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Wednesday 22 October 2008

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Mercredi 22 octobre 2008

**Standing Committee on
Estimates**

Ministry of Agriculture,
Food and Rural Affairs

**Comité permanent des
budgets des dépenses**

Ministère de l'Agriculture,
de l'Alimentation et
des Affaires rurales

Chair: Tim Hudak
Clerk: Sylwia Przedziecki

Président : Tim Hudak
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LEGISLATIVE ASSEMBLY OF ONTARIO

ASSEMBLÉE LÉGISLATIVE DE L'ONTARIO

STANDING COMMITTEE ON
ESTIMATESCOMITÉ PERMANENT DES
BUDGETS DES DÉPENSES

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*The committee met at 1605 in room 151.*MINISTRY OF AGRICULTURE,
FOOD AND RURAL AFFAIRS

The Clerk of the Committee (Ms. Sylwia Przewdziecki): Good afternoon, honourable members. It is my duty to call upon you to elect an Acting Chair. Are there any nominations?

Mr. Gilles Bisson: Acting Chair? I nominate him.

The Clerk of the Committee (Ms. Sylwia Przewdziecki): Does the member accept the nomination?

Mr. Lou Rinaldi: Sure, Mr. Bisson; absolutely.

Mr. Gilles Bisson: That was fun.

The Clerk of the Committee (Ms. Sylwia Przewdziecki): There being no further nominations, I declare Mr. Rinaldi Acting Chair.

Interjections.

The Acting Chair (Mr. Lou Rinaldi): Welcome, everyone. We are here to resume consideration of the estimates of the Ministry of Agriculture, Food and Rural Affairs, vote 101. There is a total of two hours and 39 minutes remaining. When the committee was adjourned, the official opposition concluded its 20-minute rotation. It's now the turn of the third party, followed by the government. Mr. Bisson.

Mr. Gilles Bisson: Thank you very much, Chair—

Hon. Leona Dombrowsky: Just for clarification: Did you say four hours or two hours?

The Acting Chair (Mr. Lou Rinaldi): Two hours and 39 minutes.

Mr. Gilles Bisson: The thought of you with us for another two hours warms the heart.

Hon. Leona Dombrowsky: I know you'd love it.

Mr. Gilles Bisson: I'm going to submit to you a series of questions that I have here. I have some 30 questions that I'd like to get some answers to, but I'm just going to read them into the record because we're running short of time. We have two hours left, which means I'll probably get two rotations. For the sake of the committee, I'm going to be providing you with a copy of the questions, and if you can provide us with an answer, that would be a good thing. Can I just do that and go to general questions?

The Acting Chair (Mr. Lou Rinaldi): Sure.

Mr. Gilles Bisson: Can I provide the clerk with a series of questions for the ministry, and we can get answers for them all?

The Acting Chair (Mr. Lou Rinaldi): Just for clarification, do you want those answers today, in this 20-minute rotation?

Mr. Gilles Bisson: Oh, no. You're not even going to know the questions if I give them to you today. I'm just looking for answers to all of these questions. It's within—

Hon. Leona Dombrowsky: Does that usually happen at estimates? That's why I'm taking the time to be here to answer questions. You could just walk that across the floor of the Legislature, if you wanted. I don't need to listen to you read them for 20 minutes.

Mr. Gilles Bisson: That was my point. I didn't think you wanted me to read 30 questions—there are 32 questions. I didn't think you wanted me to read them. All I'm saying is that I have some general questions I'd like to get to, and what I'd like to do is table with the clerk these particular questions so that they can be responded to, and a copy sent to all members.

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The Acting Chair (Mr. Lou Rinaldi): Mr. Bisson, I believe you should read them for the record—

Mr. Gilles Bisson: Okay. I didn't want to bore you with—

The Acting Chair (Mr. Lou Rinaldi): —and allow the minister, if time permits in those 20 minutes, to reply. If the minister does not have those answers, then, like in the past, I'm sure the minister and staff will be able to supply them to the committee.

Mr. Gilles Bisson: Just on a point of order, Chair: In the past, we have tabled questions. This is not new, so I'm a little bit confused as to why you're not allowing us to table questions.

The Acting Chair (Mr. Lou Rinaldi): The minister is here, and she's taken her time and staff have taken their time. I mean, that's the purpose of these public hearings.

Mr. Gilles Bisson: My point is that if we run out of time, I want to table the rest of the questions. That is in order; right? Of course it is. I will start. It's running into my time. So as the clerk is reading the rules, we're going to go through it.

In the order that they're presented, I guess the first one is, OMAFRA's aim is to strengthen the Ontario agri-food sector, improve food safety, to protect the environment and strengthen Ontario rural communities. Has your ministry set benchmarks for achieving each of these

aims? Do you have specific targets and timetables for the progress, and what are they?

Hon. Leona Dombrowsky: I am going to need to enlist the support of my staff to help me with that. Maybe, Deputy, you would be best to identify who's going to help answer that.

The Acting Chair (Mr. Lou Rinaldi): Sure.

Dr. Bruce Archibald: I'd like to ask Dr. Deb Stark to talk to a number of the elements that were raised by Mr. Bisson in terms of performance measures and benchmarks and where we're at as it relates to the food safety elements of it.

Dr. Deb Stark: I guess I can start in general terms, in that we do submit, as do all ministries, a results-based plan which talks about our plans for the ministry and the financial resources that we will require, and part of that plan does speak about the performance measures that we have. We also, as part of any kind of new program development, have to speak about the issue of program performance measures. We have a number of program performance measures for various levels. Some of them are shared more publicly and some are kept internally, particularly within my section. I have the food safety and the environmental piece. As I explained to the committee yesterday, in food safety we have been using the work of Justice Haines as a blueprint of how to move forward and we have been tracking our progress against recommendations of Justice Haines. We have over 80% of them completed, and on the remaining ones, work is well under way.

We also talk about the performance of our meat plants and we, on our website, have the audit ratings of the meat plants and the level of compliance that we have.

Another specific project that we have under way, again as a result of direction by Justice Haines, is to refine and go deeper into the idea of performance measurement and understanding what the food safety risks are. So we've completed some baseline studies on meat, dairy and poultry, and the results are available on the website. We're using those and actually developing a performance measure system for the food safety pieces.

Mr. Gilles Bisson: I'm just curious, you're saying some of these benchmarks—was it some of the benchmarks or some of the targets are kept internal and some are public? I didn't quite follow you on that one.

Dr. Deb Stark: All of them are accessible if people ask for them, but the website contains some of the ones that people are more interested in.

Mr. Gilles Bisson: So you have benchmarks that are set within the ministry, right?

Dr. Deb Stark: For various programs?

Mr. Gilles Bisson: Yes. You have benchmarks set.

Dr. Deb Stark: Yes.

Mr. Gilles Bisson: And you have specific targets, right?

Dr. Deb Stark: In some cases, we have targets. In some cases, I'd say they are more like objectives.

Mr. Gilles Bisson: Okay. You have timetables. Can you provide us with some of that? Is that in writing anywhere?

Dr. Deb Stark: I guess the request came yesterday—was it only yesterday?—for the food safety-related results and we are intending to provide that information.

Mr. Gilles Bisson: So you will provide us with what the benchmarks are, what the targets are and the timetables for progress?

Dr. Deb Stark: The ones we have, yes.

Mr. Gilles Bisson: What about the ones we don't have? Are we going to know what those are?

Dr. Deb Stark: We do have work under way, and if you're comfortable, we can share some of the project we have under way to set other performance measures. We anticipate having that completed in the fall.

Mr. Gilles Bisson: Okay.

Hon. Leona Dombrowsky: Mr. Chair, the deputy would also like to provide some more information on this.

Dr. Bruce Archibald: I believe there were a number of elements in Mr. Bisson's question that go beyond the food safety area—there was the competitiveness of the food processing sector and those areas—so I was going to ask, if we are done on the food safety element, if Bonnie Winchester, the ADM for the economic development division, could speak to some of those.

Mr. Gilles Bisson: Part of the problem we have is that we only have so much time. If you could give us that in writing, it would be helpful, because I have a number of other questions—not that I don't want to hear it, but in writing would be preferable.

The Acting Chair (Mr. Lou Rinaldi): Mr. Bisson, just to clarify something: The clerk has just instructed me that at the end of the 20 minutes, if you're not finished, you could submit questions in writing.

Mr. Gilles Bisson: Okay, so that's clarified. Bring the person forward. As long as I can submit my questions, I'll be happy.

Dr. Bruce Archibald: If we're done on the food safety area, I'm going to ask Bonnie Winchester, the ADM responsible for the economic development division, to talk about some of the performance measures in terms of the food processing sector.

Mr. Gilles Bisson: And I take it you have somebody else for the farm side, right?

Dr. Bruce Archibald: Yes.

Ms. Bonnie Winchester: In the economic development division, we have a team of people who work on investment attraction, retention and expansion; that is, bringing new investments to the province and also helping retain companies and manufacturers that are currently in the province, and potentially assisting them to also get international mandates, because there are a lot of multinational companies. So we work with them.

The key performance measure we have for that work on an annual basis is the number of jobs we have created—those are investment cases that we have actually influenced directly—and also the amount of capital investment—if there's a new plant that's built or an expansion of a current plant. Those are the key measures for our division.

Mr. Gilles Bisson: Do we have any numbers as to how much money has been invested in the food processing side over the last number of years?

Ms. Bonnie Winchester: I believe the number is \$1.6 billion, but I can double-check that for you.

Mr. Gilles Bisson: Can you provide us with a list of the numbers year over year for, let's say, the last five years?

Ms. Bonnie Winchester: Certainly. They're in our published performance measures. Absolutely.

Mr. Gilles Bisson: There are some good stories to be told there.

Ms. Bonnie Winchester: There are.

Mr. Gilles Bisson: On the farm side—

Dr. Bruce Archibald: I'll ask Dave Antle—

Mr. Gilles Bisson: Thank you very much, by the way. That was helpful.

Dr. Bruce Archibald: I'll ask Dave Antle, the assistant deputy minister for our policy division, to speak to some of the performance measures dealing with farm income and support programs and those types of things.

Mr. Dave Antle: With regard to the participation rate in CAIS or AgriStability, we do track the participation of farmers in the programs, and we continue to monitor that on an annual basis. We also track the level of program participation and satisfaction with program delivery for AgriStability.

Mr. Gilles Bisson: And you're going to provide us with that? You're going to provide us with data?

Mr. Dave Antle: We can, if you like.

Mr. Gilles Bisson: Okay. Do you want to read it into the record, or do you want to just give us a copy?

Mr. Dave Antle: Would you like me to give you the latest baseline numbers?

Mr. Gilles Bisson: If we can get the copy, that would be really good.

Mr. Dave Antle: Sure. I can take the time to do that.

Mr. Gilles Bisson: Okay. So, on the CAIS side, what was the actual investment?

Mr. Dave Antle: The actual participation rate for farmers was 63% in 2007-08, in terms of final numbers.

Mr. Gilles Bisson: Okay. Do you have year-over-year numbers for the last five years?

Mr. Dave Antle: We have numbers noted for 2004-05, which we could provide: 56%.

Mr. Gilles Bisson: But there would be numbers for each of the last five years. I take it we're tracking them, right?

Mr. Dave Antle: Yes, we do, but I don't have that with me.

Mr. Gilles Bisson: Can you provide that to the committee? That would be helpful.

Mr. Dave Antle: Absolutely.

Mr. Gilles Bisson: There was the other question with regard to the number of active farms year over year for the last five years. Have you got those numbers?

Dr. Bruce Archibald: We do have those numbers.

Mr. Gilles Bisson: You're so good. You guys work hard.

Hon. Leona Dombrowsky: They do. They're very good.

Mr. Gilles Bisson: No matter who the government is, they keep on working hard.

Hon. Leona Dombrowsky: You're right. I agree.
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Dr. Bruce Archibald: I have some numbers here, in terms of farms and farm size and those things, year over year. Total number of farms—I think you asked us to go back 10 years—

Mr. Gilles Bisson: Yes.

Dr. Bruce Archibald: —in 1996, which is closest in terms of census years, 67,520, and in the last census year, which was 2006, 57,211. I'm not sure if you also asked about production area, so I should ask for clarification.

Mr. Gilles Bisson: Yes.

Dr. Bruce Archibald: Actual production area has increased over that same period, from an average farm size of 83 hectares, or 206 acres, in 1996 to—sorry, I just want to make sure I've got the numbers right—94 hectares, or 233 acres, in 2006.

Mr. Gilles Bisson: Can you provide us with that data year over year—

Dr. Bruce Archibald: Yes.

Mr. Gilles Bisson: —the number of active farms and the production area?

Hon. Leona Dombrowsky: Sure. Basically, Mr. Chair, what the answer will reflect for the honourable member is that while the number of farms in Ontario has decreased in the last 10 years, the size of farms has increased and the number of people involved in the industry has increased.

Mr. Gilles Bisson: I'm just curious: Is that because more of the business has gone to the agricorps? Is that why the production has increased, or are individual farmers buying adjacent farms? I'm just trying to get a bit of a picture. Is it a bit of a mix?

Hon. Leona Dombrowsky: I'm going to offer my humble observation, having had the privilege of working in this sector. I think that, again, it goes to research and innovation. There's a lot of on-farm innovation. Farmers are implementing new, very efficient strategies in terms of how they sow their crops, how they harvest their crops, and how they market their livestock, grains and oilseeds. I think that has a lot to do with the fact that we have more farmers and there are more people involved in the industry.

Mr. Gilles Bisson: More people in the farming industry?

Hon. Leona Dombrowsky: I'm not saying more farmers, but more people in the agriculture industry. Farmers have larger operations, and they hire on-farm support as well.

Mr. Gilles Bisson: Do you have any sense of how much increased production is a result of larger agricorps versus the family farm sort of expanding? Do you have any sense of that?

Dr. Bruce Archibald: I have some data that you asked for as well, in terms of family farm operations over

a period of time—the change over the last five years. In terms of overall percentage: sole proprietary farm families, 31,800; partnerships, 17,100; and farm family corporations, 7,500. So 98.6% of the province's farms can be considered family-run operations. I think there is sometimes a perception that if it's an incorporated entity, it is no longer actually a family-run operation. But as we went back and looked at the data based on the 2006 census data, 98.6% of the province's farms could in fact be considered family-run operations.

Mr. Gilles Bisson: Could you provide the committee with that information?

Dr. Bruce Archibald: Absolutely.

Hon. Leona Dombrowsky: If I could clarify as well, I said there were more people in the industry. There are more people per farm. If there are fewer farms, there may not necessarily be more people in the industry, but more people per operation; in each farm operation, there are more people working.

Mr. Gilles Bisson: Okay. On the question I asked you earlier, could you also provide, vis-à-vis protection of the environment, what the benchmarks are, what the targets are and what the timetables are?

The next question: How much of program spending is actually making it to the farm gate, and what is the average amount per farmer? Do we have that kind of information? I know that might be tough to answer today, but do you think you have that?

Dr. Bruce Archibald: Absolutely. In terms of the overall ministry budget, we'll get you the exact percentage, but a large percentage of that is either in terms of direct farm-income support programs—AgriStability, AgriInvest, agriculture insurance and agriculture recovery—or through other companion programs like the SDRM program for horticulture or a risk management program for grain and oilseed producers or ad hoc payments that we've also put out. So a very high percentage of the overall ministry's budget is actually directed towards support for farm operations. Then there's indirect support through support of programs that deal with business management training to help people in terms of business skills acumen, learning different ways in terms of marketing. The benefits are really directed towards the individual. Even though there are not actual cheques directly to individuals, there are programs that are designed for that. On the indirect side, there's obviously a fair bit of investment in terms of research and innovation through a variety of areas and technology transfer through our field specialists, again designed to ultimately help the sectors and the individual farms. We'll give you the breakdown in terms of the percentage, but a very high percentage of that actually is for direct farm income support.

Mr. Gilles Bisson: I guess there is a recognition—and this is not a reflection on the government, but just generally, what's going on in industry—that it is becoming more and more difficult for the individual family farm to keep the gates open, as we might say. I take it there's that recognition?

Hon. Leona Dombrowsky: Absolutely. And the member would know that we have had a number of programs, and I'm not going to take the time; I could, but it's your time, so you know that we have recognized that there are some extenuating circumstances from time to time and we do try to work with our partners to address those.

Mr. Gilles Bisson: In regard to the spending that's done through various programs of the ministry, is there any kind of breakdown as to how much of it goes—I guess the first part of the question is, you answered earlier that an average-sized farm today is about 83 hectares. There are some a lot larger than that; there are some smaller than that. Is there any kind of breakdown in regard to who gets how much money based on those numbers? Is that broken down in any way: the big farm versus the small farm, how much money they get?

Dr. Bruce Archibald: We break it down in terms of aggregate areas, in terms of small and medium-sized operations, in terms of percentage of dollars. We don't do a detailed breakdown of individuals just because we get into concern about privacy issues and those types of things. But we do do analysis where we set arbitrary levels and say, "What percentage of people with"—for example—"below \$100,000 in terms of gross sales are recipients? What's the average payment? What's the percentage of people over \$250,000 in terms of gross sales? What's the average payment?" It depends on the program, in terms of how the thing was structured, whether or not it follows that size follows payment size. In some cases it does and in some cases it doesn't.

Mr. Gilles Bisson: Is that information tracked? I take it that it is, by what you're saying, right?

Dr. Bruce Archibald: Tracked—

Mr. Gilles Bisson: By the ministry.

Dr. Bruce Archibald: Looking at average payments to producers?

Mr. Gilles Bisson: Yes, to the size of the farm, based on either their overall volume of sales or the size of the farm.

Dr. Bruce Archibald: We look at those from a historical point of view, in terms of analyzing the data. It also helps to inform in terms of designing future programs.

The Chair (Mr. Tim Hudak): M. Bisson, that's the conclusion of the 20-minute segment.

Mr. Gilles Bisson: Wow. Can you please provide us with that?

Dr. Bruce Archibald: We can provide you with the analysis that we've done in terms of those types of programs.

The Chair (Mr. Tim Hudak): Okay, thanks. That concludes the time—

Mr. Gilles Bisson: Twenty minutes goes so fast.

The Chair (Mr. Tim Hudak): It does go fast.

Mr. Rinaldi, thank you for stepping in as Acting Chair. My apologies, folks and minister and staff. I had double hats today. I had to do a response to the economic statement. Thank you for your understanding.

Folks, just as an update: We have now two hours and 19 minutes remaining in the consideration of Agriculture, Food and Rural Affairs, or 139 minutes. We have until 6 o'clock today. So there are 45 minutes' spillover. So if members want to talk together about dropping some time, we could conclude today. If not, we would have to come back Tuesday morning for 45 minutes. Government members have 20 minutes—

Mr. Gilles Bisson: Could I make a suggestion? If the government wants to cede some of their time, we could finish it today.

The Chair (Mr. Tim Hudak): Why don't we continue and then Mr. Bisson and Mr. Rinaldi can chat? Who on the government side is up? I apologize.

Mr. Kim Craiton: Phil.

The Chair (Mr. Tim Hudak): Mr. McNeely? There are 20 minutes, Mr. McNeely.

1630

Mr. Phil McNeely: One of the areas that eastern Ontario, for sure, probably more than some of the good agricultural areas of western Ontario—in eastern Ontario, we have a lot of lands that are borderline and a lot of good land that produces corn and stuff like that.

In December 2007, the industry, generally for cattle and hogs, was in difficulty. There had been concerns about the action that our government took, Minister, that—can you explain how providing \$150 million to Ontario farmers, who were facing a dire financial situation at that time, can be perceived as a bad thing? I think that's the history we've been getting from opposition parties on it. I know that the need was there, and I'm just wondering: Why is that being criticized today?

Hon. Leona Dombrowsky: I'm very happy to try to respond. As the honourable member has indicated, there were some difficulties in three particular sectors: cattle, hog and horticulture. The representatives from those sectors came to see me very shortly after we formed government and they made it very clear that there was an urgent and pressing need for an infusion of dollars. Their ask of me was cash by Christmas, and they were in my office, I think, around November. I think they really recognized that that probably wasn't going to be the case. The message that I received from them—the point they wanted to stress—was that they really needed a partnership with the government as quickly as possible. They did make the point that the typical tools that we have at our disposal to roll out dollars, where we invite applications and ask for the most current data upon which to deliver cheques, were not going to meet their particular need at the time because it was so immediate and so pressing.

They also made the point that because those sectors had been in difficulty for a number of years, that also exacerbated the problem. There were operations that were at risk of being lost because bankers were saying, "We can't extend lines of credit, we can't renew mortgages based on the business plan; if you were able to demonstrate that there was going to be some additional cash infusion over the short term"—that kind of relief

would have been viewed very favourably by the bankers. These were the reasons our government recognized why we needed to respond very quickly.

I certainly did talk with industry partners about the tools that I had. Obviously, the very best way to partner with producers to get money out as quickly as possible is to use the information we have in the system. The most current information that we agreed would be appropriate to use, and what we did ultimately use, was the information that was gathered with those who applied for the federal cost-of-production top-up. Those applications were required to be submitted by September 2007. It was with that information that we moved forward.

It has been identified by members of this committee, and I have spoken with producers who would say that for those who were new to the industry, that that did, in fact, prevent them—I don't want to say "from accessing the program," because if they were producing in 2007 and they applied for a cost-of-production top-up, they would have received some money—maybe not as much as they would have hoped or would have liked or as much as other people who had been producing for some years before them and suffered some significant losses. I have heard from those people.

To the honourable member: We really did work with our partners in the industry. They were very aware of the vehicle that I had to deliver the dollars the quickest. Since the delivery of the program, they were also aware that I had a limited amount to spend and the option that might be available, I suppose—and I think an option that would not be favoured by industry leaders, and I'm sure the people who have received some support already—is that given that there's a fixed amount, if there was a recalculation, it would mean clawing back some of the dollars that had flowed to producers who did qualify. We chose not to pursue that either. I made it very clear that we wouldn't do that because these cheques were designed to support people who had been in difficulty for a number of years and desperately needed the money, and we weren't going to pull any back from them.

So that is the course of action that the government had taken at the time of the announcement. Since then, I have dozens of letters from producers who were very grateful not just for the program, but the fact that they got the money in a very timely way. We had many, many positive comments, much positive feedback from those producers who were expecting a wait of perhaps some months and it was less than two months from the day of the announcement till the cheques were delivered.

That is how we work with producers in Ontario, with farmers. We listen to them, and we have, whenever we have been able to, provided resources that they desperately need for the health of the agriculture industry.

Mr. Phil McNeely: Thank you, Minister. I think I'll pass this on to the next member.

The Chair (Mr. Tim Hudak): Mr. Craiton.

Mr. Kim Craiton: Just a short question, Minister; actually, it's quite relevant to my riding of Niagara. It's in respect to the broadband Internet infrastructure

program, which is, I know, important to the economy of all of Ontario. I've had a group of people come in to see me at my riding office, talking about providing that service in some of the rural areas we have in the Niagara region, such as Port Colborne, Thorold, Fort Erie, Welland and Chippewa, where they don't have that kind of service.

So just a couple of questions I wanted to ask you: How much funding has been provided so far? Secondly, I think for the record it's important to share how the program works with regard to the partnership between the province, municipalities and the private sector.

Hon. Leona Dombrowsky: I thank the member for bringing to this conversation the topic of broadband. For those of us in rural Ontario it's very important, and because of the good work from members of all sides of the House who have made this point so very well, our government has committed that over the next four years, we will be investing \$30 million to improve access to broadband services across the province, but particularly in rural communities.

This investment leverages the existing Rural Connections program that has already successfully committed \$8.5 million to 18 municipally led projects in rural Ontario. We listen very carefully to our municipal partners. When I attend ROMA and AMO, I meet with every municipality who requests that of me, and I can tell you, Mr. Chair, that accessing broadband services is a key ask in order to enable municipalities to better promote economic development within their region.

I also have representatives from the ministry who may be able to provide some more particular information in terms of the application process that municipalities go through. I'm looking to my left, to the deputy; he knows who to call forward.

Dr. Bruce Archibald: I'd like to ask Brian Cardy, who's the director responsible for this program, to come forward and provide a little more detail in terms of the process for the broadband initiative.

Dr. Brian Cardy: The Rural Connections program, the four-year program that was just launched this year, is on an application-intake basis, so that a call will go out for applications. We do provide field support, both from an engineering point of view, from a technology point of view, as well as from a community development point of view. We work with the municipalities to answer their questions and to coach them on applying, to make sure that they have identified all the issues important to them, for their residents.

1640

The intake for the first part just closed, and 18 applications have come in. Those applications are currently being reviewed by the directors, and it's going to an approvals committee in a few weeks. There's another intake scheduled for February of this year, and there will be continuous intakes twice a year until all the funds are fully committed.

Mr. Kim Craiton: I'm pleased that you're here. One follow-up question, just so that I'm really clear on this:

With the application process, is there a requirement that the municipality also has to be the lead on this all the time?

Dr. Brian Cardy: Yes, they can partner. We actually encourage partners, both with aboriginal groups that also will be looking for access to high-speed Internet as well as other private interests. In almost all cases, the municipalities will partner with a private Internet service provider. However, the municipality is the lead applicant, and we will contract directly with the municipality.

The Chair (Mr. Tim Hudak): There are about eight and a half minutes left for the government members. Mr. Delaney.

Mr. Bob Delaney: Minister, I'd like to ask you a question about something that's certainly been in the papers and has also been the subject of an awful lot of conversation at the kitchen tables and in some of the living room meetings that I attend from time to time, and that's food safety. In urban areas, we don't always have a direct connection between the kitchen table and the farm. One can say, tongue in cheek, that to many of our residents, food doesn't come from the farm; food comes from the grocery store. Perhaps you could assist, in your response, in filling in some of the missing steps, particularly after the listeria outbreak at Maple Leaf Foods. Could you explain what type of initiatives we have at the provincial level that help keep food safe for Ontario families?

Hon. Leona Dombrowsky: I very much appreciate the question. I know that members of this committee have heard from Dr. Deb Stark from the ministry. I think she has provided some very fulsome responses around the particulars. But I would also like to take the opportunity, when I say that our government has been committed to food safety and quality issues in the province of Ontario, to put that in some context.

Shortly after coming to government, we commissioned the Honourable Justice Roland J. Haines to undertake a review of the province's meat inspection and regulatory regime. We are committed to implementing all of his 113 recommendations in a responsible manner. I think the people of Ontario understand that there is a need to prioritize those recommendations, and that is the responsibility of our ministry. We've taken it very seriously, and that is what we have acted on.

As a first step, we proclaimed the Food Safety and Quality Act and we introduced a new, stronger meat regulation. This legislation ensures that meat processed in provincially licensed plants for consumption in Ontario meets food safety requirements. Justice Haines made it very clear in his recommendations that all meat processing operations, whether an abattoir or a free-standing meat processor, should meet the same food safety standards. This is, I think, a very important point. Our government recognizes that stakeholders would require assistance to meet these new regulations, and that is why our government is providing up to \$25 million in financial assistance for those meat processing facilities.

We have also funded the Ontario Independent Meat Processors to provide technical and business advice and

follow-up, with an additional commitment of \$800,000 to continue with the delivery of the meat plant assessment services. I had the opportunity yesterday to identify the work that we have done with the Ontario Independent Meat Processors. They have partnered with us, they have been very eager, very co-operative, to work with their members, so that their members understand and appreciate the programs that have been made available by this government: (1) what the new regulations, are, (2) the fact that our government has provided some dollars to assist them to meet the new regulatory regime and (3) how they can access those programs. So we're very appreciative of the good work that the Ontario Independent Meat Processors is doing to assist its members but also our government and then, of course, the people of Ontario.

There are a number of checks and balances in Ontario's meat inspection system, including veterinary oversight, technical support, laboratory testing and an annual plant audit program that provides for effective performance monitoring. Ontario's meat inspection system is continually improving to minimize risks to public health and to ensure public confidence in the provincial meat supply.

Ontario has a strong food safety system and a recognized reputation for food safety. Everyone from consumers to food processors at all levels of government has an important role to play in this system to maximize the safety of the food we eat. The Ontario Ministry of Agriculture, Food and Rural Affairs takes its role in this area very seriously. While we have a good system in place, our goal is to reach even higher and to make it a world-class system. Our partners in this industry are very eager to assist us and work with us to achieve that goal.

Some of you may have heard the acronym HACCP. It stands for hazard analysis and critical control point. Anyone who is in the food production or food processing business is very familiar with this term. HACCP is an internationally recognized system for improving food safety, and it is designed to help prevent problems in food production, processing and handling. It's designed to prevent problems from occurring. It's a preventive program for food producers. It really is a multiple-barrier approach to food safety. I'm very proud of the fact that our ministry has developed Advantage HACCP, which is a made-in-Ontario program specifically designed for small and medium-sized processors. It offers a voluntary, staged approach to food safety management which helps meet the needs of specific markets and suppliers.

We have met the challenge presented to us by producers and from Justice Haines's recommendation to develop an on-farm food safety program for small and medium-sized farm operations. The Advantage good agricultural practices program assists producers with identifying potential food safety risks on the farm and provides guidance on how to reduce and prevent those risks. The program complements existing national on-farm safety programs by providing a solid foundation of common food safety practices through one manual and one set of records for producers.

I talk about complementing the existing national programs. Members of this committee would know that we have a shared file; we share responsibility for food safety with our federal partners. They have amounts of money that they set aside for these very initiatives. Our producers and processing partners have told us that it's very important that we work in co-operation, that we understand what their priorities are and that we fashion support programs that complement each other. I certainly give credit to our industry partners and to our staffs at both the federal and provincial levels, who I think have done an excellent job in ensuring that, when we do invest dollars, they are invested in similar initiatives that get the best bang for their buck with the people who are accessing the programs.

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The Chair (Mr. Tim Hudak): Thank you very much. We'll now go to the official opposition. Mr. Hardeman.

Mr. Ernie Hardeman: Good afternoon again, Madam Minister. We've heard some discussions at previous meetings about the Clean Water Act and compensation for land. At the October 15 committee meeting, you were talking about compensation to farmers whose land was taken out of production as a result of the Clean Water Act. You said, "There is an amount of money set aside." Minister, how much is available to the farmers and how much of that money for that loss of land has been paid out?

Hon. Leona Dombrowsky: First of all, if I can begin to respond to that, there may be some staff here who also have some dollars—the Clean Water Act is carried by the Ministry of the Environment. Within the Clean Water Act, there is provision for a stewardship fund. I'm sure the member knows that within each conservation authority, there are stewardship committees, and that on each stewardship committee, there must be agricultural representation. When there is a situation within a conservation authority where any business, agriculture or otherwise, can demonstrate that if there has been a threat identified on their property and it means that they must change their operation and that it may have an impact on their operation—and in the case of the honourable member's question, that farmland would be taken out of production—it is my understanding that the stewardship committee will work with the property owner to determine a mitigation plan. If it is the case that land is taken out of production or that dollars are lost, there is a fund that can be accessed for that compensation.

The honourable member has asked about the fund that was part of the legislation—and I don't have that number right at the front of my mind. Because this ministry doesn't carry that act, I don't know that I have that information in my notes, but I am going to ask—oh, well, I've got some really good people here to my left. They have a little more information than I do.

Dr. Bruce Archibald: The minister is correct that the fund is actually housed within the Ministry of the Environment for source protection on farms and will be run through the Ontario Soil and Crop Improvement

Association. But there's \$7 million in the stewardship fund to go for various elements in the program. The total amount is \$7 million; the breakdown in terms of the various areas, we're not aware of, but the Ministry of the Environment has the responsibility for that part of the program.

The Chair (Mr. Tim Hudak): Okay. I appreciate the response. Mr. Hardeman.

Mr. Ernie Hardeman: Going a little further on that—I've got it here somewhere if I can find it—you went on to say that the amount of money in that fund was set up based on what you heard at the committee hearings when the act was being heard—I presume that you were speaking of what you heard at those committee hearings, whether it was the relationship between what you heard at the committee meetings and the \$7 million.

Hon. Leona Dombrowsky: If I may clarify, the comment that I made would refer to how during committee hearings for the Clean Water Act, the committee heard and reported to the government that there was concern that, should the proposed legislation be passed, it could impact agricultural operations; it could actually take land out of production. There was no one—and I do believe it was asked what the amount would be: Did anyone have an estimate, a guesstimate or any idea? I'm not aware that there were particular circumstances, situations or dollars that were provided either to the committee or to the government.

It's my understanding that the Ministry of the Environment, in consultation with the Ministry of Finance, recognized that in fact there would be the potential to impact businesses and that a stewardship fund—I think it's important to note the name of the fund; it's a stewardship fund. When businesses would be able, and in this case when farmers would be able, to demonstrate their stewardship to protect water, there would be dollars available to offset any cost that may bring to their business.

Mr. Ernie Hardeman: Madam Minister, are there no funds in these estimates that we're presently referring to that deal with the impact that the Clean Water Act will have on our agriculture community?

Hon. Leona Dombrowsky: It's my understanding that that act is carried by the Ministry of the Environment, and I believe that's where the stewardship fund would be.

Mr. Ernie Hardeman: I'm wondering if we could get it—if we don't have it here, because it is a Ministry of the Environment piece of legislation—through the Ministry of Agriculture? The reasoning in all the committees that are presently setting up their terms of reference—you read it in the paper day after day, about them wanting to include compensation for land that is going to be impacted by the Clean Water Act, and in every case, the ministry is opposing that being in the terms of reference. It's caused a fair commotion, shall we say, in the end of the province that you're from, Madam Minister.

I'm just wondering, seeing that comment that there is compensation for that—I just have to understand why

they would have so much trouble getting that into their terms of reference.

Hon. Leona Dombrowsky: I have to say that I'm not familiar with the particular situation the honourable member is referring to. I guess I just need to be clear on what his ask is.

The Chair (Mr. Tim Hudak): Do you want to repeat the question?

Mr. Ernie Hardeman: Yes. I'll maybe just clarify it. Minister, you spoke about the committees that are being put in place, those committees around the province that must have farmer representation on them. They are setting up presently and having discussions to set up the terms of reference for each individual committee around the province. I've been following one rather closely. They've been going to great lengths to have an inclusion in their terms of reference that they will be allowed to deal with land compensation, but they have been stopped from passing a terms of reference—or having a terms of reference accepted—that includes that in it. I guess I'm curious, with your comments that the fund is there for that purpose, why they would not want it in the terms of reference.

Mr. Lou Rinaldi: Chair, on a point of order: I'm just wondering how relevant this is to why—

Interjection.

Mr. Lou Rinaldi: I've got the floor at the present time. I'm just wondering how relevant this is to what we're dealing with today.

Mr. Ernie Hardeman: I'll ask the questions as I see fit.

The Chair (Mr. Tim Hudak): The member can ask questions. The estimates are what we're supposed to be asking about. If it's not in the minister's estimates, it's a legitimate answer by the ministry that it's not their ministry. But the question is allowed; the minister doesn't have to answer if it's not in her portfolio.

Mr. Lou Rinaldi: Thank you.

Hon. Leona Dombrowsky: With respect to the question that's been put by the honourable member, I really would not be able to answer for, or why, a local committee that is made up of people from the community—I really can't—and work with people from the Ministry of the Environment. I would not be able to answer why that would be the case.

Mr. Ernie Hardeman: I accept that answer. The only reason I asked the question in the first place was because of the comments in the Hansard of the meeting I wasn't at that talked about the fund and the minister's connection to it. I presume that that fund must then be in some of the figures that are here in the budget. That was why I was asking the question.

There's another question and, Madam Minister, you don't have to answer it. It does, again, deal somewhat with the ministry, and the question is whether it actually is in the estimates. At public accounts, we had the presentation from the Minister of Natural Resources. One of the issues of discussion was the crop damage by wildlife and, in fact, that the farmers get reimbursed for that, but

that hasn't changed for some time. The Ontario Federation of Agriculture was very concerned that they were losing more and more because of the wildlife protection that we have in our government. The compensation for that was not going up comparably and they were losing out. I wonder if there is a connection between the pay-outs. Is that through the Ministry of Agriculture or through the Ministry of Natural Resources?

1700

Hon. Leona Dombrowsky: Thank you very much for the question, because it's something that I'm dealing with in my riding as well, so I'm happy to have the opportunity.

The payments actually flow through this ministry, through Ag, Food and Rural Affairs. It is an issue that has been brought to our attention by stakeholder groups. I have told them that right now there is a review under way. It has been some time since those rates of compensation have been reviewed, so I have given that commitment very clearly. I also worked very closely with the Minister of Natural Resources, because we're finding now that there are some natural predators that—they're new ones; they haven't been there in this province before. So we do have some work to do with that.

I'm also advised that Christine Kuepfer from the ministry in Guelph has some more information on this particular issue.

Ms. Christine Kuepfer: Wildlife damage compensation, as the minister did say, is the responsibility of the ministry, and there's a variety of different programs that are available. There are programs that are available for predators eating livestock, which is under the Livestock, Poultry and Honey Bee Protection Act. As well, there's the bear damage to bee hives compensation program, and bears also damage livestock as well. Those are programs that are directly administered by the ministry through municipalities.

As it relates to compensation to crops, damage by animals—and usually these are herbivores, obviously—is an insurable peril under crop insurance, and we do encourage all producers to participate in production insurance, crop insurance. So that is what's available to them.

Mr. Ernie Hardeman: From that explanation, are there increased revenues available in the estimates to compensate—I have here a letter from the elk association pointing out that it's a major problem, with ever-increasing damages. So are there resources available within these estimates that will cover the cost of paying some of these damages, recognizing that it is the Ministry of Agriculture—

Hon. Leona Dombrowsky: Mr. Chair, I'm trying to—you've got a letter from the elk association that they're experiencing damage?

Mr. Ernie Hardeman: Yes—no, it's from the OFA about elk damage.

Hon. Leona Dombrowsky: Okay, yes. The honourable member might remember that it was during the

tenure of the previous government that elk were re-introduced into the particular area that's—

Mr. Ernie Hardeman: And I'm sure they had every intention of covering the damages.

Hon. Leona Dombrowsky: Oh, really? I'm looking at my notes here.

Interjection.

Hon. Leona Dombrowsky: Yes, I'm trying to find out where they left that money.

What I am able to say is that the presence of elk in the one particular area where they had been repatriated has been particularly problematic, and the Ministry of Natural Resources has been very proactive in supporting the farmers in that area. They've paid for the high fencing to keep the predators out. And as I indicated, right now we are in the process of reviewing the compensation package that we have in place. So I think it's fair to say that because this is a relatively recent initiative, you probably would not find any compensation costs beyond what we already have in place.

Again, these are demand-driven. The member would know, in any given year, that the demand on the program can vary. But for elk particularly, right now it's not the policy of the government to cover that, because the damage elk do—right now, the program that we have compensates farmers for loss of livestock, and we consider these livestock. The damage that the elk cause is to forage crops and to grains. So we do have a program—production insurance, crop insurance—that should support these folks. What the farmers are saying to me is that, in some cases, they've never had a need to purchase crop insurance before. They feel that this predator is there partly because of a government initiative. In any case, it's something that we very acutely aware of, but to answer the member's question, he would not find anything in the estimates particularly for the compensation of damage by elk—unless, of course, the producers had crop insurance, and that is a line in the estimates.

Mr. Ernie Hardeman: Thank you very much, Madam Minister.

Leaving the elk and going to food safety, I noticed that there was a chart that points out that in 2005-06 the total number of samples taken was 467,066. It goes down to 450,000 in 2006-07 and it goes down to 435,000 in 2007-08. The total number of licences issued was 817 in 2005-06, 863—going up the other way—in 2006-07, and 1,048 in 2007-08, but the total number of training sessions for people to do the testing went from 284 to 262 to 238.

Is this one of these cases that we are able to do a whole lot more with less? Because it seems we're not training as much. I presume we're needing more people to do that, because we have more licences—up from 817 to 1,048. How do we explain that there isn't a direct relationship between the need for the service and the training and the maintenance of the working people who make it run?

Hon. Leona Dombrowsky: I'm going to begin to answer your question and I am going to ask ministry staff to provide some information as well around the particular

details. But I want to make it very clear that our government takes food safety very seriously, and that's why we actually proclaimed the act that was passed by the previous government.

When we came to government, there were 10 meat inspectors; now there are 170. Those meat inspectors have been trained. I will leave it to staff to explain the schedule that has enabled that training to take place, but—

Mr. Ernie Hardeman: The question, Madam Minister, is not to do with that the government doesn't take anything seriously or that people are not doing their job; I'm just wondering why, as the numbers are going up for the need, the numbers are going down for what we're providing the staff to work with. Why would we have less training when we have much more need, as the numbers show, for the service?

Hon. Leona Dombrowsky: I will ask staff to assist me. Deputy?

Dr. Bruce Archibald: I'll ask Dr. Stark to come up and talk about the training program of the ministry.

Dr. Deb Stark: I have to apologize, because I'm not sure of the numbers you're referring to. If someone has a copy of them—

Hon. Leona Dombrowsky: Can you refer to where in the estimates you are getting those numbers?

Mr. Ernie Hardeman: No, I haven't got it as a page of the estimates. I expect they came out of the estimates, but I've got it as a separate page here.

The Chair (Mr. Tim Hudak): Do you want to maybe read the numbers back to—

Dr. Deb Stark: Or maybe I can speak in more general terms? I think your general question was the link between the number of training sessions, the number of samples and the number of licensed facilities. So what you're asking is, should we not expect a direct correlation—if one goes up, the other one goes up? I would say, not necessarily.

The training is related to the number of new people that we have and the number of refresher courses that we have to offer. We did, as the minister indicated, have a huge change in the number of inspectors over the past few years. We have brought them on in waves, so as we bring in new people, we need to provide more training for those new people. If we don't bring in so many new people, we don't need to provide so many training sessions. So there isn't a direct link there.

There is absolutely a commitment, and within the ministry, within the food inspection branch, we actually have a training coordinator in place to make sure that we do have the programming available. An inspector actually receives in-house classroom training plus time on the line, spent under the guidance of an established inspector. I don't really want to call it an apprenticeship, but it's that kind of thing. Everyone does that—spends that time, sits in that classroom and has that training before they go out. We do not send them out untrained. In terms—

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The Chair (Mr. Tim Hudak): That's going to conclude our time, Mr. Hardeman. Your time is up.

Mr. Ernie Hardeman: Thank you very much. That has answered my question completely.

The Chair (Mr. Tim Hudak): Folks, just by way of update, it sounds like there has been no agreement among members to drop any time, so this means that the Tuesday, October 28 meeting will continue with the Ministry of Agriculture, Food and Rural Affairs.

If we stick with our schedule, we'll have one more rotation today from the third party, then from the government members, then I'll stop committee at about 5:48. That means we'll have about one 20-minute segment each remaining on Tuesday, October 28, and then we'll conclude—sorry, that's in the morning on Tuesday, 9 a.m. We'll probably end right around 10 o'clock.

To third party: Madam Gélinas, the floor is yours.

M^{me} France Gélinas: I know that yesterday our leader, Mr. Hampton, asked about sludge spreading, but I have another question. I understand that the government is introducing changes that will drop the requirement for the Ministry of the Environment certificate of approval for sludge spreading, and instead, you want to regulate biosolid spreading under the Nutrient Management Act. Actually, the Ministry of the Environment certificate of approval is the one way that people can find out what is being spread, where it is being spread and in what amount.

I want to know, how is this move going to increase food safety and transparency for the people who want to know about the sludge that's being spread in their neighbourhood?

Hon. Leona Dombrowsky: Dr. Deb Stark from the ministry will respond to that.

Dr. Deb Stark: Thank you for the opportunity, because as you say, there are some potential changes. They are under discussion. We had a document out on the environmental registry last year and comments were received and they are still under consideration. Certainly, you have raised one of the concerns that has been raised. No final decision has been taken.

Just to explain how the system works in terms of why we believe it would be better from a food safety perspective: The application of biosolids is something that we do believe is a benefit. It helps the landowner reduce costs because there are valuable nutrients in those biosolids which can be brought to the land and used, as opposed to more expensive fertilizers. It also helps a municipality dealing with their waste, but it has to be carefully regulated and it has to be carefully monitored.

At this point in time, both the Ministry of the Environment and the Ministry of Agriculture, Food and Rural Affairs co-chair a committee called the biosolids utilization committee. The Ministry of Health and Long-Term Care is also on that committee, as are other scientists; university scientists; ROMA, the Rural Ontario Municipal Association; the Ontario Federation of Agriculture; and technical experts are brought in as required. That's where the best science of the day is brought forward to discuss and say what kind of standards need to happen.

That has been the procedure under the certificate of approval, so when the Ministry of the Environment looks at issuing a certificate of approval, they have developed those standards, also using the advice of this biosolids utilization committee, and that will be—as we go forward in the future—our intent, if indeed the plan goes forward to move it under the Nutrient Management Act.

We are using the best experts that we have and using the newest science that they have access to, to set those standards and determine how and when material will be applied. That's why we don't believe there will be a change to the level of food safety if this procedure does go forward.

M^{me} France Gélinas: If any changes come forward, will the people's right to know be maintained? As in, if there's going to be sludge spread in my neighbourhood, do I have your guarantee that no matter what comes after those experts do their recommendation, that I, as an Ontario citizen, will have access to what is being spread, where it's being spread and in what amount?

Dr. Deb Stark: I actually can't comment on what the final decision will be. As I say, we did have a proposal up. Comments have been received and those are under consideration, but there has been no final decision.

M^{me} France Gélinas: I would have hoped—I realize there's no final decision, but there could be a show of transparency from your government that says, "Yes, we realize that people in Ontario want to know. They have this right right now. We're committed to keeping this transparency available." This is the kind of answer I would have liked, but you're not ready to give any guarantees to the people of Ontario?

Hon. Leona Dombrowsky: I think that all of the work that we have done with legislation since coming to government very definitely demonstrates our commitment to being open and transparent. I would say to the honourable member that I am aware, because a situation in my own riding presented itself recently, that my constituents were able to access the very information that the honourable member has referenced. I don't believe that, in any of the postings, there has been the presentation that that will be diminished in any way. I would find it hard to imagine that any public input would urge the government not to make this public.

So I would offer to the honourable member that we have a record of being open and transparent, and with the work of all members of this Legislature, I think that has been a common goal. We appreciate the point that the honourable member is making. As I say, I am not aware that there is anything in the proposed regulation that would diminish the public's right to know that is in place at this time.

M^{me} France Gélinas: Well, I could argue that some of your ministries, as in the Ministry of Health, haven't been that transparent, but we'll leave this for another day. I take your comments as, you will ensure that people will continue to have access to that information, as sludge continues to be used in Ontario, if the good people in your community decide that this is the wise way to go.

Switching to sizes of farms, if the current trends continue, there will be fewer and fewer family farms in Ontario connected directly to our communities. What action are you taking to ensure that there will not be just a few large agricultural operations in each region and that we will continue to have family farms as the backbone of our rural economy?

Hon. Leona Dombrowsky: I'm very happy to respond to this type of question. I know that my deputy has some statistics, but I would first like to respond from the perspective as a minister. It was already identified in our conversations here today, so far, that the number of farms in the province of Ontario has declined in the last 10 years. However, that means farms are getting bigger, and what we are also finding is that there are more people employed in those larger farm operations.

We also recognize that there are challenges for anyone who would be looking to get into the farming business, particularly in the supply management sector. It's a very capital-intensive sector, and that is why our government is committed—and you will not find it in these estimate documents—to a program to assist young farmers.

Also, as a province, we have an agreement with our federal government, which we have had in the last five years: the agriculture policy framework. We just this summer signed the Growing Forward agreement with the federal government, which is a partnership for investment, and one of the areas that we partner to invest in is for farm renewal. So we want to work with our producers, and we made these investments because the farming community has come to us and indicated that they want to hand on, to their family members or to sell to a young farmer, a viable business. Farmers come to us and say, "The bottom line, at the end of the day, is that we want to be able to make money in this business. We don't want to rely on programs from the government to keep us alive. We want to make money."

They also recognize in some cases that they would benefit from some support for business training and also to be able to access new technologies in the industry—what's new, what's the latest, what enables them to be more efficient in their farm operations and how they can reduce their input costs.

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There are a number of programs that our government has in the province of Ontario, in partnership with the federal government, to assist and support farmers to build better businesses. And we do look forward, before 2011, to have a program for new farmers as well.

Deputy, I'm not sure if you have any more to add on this particular issue.

M^{me} France Gélinas: I was not talking about new farmers; I was talking about the size of farms, just to remind you.

Dr. Bruce Archibald: I have some information on both numbers of farms, in terms of family farms, as well as average size of farms in Ontario. The last census data we have is from 2006. There were 57,200 census farms in Ontario in 2006. Of those, 31,800 were sole pro-

prietorships; 17,100 were partnerships with or without written agreements; 8,300 were incorporated operations; and then family corporations, 7,500. When you look at family-run operations, either as sole proprietors, partnerships or incorporations, 98.6% of Ontario's farms can be considered as family-run operations.

You also asked about the size of farms in Ontario. As the minister has indicated, the number of farms has decreased over the last 10 years, but the size of farms has increased somewhat. From 1996 the average size was 206 acres, or 83 hectares, and in 2006 it was 233 acres, or 94 hectares. So there has been a decrease in the number of farmers over that 10-year period. The size of farms has increased, and the total amount of land in production has actually increased in the province as well.

M^{me} France G  linas: Very interesting statistics. That tells us a good story of the past. I'm also interested in looking to the future and to what the government is doing to influence the future.

What is your ministry's vision as to what the optimum farm should look like in Ontario? I'm talking here in terms of growth and net income from that farm operation. What steps has the ministry taken to achieve that vision?

Hon. Leona Dombrowsky: I explained to the member that we do invest in programs, both as a province and in partnership with our federal government, on renewal. These investments enable us to provide farmers with opportunities to understand good business practices, and also to acquaint them—and there's a lot of work.

I think it's important as well to recognize that the real innovation and ingenuity in terms of the transformation of the industry is happening on-farm. Farmers are not necessarily coming to me to say, "We're looking to you to show us the way here." But they certainly are looking for government to assist them and support them when the climate is not making their job easier. I've said in this committee that farmers are really the subject of two climates: the economic climate and the natural climate. When markets are in difficulty, that has an impact on the industry and they do expect government to be there, and I think we can demonstrate that we have. Also, in the natural climate, if there's been a drought or a flood or whatever, they expect us to have programs that enable them to get through a bad year and get to the next one.

What the agriculture community has made very clear as well is that they believe that the key to success in the future going forward is with innovation. We have so many producers out there who are innovating on their farms. That's why we have awards every year. I think that if you have the opportunity to look at who has received awards for on-farm innovation, there are some wonderful things happening.

But they also need investment from government. We have agriculture research institutes across this province that we have supported. We have made investments at the University of Guelph. We know that that is going to support the innovation agenda for agriculture. We have made investments at Vineland particularly; we've talked about that.

We have the most diverse agriculture industry in North America. There's not another jurisdiction that produces more kinds of agriculture products than we do here in Ontario. What we hear very clearly from our partners is that they need government to be there for them when there are challenges. They need government to invest in the innovation agenda. We're working very hard to try and accommodate those asks that come to us from industry.

M^{me} France G  linas: The reason for my question is that if a very large agricultural operation which is very innovative and winning all kinds of awards decides to spread their wings across an area, I want reassurance from the government that there is a vision, that there are policies in place that will make sure we keep the family farms and that we don't end up in Ontario, like other jurisdictions, with mega-farms in strategic places of our province, and that's it; that's all. Your answer seems to be that you support the farm, you recognize innovation, but Ontario does not have policies that would prevent mega-farms from taking over all of those little farming operations. If they were innovative, if they were winning awards, they could buy up all the family farms and we don't have anything in Ontario that would prevent them from doing that.

Hon. Leona Dombrowsky: I think we do need to be clear that some of the most innovative operations in the province right now—I'd say most of them, the lion's share of them—are family farms. I grew up on a family farm. I would offer that some of the family farms that I'm thinking about right now in this chair are very different than the farm that I grew up on, I will give you that.

Just last Friday, I was at a family farm that, perhaps at one point in its history, was three or four farms. It is now owned and operated by a father and two sons and now the grandson is in the business, too. I think if my father were to look at that farm, he'd think it was a pretty big corporation compared to our family farm. But this is an operation that supports families. I think that there are some farmhands working there. I appreciate the point that the honourable member is making, but I also want to be very clear that our farmers are very resilient, industrious, innovative and ingenious people in the province of Ontario. They provide us with the safest and best quality food of anywhere in the world. I'm not able to sit in my place today and say that—because I have no idea of what the real definition of a mega-farm is. Some might look at the farm I was at on Friday and term it as that; I wouldn't, so I would not be able to make that statement here today.

M^{me} France G  linas: How long do I have?

The Chair (Mr. Tim Hudak): You have about a minute and a half.

M^{me} France G  linas: A minute and a half? Okay. I know you've talked about this a little bit, but the average age of a farmer in Ontario is 53 years old right now. What are the specific policies of your government to encourage young people to take up farming?

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Hon. Leona Dombrowsky: An important question. In terms of the estimates that are in front of you today, we have a number of programs that support farmers. We also recognize that there's more to do. That is why we are committed to implementing a new farmer initiative before 2011. We have made that commitment and we will work in that direction, because we recognize that what we have in place now is effective but we believe we can be more effective. I'm not able to provide any detail on that initiative at this point in time. I'm very happy that the honourable member has raised it here, because when I press for the direction we need to go and what we need to do, it helps me that the honourable member from the third party has recognized it's an important direction to go as well.

The Chair (Mr. Tim Hudak): Thank you, Madame Gélinas. The time has expired in this round.

Government members, this will be the last 20-minute round of this afternoon's session. Mr. Craitor.

Mr. Kim Craitor: Minister, the Great Lakes touch my entire riding of Niagara, which represents Niagara Falls, Niagara-on-the-Lake and Fort Erie, and I just want to share with you that quite often I have people coming in who truly care about the Great Lakes and express to me some of their issues about water quality.

This year has been a challenge, because the level of the water has been extremely low. When they come in to talk about water quality, they talk to me about algae blooms and the beach closures, which still persist in our riding. They're not overly critical, but one of the things they're concerned about sometimes, and talk about, is pollution that they feel may be caused by the agricultural sector.

They ask if there's something the government is doing to work with the agriculture sector, because that could be a potential source of pollution in the Great Lakes, and what are some of the things we're doing to work with the agricultural sector to try to ensure that many of the pesticides and things they use to protect and improve their crops—those types of runoff—aren't getting into the Great Lakes and having any negative effects. I wonder if you might just touch on some of the things we're working on with the agriculture sector on that.

Hon. Leona Dombrowsky: I'm happy to address the question from my colleague. Our government works very closely with our producers to assist and support them. Sometimes when we talk about impacts of farm operations, I think there isn't always a clear understanding within the communities.

My experience has been that farmers are the first stewards of the earth, and they are very cognizant and conscious about why it is so important to protect our environment and our drinking water. Farmers remind me all the time that in most cases they live on the farm they operate. That's where their wells are, and it certainly is in their interest to carry out their operation in a way that's going to protect the drinking water. They don't feel that

way just about their own drinking water; they feel that way about drinking water, period.

I'm going to talk about how we work with farmers as well, because they recognize that as farm practices change, there can be potential impacts on the environment. They are very appreciative of the partnership we have forged with them to assist them in their ardent desire to ensure that the environment is impacted as little as possible.

With respect to some of the initiatives, I'm going to talk to you first about environmental farm plans. Environmental farm plans, in my view, have been very successful in Ontario. They were started in 1993; it was a partnership program between the province of Ontario—OMAFRA—the federal government and the farm organizations that are represented on the Ontario Farm Environmental Coalition, OFEC. So the farm leadership and both levels of government are working in partnership to provide resources to support producers to craft environmental farm plans.

Participation in the environmental farm plan program is voluntary, but there has been very strong support for this program over the years. I can say that we have just recently concluded a partnership agreement with the federal government, Growing Forward, and before I went to Montreal to put the finishing touches on that document, our agriculture partners made it very clear to me that maintaining support for the environmental farm plan program was indeed a priority for them. Again, I think it speaks to the responsibility that farmers take with respect to the environment.

My ministry has the privilege of being the lead in providing technical support to the program, both in terms of development and ongoing technical review. Also, the Ontario Soil and Crop Improvement Association—industry partners, in other words—has a role to play with respect to the educational workshop programs. They deliver those programs. So my staff, to a degree, have a role in supporting the environmental farm plan initiative, but we also partner with the soil and crop people as well.

The federal government made environmental farm planning, based on the Ontario model, a national initiative under the environment chapter of the agriculture policy framework, and that was in 2002. Now environmental farm plan programs or equivalents are available in all provinces. I would say it's a real credit to Ontario farmers. The partnerships that they have forged with the two levels of government have served as an example for provinces right across Canada. I think that may be something that the average person isn't aware of, but Ontario farmers have demonstrated great leadership with respect to environmental responsibility.

I can say that thanks to the partnerships that we have, 23.8% of Ontario farm businesses, 11,778 farms, have prepared an environmental farm plan since 2002—this is a voluntary program, so I think 11,000 farms is significant—and the total combined investment of on-farm environmental projects is greater than \$198 million. That's the total cost when you consider the costs of all of the partners.

You spoke particularly about water quality issues as they relate to the Great Lakes. First of all, I think it's important that I remind folks that agriculture is not the only potential source of pollution to the Great Lakes, but it is a major user of nutrients and pesticides in the production of safe and nutritious food. In an open biological system reliant on the climate and landscape, there will potentially be losses from the land to the tributaries. There is always runoff. However, our ministry has worked alongside other agencies to mitigate the potential losses of nutrient pesticides into the environment. OMAFRA has contributed to Canada's commitment under the Great Lakes water quality agreement as a signatory to the Canada-Ontario agreement representing the Great Lakes basin ecosystem, or COA. We've been a part of that since 1971, and—how recently was it that I signed—

Dr. Bruce Archibald: This past year—

Hon. Leona Dombrowsky: Yes, this year. I guess it was in the summer that I had the opportunity to renew that commitment on behalf of this ministry. For me, that's very important.

I think it's very significant that the people of Ontario recognize that the agriculture industry is very much a partner and is working to have folks understand that they do want to be a part of the solution as well.

While never receiving funding directly, our actions and programs to address soil conservation, nutrient management and environmental farm planning have been successful and have contributed to achieving Ontario's COA achievements. Under the 2007-10 COA, we have received funding for the first time and have initiated a new OMAFRA Great Lakes program to provide up to \$2.4 million in funding to projects focused on Great Lakes agriculture issues.

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I think for the honourable member, there certainly is a recognition in this ministry and among producers and farmers in Ontario that we all have a role to play to protect the environment. We are ready, willing and able to do what we can to address very serious issues around pollution that come to the table. I am really happy that I've had this opportunity to put on the public record that producers in Ontario are environmental stewards and are very prepared to do what they need to do to ensure that we have safe, clean water for the generations to come.

The Chair (Mr. Tim Hudak): Nine and a half minutes, Mrs. Mangat.

Mrs. Amrit Mangat: Thank you, Chair. Minister, as you know, we have a five-point economic plan to strengthen our economy by supporting cost-cutting technology solutions, and research and innovation is one of them.

Can you elaborate and let us know what your ministry is doing to support renewable energy production by farmers and food processors and to kick-start green energy on farm projects across the province?

Hon. Leona Dombrowsky: That's a great question, and I'm just looking for that in my notes. Maybe when—

Interjection.

Mr. Ernie Hardeman: You snuck one in.

Hon. Leona Dombrowsky: Isn't that good? You like it when that happens, and I do too because it's a great question and an important one.

The member will remember that in our budget of last year, I believe, we committed \$11.2 million to the Ontario biogas financial assistance program. This program has funded 46 biogas system feasibility studies at livestock, greenhouse, crop and food processing facilities across the province. So an \$11.2-million commitment, and 46 projects have access to funding. The funding is available in two tranches. The first is to provide dollars to those agriculture entities—it might be a farm.

I was at a farm on Friday—it was a dairy farm; 250 head—where they had a study done because they want to construct a biodigester. They want to use the nutrients that are produced on their farm to generate energy. They were able to access funding in the first half, or the—I don't want to say "half" because it's not necessarily 50% of the money that's set aside, but in the first tranche of dollars that are available. They embarked on a study; they hired a consultant and indicated: "This is what we have and this is what we want to do. How do we get there?" Once they get that plan in place, then they can apply for the second tranche of money, which is to assist them with some capital investment to actually build the biodigester. That is what has happened in my own riding in this particular operation. There were folks there, a wonderful young family—they had their three children with them—from the neighbouring riding that is in the process of doing the same kind of thing.

So when the honourable member asks about our investments in green energy, this particular event that I was at on Friday will power the entire farm operation—residences, all farm buildings—and will also provide energy for some 400 homes. This initiative is not only adding green energy to the grid, but it's also providing the farmer with another source of income, and it's saving them energy costs. They're eliminating those input costs and they're gaining income from selling the surplus power to the grid. Also, they have inspired a lot of people in our community who have looked at this investment and have recognized that it's a tremendous progressive investment for our community.

There have been 12 operations that have qualified for that second part of the funding that we made available. Four are now operating and generating electricity for the farm operation and selling surplus energy to the grid. I want to say, particularly with regard to the operation that I was at on Friday, I talked about the fact that it delivers them dollars.

By the way, they've also got a partnership, because our plan allows them to access 25% of the feedstock; the nutrient can be from off their farm. They are also partnering with a company that goes around and takes the grease out of the grease traps in restaurants, so that's another source of revenue for them. So they are receiving revenue from there; they are receiving revenue from the

excess energy they're producing for the grid; they're reducing their input costs, because they will now eliminate their energy costs; and for farmers as well, it also reduces the pathogens, those really nasty bacteria that they normally have to deal with in nutrient. That's why we've required that for large farm operations, they have to contain their nutrient. It hasn't been the nicest material to deal with; they've got to store it, but now this stuff that they've got to store is actually going to make them money and it's going to be a safer way to manage the nutrient on their farms. So I really get excited when we talk about this financial assistance program.

Again, we listened to our industry partners. We do what we can to support them, to innovate, and we all are winners as a result of this. This is good for our environment because it is clean, green, renewable energy. It's good for our environment because it's a better way to deal with on-farm nutrient. It's good for the farmer and therefore the community because it has reduced their input costs, so when that farmer does well, he will continue to invest in the community, which is going to be good for the community.

I think it's some of the best dollars that we spend in this file. I get very excited when we can support very progressive and innovative initiatives from our producers.

The Chair (Mr. Tim Hudak): You've got about two and a half minutes left at your disposal.

Mr. Phil McNeely: One of the projects that I was involved in as a PA to infrastructure was the funding of the rural projects—bridges, roads etc.—that are so important to the rural economy and to the farming industry out there. I know that OMAFRA had other projects as well with the federal government to deliver funding for many of the agricultural projects for municipalities across the province. Minister, could you tell us what those programs were and how much funding there was delivered under the COMRIF program? What sort of projects were funded, and how did that help the rural communities and the agricultural industry?

Hon. Leona Dombrowsky: So much to say and so little time, but I'm very happy to respond to the member's very good question.

Yes, we have had an unprecedented investment in rural Ontario. I will speak to COMRIF. We now have the Building Canada fund, and that's another plan for investment for infrastructure. But what I can say is that over the last five years, there has been from this ministry an investment of \$298 million. That represents one third of the investment that has been made in the province of Ontario in rural communities, the other third coming from the federal government and, of course, the final third coming from the municipal partner.

This is the kind of program that was initiated because I had heard for many years, when I was first elected, that there was a longing on the part of municipalities to be able to access those 33-cent-dollar programs. They had some previous experience with that, and they believed that by establishing this kind of partnership program, it

would go a long way to assisting them to address the infrastructure needs in their community.

That is why we did sign an agreement with the federal government for an infrastructure program. We made it very clear that we wanted infrastructure that was going to help all of us achieve our collective goal, and that was to build stronger, safe communities.

Interruption.

Hon. Leona Dombrowsky: Mr. Chair, I don't know what happens when the bell rings.

The Chair (Mr. Tim Hudak): We're checking it. Do you know what? It pretty well concludes our time, Minister. Thank you very much. Mr. McNeely, thank you for that last question.

Some quick items of business, as we're waiting to see what's happening in the Legislature: As a policy, the clerk keeps track of questions that ministries have not responded to. We chase them down so members can have the benefit of the answers that come back from the ministries. If there's a ministry that's gone beyond 30 days from the day that they were here in committee without responding to a question, they'll receive a letter from me as Chair. I want members to know that I'm writing to the Ministry of Economic Development and Trade. There are some outstanding questions that have not been answered as of yet. I am happy to report that the other ministries that have appeared before the committee 30 days or more ago are all caught up with their answers. So we only have one miscreant at this point in time, and we'll hopefully get that straightened up.

Item number 2: This committee is at the call of the Chair, but it really is supposed to meet after routine proceedings. With the new House rules, what we've generally done is meet at 4 p.m. I've asked members of the committee if we could start at 3:30 or when routine proceedings conclude, whatever is the latter. I don't have full support for that. So what I'm going to do as Chair is, we'll continue then with the 4 o'clock starts in the afternoon sessions for the remainder of the ministries, but I will give a heads-up that, beginning in our next session of estimates in 2009, we'll go back to 3:30, where this committee used to be for their starts. I think that way, we can actually get through the estimates faster. It adds on an hour each week and it's back to what our status quo was before the new rules.

A last item of business: We do have now approximately an hour left, which will be one full rotation, beginning with the official opposition, the third party and then the government members. That will be on Tuesday, October 28. Minister, it's a morning session, from 9 until approximately 10 a.m., and then we'll conclude the Ministry of Agriculture and begin with the Ministry of Finance at 4 p.m. that day, Tuesday, October 28.

Having covered all the bases, folks, thanks very much, Minister and staff, for being here again with us today. Members, thank you. You all have a good afternoon.

This committee is now adjourned.

The committee adjourned at 1751.

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