



LONG-TERM THINKING FOR TODAY'S ISSUES

December 12, 2019

Mayors and Treasurers
Rural Ontario Municipalities

Re: Open Letter on Municipal Farm Business Taxes

Dear Sir or Madam,

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.

On behalf of our members, CFFO would like to raise with you our member concerns regarding the increasing rate of growth of farm property tax bills, especially as farmland prices rise at relatively higher rates in the faster developing regions of the province.

We know that the Ontario Federation of Agriculture (OFA) has already been advocating, with some success, to reduce farmland tax ratios across Ontario to dampen escalating tax bills. Our understanding is that these municipalities include Oxford (23.5 per cent), Lambton (22.6 per cent), North Bay (15 per cent), Caledon (16.89 per cent), Ottawa (20 per cent), and Halton Region (20 per cent), among others.

Given we expect that all municipalities would regularly ensure that tax burdens are fairly distributed across landowner categories, CFFO is interested in focusing on tax equity. We are concerned about two issues:

1. the balance of costs borne and benefits going to landowner categories and
2. the adequacy of municipal revenue sources.

We are interested in understanding how the following related questions could be answered:

1. Is there a need to improve the balance of tax burdens by increasing municipal spending on infrastructure and services that benefit the farm and rural sector in line with their tax increases?
2. Is the municipal property tax base a sustainable source of adequate funds for the full range of municipal services and infrastructure needs going forward?

In many cases, our members are calling for much-needed upgrades in rural infrastructure for roads, bridges and municipal drains. In the case of roads and bridges, not only would investments support your municipality's agri-businesses economic development outlook through improved transport linkages, but upgrades also would improve road safety where large, heavy equipment shares the roads with others.

We would like to be able to reassure our farmers that municipalities are seeking solutions to these questions. We do not have the necessary data to undertake proper analysis ourselves, but we would be more than willing to support your own efforts to find the best answers to these two challenges.

Of course, we must respond to our member concerns and ask you whether farmers receive their fair share of beneficial municipal spending, relative to their tax contributions, but we also want you to see CFFO as a partner in finding equitable solutions to ensuring rural Ontario has sustainable municipal revenue growth.

Sincerely,



Clarence Nywening, President
Christian Farmers Federation of Ontario

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cc:

Hon. Ernie Hardeman, MPP, Minister of Agriculture, Food and Rural Affairs
Toby Barrett, MPP, Parliamentary Assistant to the Minister of Agriculture, Food and Rural Affairs
Randy Pettapiece, MPP, Parliamentary Assistant to the Minister of Agriculture, Food and Rural Affairs
Greg Meredith, Deputy Minister, Ministry of Agriculture, Food and Rural Affairs
Allan Thompson, Chair, Rural Ontario Municipal Association
Norman Ragetlie, Executive Director, Rural Ontario Institute