

January 24, 2024

The Hon. Peter Bethlenfalvy, Minister of Finance c/o Budget Secretariat 3rd Floor, Frost Building North 95 Grosvenor Street Toronto, ON M7A 1Z1

Via email: minister.fin@ontario.ca and submissions@ontario.ca

Re: 2024 Ontario Budget Consultations

Dear Minister,

The Christian Farmers Federation of Ontario (CFFO) is an Accredited Farm Organization representing the interests of over 4,000 farm families in Ontario who are called to the vocation of farming. CFFO policy promotes economically, socially, and environmentally sustainable farming, advocating that farmers receive fair return for their production and stewardship efforts.

The foundation of government fiscal responsibility sets the conditions for business success in the province. Our recommendations for the Ontario budget 2024 focus on the economic, social, and environmental commitments necessary to support the ongoing vitality of the agrifood sector.

We appreciate the government's ongoing efforts to support agriculture and would like to see the following government initiatives continue:

- 1. Low provincial taxes on energy.
- 2. Sustainable Canadian Agricultural Partnership funding that supports agricultural and agri-food sector success.
- 3. Efforts to increase Ontario's local processing capacity.
- 4. Farm-sector specific mental health supports.
- 5. Ongoing implementation of Ontario's Soil Health and Conservation Strategy, including support for farmers and researchers to monitor and improve soil health and water quality.
- Efforts to improve access to rural food animal veterinary services. These include increased capacity for Veterinary and Registered Veterinary Technician training, incentives to attract veterinarians to serve in underserved areas, and improved telehealth veterinary services.
- 7. Projects to expand rural internet and rural natural gas access.

CFFO's Key Recommendations:

- 1. Improve fiscal responsibility by reducing provincial deficits and debt.
- 2. Protect productive farmland across the province by focusing on brownfield redevelopment and increased density within settled areas.
- Continue transportation improvements to ensure movement of agricultural goods, including improved rail transportation and widening highways such as Highways 11 and 17.
- 4. Improve conditions of financial support for municipalities.
- 5. Reinstate MPAC assessment cycle to ensure property taxation is based on fair, regular assessments.

Fiscal Responsibility

Provincial financial health sets the foundation for businesses to prosper in Ontario. Farmers see the Ontario government continue to carry debt levels and a debt-to-GDP ratio that are clearly unsustainable. They want to see the government set conditions for sustainable provincial finances that will ensure prosperity long into the future. The CFFO calls on the government to improve fiscal responsibility by reducing provincial deficits and debt.

Housing

The CFFO recognizes the need for increased housing in Ontario. Where these homes will be built must be carefully considered. Development must not come at the cost of our productive farmland, which is vital to our food security and to the success of our agriculture and agri-food sector. Once we develop on our farmland, it is lost forever.

The CFFO strongly encourages the provincial government to facilitate development, including brownfield redevelopment and increased densities, within the existing boundaries of settled areas. This makes good planning sense. It makes the best use of municipal and provincial tax dollars invested in infrastructure, including for transportation. It also protects our limited productive farmland for farming.

Infrastructure and Transportation Improvements

We recognize government efforts in ongoing projects to build rural infrastructure such as natural gas and internet, to support thriving rural communities and businesses, including farms. These efforts should continue.

This government has taken strong leadership on transportation improvements. Efforts need to continue to improve rail transit and to improve and widen highways. In particular, we recommend improvements to Highways 11 and 17 which serve key farming areas.

Municipalities

Changes to provincial regulations, particularly in land use planning, have resulted in significant costs for many municipalities, especially rural ones. At the same time, the MPAC property assessment cycle has been stopped, with the most recent valuation for many

properties based on 2016 values. This negatively impacts municipalities and their ability to provide services and improve infrastructure. The province needs to ensure that policies consider impacts on municipal finances as well as fair treatment of all Ontarians. Provincial funding should be provided where policy changes are creating extra costs or reducing income for municipalities.

Energy Costs and Taxation

Energy costs are foundational to the cost of living for Ontarians, affecting the cost of heating homes, transportation, and food. It is vital that the Ontario government keeps energy costs as low as possible for all citizens, especially those energy costs related to the production of food. The CFFO appreciates efforts to keep provincial taxes on energy low.

The CFFO also strongly encourages the Ontario government to continue to voice concerns to the federal government on the negative impacts of the federal carbon tax on all Ontarians and to ask that this tax be removed. In particular, this tax is negatively impacting the cost of food and food production. The CFFO continues to ask that fuels used for drying grains, both onfarm and at commercial grain dryers, be exempt from federal carbon pricing.

SCAP and Other Support for Agri-Food Sector Success

The Ontario government has successfully supported ongoing expansion and innovation across the agri-food sector, through the Sustainable Canadian Agricultural Partnership (SCAP) and through many provincially funded programs. We strongly encourage the government to continue this support.

Government has seen significant uptake on programs to increase processing capacity in Ontario. The CFFO supports Meat and Poultry Ontario's Growth Strategy. We encourage the government to continue to enable expansion of local processing capacity and market opportunities, both for meat and other types of processing. It is also important that funding opportunities allow businesses reasonable time to implement changes, accounting for necessary permits and limitations on supply chains. We also encourage government to consider ways an efficient inspection system can keep up with the pace of business.

We strongly encourage the government to continue efforts to support farmers' mental health. Farming is a stressful profession, constantly facing new challenges and uncertainty. Now more than ever, farmers need specific mental health supports that are appropriately accessible and adapted to the realities of farm life.

Ontario's Soil Health and Conservation Strategy is an excellent example of government and industry working together for better outcomes for all Ontarians. The CFFO actively participates in this vital collaboration. We are pleased to see strategic investments, through the Sustainable Canadian Agricultural Partnership (SCAP) and elsewhere, to support stewardship and research efforts to improve soil health and water quality.

Food Animal Veterinary Services

The CFFO recognizes key government efforts to improve access to rural food animal veterinary services. In particular, creation of a new program at Lakehead University, connected with the existing veterinary training at University of Guelph, is a significant step forward. This will set the groundwork for a better future. New incentives to attract veterinarians to serve in underserved areas, and improved telehealth veterinary services will help address those in immediate need of access to veterinary care. Still, work needs to continue, including reviewing the current Veterinary Assistance Program (VAP).

Conclusion

We appreciate this opportunity to provide input on the Ontario Budget 2024 and thank you for your consideration of our concerns and comments.

Sincerely,

Ed Scharringa, President

Christian Farmers Federation of Ontario