together
- agreed upon standards/goals needed
- different premiums for different landscapes
- Healthy Futures is a moving target, rules vary....

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Appendix II – 2002 Workshop Section on the Agri-Environment,

Environmental Payments

The concept of environmental payments is part of the CFFO's Vision for a better future for agriculture. Participants were introduced to the concept of environmental payments, completed a section of the Participant Survey that sought their thoughts on ways to improve or expand environmental payments to farmers, and discussed some of their ideas in a plenary conversation.

Concept

Environmental payments programs have two aims: 1) to achieve a publicly-desired environmental outcome and 2) provide a supplement to farm income. They recognize the wide, public environmental benefit specific on-farm activities could provide. These programs are widespread in Europe, the United States and other countries. They are generally implemented as voluntary programs but are also used in cross-compliance with production subsidy programs, especially in the United States. Production subsidies, however, are often criticized for their distorting effect on agricultural markets. Environmental payments are a trade-friendly alternative.

Participants' Commentary on Environmental Payments

Lively discussions generated a very large number of written comments. The comments added to the questionnaire provide rich insights to the question of environmental payments.

Participants had a reasonable grasp of what was seen as a radically different approach to stewardship and farm assistance (*"A new direction..." "Government thinking would require 180 degree turn."*). Some, however, remained unclear on the concept and plainly wished for more information (*"To have an opinion, I'd want to have an in-depth comparison of environmental payments vs. production subsidies and their related and long-term effects upon farmers."*).

Some saw a conflict with their Christian values of voluntary stewardship (*"Definitely not. As a Christian, it is my responsibility rather than an opportunity;" "We as Christians are responsible to be careful and look after God's creation. Somehow we need to get paid a fair wage from our production so that we can afford to implement the important environment standards."*). Others were able to reconcile this, seeing environmental payments as necessary to compensate farmers for providing a wider public good (*"If we want to be good stewards of our land and our farms and care for God's creation, then this is definitely an avenue which should be considered and pursued..."*).

Acceptance grew as participants understood that wider society receives many environmental benefits from on-farm projects, especially when these are related to clearly defined goals and public priorities (*"Good for the farmer and community..."*). Given this, a tangible environmental outcome requires wide uptake in programs (*"As long as they are targeted to a broad base of farmers..." "How do you tell or encourage a sloppy neighbour?"*). A number supported mandatory

programs to promote these aims (*“Environmental programs should be mandatory.” “...and policed for results on-farm!” “If voluntary you will never get everyone to cooperate.”*).

Some, however, fundamentally disagreed with environmental payments (*“Called gun to the head.” “We have not addressed the treadmill...” “No subsidy – you want to eat – then pay for your food at the grocery store/farm market.”*). Many were wary of potential abuse of implementation strategies related to targeting and eligibility, for example (*“How easy will this system be able to be abused? Will small or part-time farmers be able to survive because of these payments while others who count on farming for livelihood have money and support taken away if they choose not to participate...” “Not all lands would be suitable/ considered of unique environmental worth...”*).

As well, there was frequent mention of the possibility of losing control of decision-making by enrolling in a program (*“The more the countryside gets involved, the more freedom of choice is taken away.” “I would need to know what this bigger countryside plan is, for it’s easy to see how this countryside plan might hinder normal and acceptable farming practices.”*). A few participants mentioned farmers’ traditional sense of independence (*“Farmers are too independent to let anything be shoved down their throats.”*). Related to this was the fear of the conditions that might be attached to programs and worry over time constraints and paperwork involved (*“There may be loss of production and extra time commitment...” “Will there be strings attached?”*).

There remained a strong desire to retain existing subsidies (*“But NOT as a replacement of safety net...” “NEVER – these are two separate problems: environment and commodity prices.”*). This was not because participants approved in principle with production subsidies but possibly out of wariness of the unknown (*“I don’t agree with production subsidies” “It should never be better to farm subsidies than to promote good agriculture...”*). Some tightly held to the wish for all financial returns to derive from the market (*“The farmer should be rewarded directly from consumer dollar...”*). Some plainly put production first, although a few spoke of the potential ability of environmental payments to allow them to reduce production for its own sake (*“This is a great idea – as farmers we could be less focused on production and more on aesthetics.”*). In any case, program funding would have to provide at least full compensation for lost production (*“Get with one hand, give it with other hand back.” “But production loss is not just one-time – therefore payments should be made on decreasing scale over 10 years.”*).

A number of participants expressed the need for wide collaboration and a shared sense of responsibility between urban and rural (*“Both urban and rural must be involved.”*). Some approved of programs for all rural landowners, not just farmers (*“It should apply to all land owners.”*), but no approval was expressed for programs which would encourage public access to farmland (*“I would not give access to the public for unlimited access to my property. However, I certainly would be interested in management options that would better the environment and would leave the earth a better place for future generations.”*). The necessity and willingness to work together with wider society was often stated (*“We all need to be partners.” “All should be accountable – towns, cities, small hobbyists etc...”*). The public image of farming was mentioned a number of times (*“Consumers often see farmers as a danger to the environment...” “May improve public perception of farmers and farming as people who care for the land...”*). Some noted that the large amount of wilderness in parks and in the north might decrease public acceptance (*“Many consumers may argue that we have enough outside of farmland.”*).

The need for long-term payments was often repeated (“*Long-term would be essential...*” “*Has to be long-term commitment or it can’t start*”). This called for strong political will, public approval and long-term government commitment (“*Needs political willpower and currently green initiatives are popular.*”). Grave concern was frequently expressed over sources of funding and the longevity of programs (“*Government would cut these payments.*” “*There is always money. It’s a matter of priorities, no matter what we’re told.*”). A few mentioned a levy on food to fund programs. Success would depend on public acceptance and some doubted that this would happen (“*Will public be willing to spend more – not likely.*”). Very many mentioned the necessity for education of the public and, to a lesser extent, the education of farmers themselves on this concept, in order to promote acceptance (“*Educating all taxpayers would have to be a top priority.*” “*This certainly will take a lot of ‘education’*”).

Environmental Payments Section of the Participants Survey

The environmental payments questionnaire gauged workshop participants’ opinions on the following general question: Is expanding environmental payments a viable alternative to production subsidies? A total of 244 people over the 18 workshops answered 11 questions. These were designed to find out: 1) how well participants understood the concept; 2) whether or not they approved of the concept; 3) their preferences regarding some important program design and delivery issues; and 4) how they see this concept fitting into wider public policy. The results were as follows:

Table 9: So far, the concept of environmental payments is:

perfectly clear to me	21%
more or less clear to me	53%
pretty vague	15%
clear as mud	1%
no answer*	10%

Table 10: I like the idea of receiving a payment for the wider environmental benefits on-farm activities make.

yes	64 %
no	6%
maybe	24%
no answer*	6%

Table 11: I see environmental payments as just another form of farm support.

yes	29%
no	33%
maybe	31%
no answer*	7%

Table 12: I think tax payers would approve of environmental payments if they were better informed about existing on-farm projects.

yes	59%
no	3%
maybe	33%
no answer*	6%

Table 13: I think that environmental payments should be part of a bigger countryside plan.

yes	68%
no	2%
maybe	24%
no answer*	7%

Table 14: Environmental payments would have to go beyond replacing whatever is lost in production to really catch on.

yes	62%
no	9%
maybe	21%
no answer*	9%

Table 15: Environmental payments could be a way to eventually replace production subsidies.

yes	34%
no	21%
maybe	36%
no answer*	10%

Table 16: I wonder if there would be enough money available for these programs to really catch on.

yes	48%
no	12%
maybe	29%
no answer*	12%

Table 17: I wonder if these programs would last long enough for them to really catch on.

yes	47%
no	8%
maybe	32%
no answer*	13%

Table 18: As long as production subsidies remain, enrolment in environmental payment programs should be:

mandatory in order to get other forms of support (cross-compliance)	40%
voluntary with no strings attached	39%
no answer*	21%

Table 19: I can see how environmental payments might fit into the emerging vision.

yes	66 ^o %
no	2%
maybe	15%
no answer*	17%

* The figures are based on percentage of total participant surveys received, not total of those answering this question.

We see from these results that most understood the concept of environmental payments reasonably well and approved of the idea. Further, the majority felt it should be part of a larger countryside plan and saw how the concept fit into the CFFO Vision. Participants generally thought taxpayers would approve of environmental payments if they were better informed about current stewardship efforts.

Still, about 30% were either uncommitted, or disapproved of the idea. Respondents were almost evenly split on whether they actually saw them as a form of farm support. Likewise, many were hesitant as to whether environmental payments could be a way to replace production subsidies. At the least, they would have to fully compensate farmers for any lost production as a result of projects. There is an almost even split between those who approve of their use in cross-compliance with other subsidy programs and those who would prefer them to be part of voluntary programs. Many chose not to answer this question.

This all suggests that many doubts and uncertainties remain about their overall purpose, about program design and about major issues in implementation. Other misgivings were apparent, many doubting that they would not last long enough or be funded adequately for them to really catch on.

Conclusion

In many respects, the themes generated in the workshop discussion, the written comments to the participant survey and the results of the survey itself supported each other. As a general statement, environmental payments are a radically new, but attractive, concept which would be accepted as part of wider planning strategy. There is willingness to include other rural landowners and especially, urban areas, in this responsibility.

However, the two aims of environmental payments programs laid out in Concepts above are not easily met. Participants clearly saw their environmental responsibility as something separate from farm support policy, although many felt that publicly-funded payments were justified for the wider environmental services their on-farm activity could provide. Joining these aims will only happen if programs are widely available and the major elements of risk to farmers can be removed. These would include: financial risk, risk of being excluded from decision-making and risk of public liability for the outcome of funded projects. There is wide support for the use of cross-compliance or mandatory measures, but this is not a majority position.

To answer the CFFO's question: is expanding environmental payments a viable alternative to production subsidies; although the concept was generally appealing and seen to belong to wider social concern and public policy, environmental payments were not seen as a viable alternative to production subsidies by the workshop participants.

Environmental payments could be made to be a viable alternative to production subsidies, but only with broad social involvement, agreement and long-term government commitment. This would require a concerted educational and awareness campaign directed toward wider society, its representatives and of farmers themselves. Participants were supportive of environmental payments as an addition to existing production subsidies. In any case, one basic dilemma must be resolved, that between universal eligibility for funding and targeting of specific areas for environmental remediation.