

Published plans and annual reports 2021-2022: Ministry of Agriculture, Food and Rural Affairs

Plans for 2021-2022, and results and outcomes of all provincial programs delivered by the Ministry of Agriculture, Food and Rural Affairs in 2020-2021.

Ministry overview

Ministry's vision

The vision for the Ontario Ministry of Agriculture, Food and Rural Affairs (OMAFRA) is to strive to be a global leader unleashing the potential of Ontario's rural and agri-food systems.

The ministry does this by encouraging and supporting economic development, research, knowledge transfer and innovation. It also provides assurance and oversight of the agri-food system and protects the productive capacity of Ontario's natural resources.

These activities help strengthen the agri-food sector and rural and urban communities. They support good jobs, attract investment, help ensure food security, and contribute to Ontario's economic success.

COVID-19 response

OMAFRA recognizes the 2019 novel coronavirus (COVID-19) is an ongoing concern for the agri-food sector. The ministry is doing everything it can to keep Ontario's food supply system strong, which includes working closely with government partners and the agri-food industry. The Minister's Jobs and Recovery Council, which included a range of agri-food stakeholders, helped assess the impacts of COVID-19 and make recommendations on short and long-term needs and priorities as the industry recovers from the crisis.

OMAFRA took action in key areas. For example, we invested in greater meat inspection capacity to help ensure the continued inspection of food and meat products. The ministry also helped Ontario's Food Terminal remain open by investing in advanced sanitization measures. In response to COVID-19 processing disruptions, OMAFRA launched two federal-provincial AgriRecovery programs for the beef and pork sectors to support producers who could be affected. Ontario collaborated with Canada to expand coverage under Production Insurance for COVID-19-related production losses for 2020 and 2021 and extend Production Insurance enrollment deadlines.

In addition, the government permanently expanded the provincial Risk Management Program (RMP) from \$100M to \$150M annually, one year earlier than committed. To further address challenges in the sector as a result of COVID-19, OMAFRA extended enrollment and reporting deadlines for the RMP's Livestock and Grain and Oilseeds producers and reopened enrolment in July as a result of the enhanced \$50M investment into the program.

Further, Ontario increased AgriStability interim payments from 50% to 75% for the 2020 program year and extended the 2020 enrollment deadline.

Ministry programs

Strong agriculture, food and bio-product sectors and strong rural communities

Rural Ontario is home to about 2.5 million people - approximately 19% of Ontario's population. Rural Ontario businesses are diverse, including wholesale and retail trade, health care, social assistance, educational institutions and manufacturing. The ministry offers a range of resources that support economic development, research, business risk management and other needs.

Economic development

Ontario's agri-food sector is an important economic engine and contributes to our quality of life by providing good jobs and safe food to people in Ontario, Canada and the world.

OMAFRA provides support to Ontario's rural communities by developing and delivering local and regional economic development programs, tools and resources, including Business Retention and Expansion, First Impressions Community Exchange, Downtown Revitalization, Community Immigrant Retention in Rural Ontario, Newcomers and Youth Indicators, Regional Economic Analysis Resources, Performance Measurement Resources, and Regional Advisory Services. These resources support Ontario's rural communities by advancing initiatives aimed at fostering economic growth.

OMAFRA also continues to promote vibrant rural economies by partnering in rural community and regional support programs and the Rural Economic Development program. The ministry's Rural Economic Development program helps rural and Indigenous communities remove barriers to economic development, so they are better positioned to attract investment, create jobs and enhance economic growth.

To encourage Ontarians to identify and buy locally grown food, the domestic marketing program - Foodland Ontario - helps to increase awareness, celebrate local food and encourage consumers to choose Ontario food first. The ministry supports Ontario producers to use the Foodland Ontario logo on Ontario fresh and processed food products.

COVID-19 response

To help the sector during the COVID-19 outbreak, OMAFRA extended deadlines for two CAP initiatives; one provides support to provincially inspected abattoirs and the other supports food safety enhancements in provincially inspected dairy plants.

In response to COVID-19, OMAFRA announced a new CAP program that will see an investment of up to \$1 million to address labour challenges by better connecting workers with in-demand jobs in the agri-food sector. This program was designed to help primary agriculture, food processing companies and grocery retail stores recruit and train workers who are all critical parts to keeping our food supply chain strong.

In addition, the governments of Canada and Ontario are investing up to \$2.5 million to help the agri-food sector expand their online presence, providing more opportunities for producers to grow their business and offer more food choices for families who are shopping from home during the COVID-19 outbreak.

Through CAP, the ministry launched the Agri-food Workplace Protection Program to help farmers and processors enhance health and safety measures to better protect employees and ensure the continued supply of food products during the COVID-19 outbreak. The funding will be used for initiatives like purchasing personal protective equipment, enhanced cleaning and disinfection, and redesigning workstations.

In response to the need for additional labour, OMAFRA created an online jobs portal to match potential workers with employers looking to fill roles in the agri-food sector, making it easier to match people to essential jobs and training resources throughout the provincial food supply chain.

OMAFRA's COVID-19 response efforts also include linking producers, processors, distributors, warehousing, retail and foodservice outlets to help them mitigate some of the capacity problems they are facing. The ministry has worked with the agri-food sector to address excessive inventory at distribution companies and has helped to develop partnerships at the processor and distribution levels to address gaps in freight and storage.

Research

The ministry works in partnership with industry, academia, agencies, other Ontario ministries, provincial governments and the federal government to advance research and innovation that enables the growth and long-term sustainability of the agri-food sector.

The ministry continues to invest in agri-food research through its long-standing partnership with the University of Guelph through the Ontario Agri-Food Innovation Alliance (the Alliance). Each year, OMAFRA provides funding through the Alliance to support and help shape the future of the province's agri-food industry and rural communities.

As an essential research component in Ontario's agri-food and bio-products sector, this partnership supports the growth and competitiveness of Ontario's agri-food sector, creates jobs and further solidifies the province's position as a global leader in agri-food education, research and innovation.

The results have been seen in many innovative projects, such as technological developments that dairy farmers have commercialized and adopted to improve herd health, support for breeding programs which improve profitability, and providing evidence to support future decisions on policy and client and agri-food sector needs. In addition, this support has helped launch Mirexus, a spin-off company from University of Guelph research that manufactures corn-based nanoparticles for cosmetic, biomedical and other applications.

With the support of OMAFRA's commitment to the Alliance, research programs help equip undergraduate and graduate students with the skills they need to become the next generation of researchers, innovators and policy makers in Ontario's growing agri-food sector.

OMAFRA also invests in open research programs that have funded numerous projects to address many issues including food safety, climate change, soil health, plant and animal health, water management, bio-products development, and precision agriculture.

The ministry works with industry and other partners to focus research priorities, co-invest in research projects and infrastructure, and to encourage uptake by applying formal research into active use and technology transfer activities.

OMAFRA is implementing a strategy that will modernize its research and innovation programs, services and infrastructure, in partnership with governments, industry and academia including investments in research facilities in Elora and New Liskeard. Through these partnerships, and strategically targeted investments, the government can leverage knowledge, technology and intellectual capacity to build a sector that is aligned with government and industry priorities.

Business Risk Management transfers

Through its Business Risk Management (BRM) programming, the ministry helps Ontario's agriculture producers manage risks beyond their control, including weather and market volatility. The programming includes other assistance to support initiatives that improve sector profitability. OMAFRA offers a variety of programs, primarily delivered through its crown agency, Agricorp.

Programs include the federal-provincial programs under the Canadian Agricultural Partnership (CAP) (AgriInvest, AgriStability, AgriInsurance (Production Insurance), AgriRisk and AgriRecovery), and the provincial-only Risk Management Program (RMP), which includes the Self-Directed Risk Management Program for edible horticulture.

COVID-19 response

In 2020, in response to COVID-19 processing disruptions, BRM support also included two joint federal-provincial AgriRecovery programs for the beef and pork sectors to support producers impacted by these disruptions. As well Ontario enhanced risk management programs to reduce risk including adding \$50 million annually to the Risk Management Program and adding labour as an insured risk under Production Insurance.

Agriculture and rural affairs capital

The ministry's research is supported by the Agricultural Research Institute of Ontario (ARIO) and includes research stations, labs and related agricultural infrastructure. These facilities provide the capacity for research on a wide variety of agri-food issues and support industry-driven research while leveraging third party investments. The ARIO has several major capital projects underway to modernize key research platforms in the province supporting field crops, livestock and greenhouse/horticulture. These projects will ensure the sustainability and competitiveness of the agri-food sector for decades to come.

Better public health and environment

OMAFRA has a 'One Health' approach to designing and implementing programs, policies and regulation, working collaboratively with many partners on human health, animal health and environmental health to achieve positive outcomes in all of those areas. This provides confidence and supports the economic viability and sustainability of Ontario's agri-food sector and rural communities.

OMAFRA provides oversight of the agri-food system in Ontario including food safety at provincially regulated facilities, animal health and environmental health. The ministry is responsible for emergency management activities related to animal health, food contamination, agricultural plant diseases and pest infestations.

Ontario will continue working to reduce unnecessary red tape for farmers and agri-businesses while at the same time maintaining and strengthening the rules that protect health and safety.

Working with the agri-food sector, OMAFRA will continue to find ways to ensure the competitive production of food while managing the environment and providing food safety.

COVID-19 response

The health and safety of agri-food workers and the stability of the food supply chain continue to be top priorities for the ministry during the COVID-19 pandemic.

The ministry will continue working with government and industry partners to implement the Prevention, Control and Outbreak Support Strategy for COVID-19 in Ontario's Farm Workers.

The ministry will also help to maintain food security in the province.

- The director's order requiring COVID-19 prevention and response plans for provincially regulated meat plants will remain in place, with ministry inspectors ensuring oversight and compliance with implementation of these plans
- Additional, enhanced supports for front-line inspection delivery remain ready to deploy, and a resource-sharing agreement with the Canadian Food Inspection Agency to share inspection resources if needed to ensure supply chain continuity and support food security during the pandemic is being extended

Ministry administration and policy

OMAFRA continues to provide high quality customer service and efficient program delivery.

To drive success for rural Ontario, the ministry will ensure rural consideration is given in policy and programs across government and will develop key performance measures and metrics to promote economic growth and opportunities to support a high quality of life for its residents.

Following the March 2019 announcement by the Open Government Office in the Ontario Digital Service, OMAFRA will continue to support the continued expansion of the publication of open data to Ontario's Data Catalogue including an enhanced focus on government agency data. Sharing government data aligns with the recommendations of the Ernst & Young report (Line by Line review), which notes that sharing data and information is in the public interest. Publishing reliable, trustworthy and valuable government data to the public through Ontario's Data Catalogue unlocks the value of data held by the government, provides transparency and accountability for government spending and decision-making, helps government and business build better programs and services; and is a key to creating a true digital-first government.

The ministry will also continue to meet its requirements under the Ontario government's Digital First strategy for Ontario to be the first government in Canada to mandate an all-of-government digital approach to service delivery.

2021-22 Strategic plan

Cutting red tape and reducing regulatory burden

The ministry is committed to making rural Ontario and Ontario's agri-food sector open for business and open for jobs. The ministry is helping Ontarians succeed by cutting red tape and unnecessary regulatory burden to lower operating costs for businesses and improve Ontario's competitiveness while maintaining those rules that protect food safety, public health, plant and animal health.

In the fall of 2020, the ministry completed regulatory changes under the *Agriculture Products Insurance Act*, which will save farmers time and money. The changes will eliminate an average of 45 pages of paperwork for each of the 14,000 farmers enrolled in the AgrilInsurance program and improve the fairness of the appeals process by giving farmers more time to file an appeal.

The repeal of the *Fish Inspection Act* follows work in 2019 to implement a modernized regulatory framework to help consumers feel more confident about the safety of Ontario's fish products. The new fish processing regulation under the *Food Safety and Quality Act, 2001*, is consistent with current industry standards, protects public health and supports growth in the fish processing industry.

The Ontario government has provided red tape relief by extending six licenses or certificates regulations covering the agri-food sector during the period covered by COVID-19 emergency orders.

Supporting domestic agricultural product and food production

A strong agri-food sector relies on domestic production and processing of food and bioproducts to help boost Ontario's economy, create good jobs and put food on the tables of Ontarians. In 2019, Ontario's agri-food industry contributed \$47.3 billion in GDP and supported over 860,000 jobs, representing 11.6% of the province's labour force.

To support our domestic production, OMAFRA's focus is to foster investment and job creation in Ontario. Ministry staff help food and beverage processors and bio product manufacturers from across the province realize the potential of new international markets and drive greater foreign and domestic investment. By 2050, the world population is projected to be 9.8 billion (<https://www.un.org/development/desa/en/news/population/world-population-prospects-2017.html>) and the demand for high-quality foods and agricultural products grown and processed in Ontario are anticipated to increase.

The ministry continues to offer the agri-food sector education, virtual business-to-business and domestic trade show programming to further build awareness and demand for Ontario grown and produced food and beverage products.

Ontario has the people, drive and know-how to respond while ensuring that increased production does not compromise the environment.

OMAFRA is supporting agri-food employers of temporary foreign workers who are required to self-isolate for 14 days on arrival due to the COVID-19 pandemic.

Growing the agri-food sector through the Canadian Agricultural Partnership

Equally important for Ontario's agri-food industry success is the ministry's work to provide support to producers, processors, organizations and collaborations through the agricultural policy framework known as the Canadian Agricultural Partnership (CAP).

Launched in April 2018, CAP is a five-year, federal-provincial-territorial initiative to strengthen the agri-food sector. The aim is to enable the sector to improve its competitiveness, prosperity and sustainability.

One way that CAP helps, is through funding to help farmers manage risks that threaten the viability of their farm, such as unpredictable weather or market volatility. Under the initiative, the federal and provincial governments have committed an estimated \$1.5 billion in the Ontario agri-food sector: approximately \$1.1 billion for Business Risk Management funding and \$417 million for strategic initiatives funding.

In Ontario, strategic initiatives focus on economic development, environmental stewardship, and protection and assurance, with research and innovation being a focus across all areas. The ministry is creating opportunities for Ontario's agri-food industry by providing investments and support across the agri-food supply chain.

Our participation in CAP forms part of the government's efforts to grow Ontario's agri-food sector by strengthening the connection between agri-food producers, processors and consumers.

In 2021-2022, CAP programming investments and initiatives will continue to strengthen, grow and advance the agri-food sector in Ontario. This includes funding commitments under Funding for Sectors, Strategic Solutions, Provincially-Licensed Abattoirs, Addressing Labour Supply and Training Challenges, as well as other targeted intakes and established cost-share program streams for Farmers, Processors, and Other Agri-Businesses.

The Ministry's Grassroots Growth Initiative provides support to organizations that create broader opportunities and greater benefits for the agri-food sector and rural communities. In response to COVID-19 this program has provided support to eligible organizations that have had to alter how they operate as a result of COVID-19 such as changing delivery formats from in person to online. Some highlights include:

- A two-year Transfer Payment Agreement (TPA) with the Culinary Tourism Alliance for up to \$95,000 to bring together a network of stakeholders along Ontario's food tourism value chain to collaborate in COVID-19 recovery for the sector
- A two-year TPA with Ontario Association of Agricultural Societies to bring their annual conference online as well as to develop programming to support societies manage risk at their future events
- A two-year TPA with the Ontario Food Terminal Board to support COVID-19 protocol development and implementation at the facility

Risk Management program

The government is committed to Ontario's Risk Management Program (RMP). This includes exploring options to update the program to be more insurance-based to better support producers in managing risks beyond their control, such as changing costs and market prices.

The government is working to implement changes to RMP, including the creation of a fund to enable premiums to roll-over to provide better support in challenging years. Legislative changes to the *Ministry of Agriculture, Food and Rural Affairs Act* were introduced as part of Bill 229, the Protect, Support and Recovery from COVID-19 (Budget Measures) Act, 2020. The bill received Royal Assent and amendments will support the implementation of the proposed program changes and ensure compliance of the redesigned insurance-based RMP with the *Financial Administration Act*.

In 2020/21, the government permanently expanded RMP funding from \$100M to \$150M for 2020, one year earlier than expected.

Support for rural communities

OMAFRA provides support to Ontario's rural communities by developing and delivering local and regional economic development programs, tools and resources that support our rural communities by helping them identify and advance initiatives that will foster economic growth and prosperity. These include the Rural Economic Development (RED) Program, Downtown Revitalization, Business Retention and Expansion and First Impression Community Exchange.

Environmental stewardship

OMAFRA's approach to environmental stewardship is focused on supporting those environmental actions that build accountability within Ontario's agri-food sector, allowing the sector to demonstrate leadership in sustainability and working with the sector to promote and encourage environmentally sustainable practices. OMAFRA works collaboratively

with the agri-food sector, government, researchers, municipalities and non-governmental organizations to achieve results with:

- expanded uptake of best management practices by farmers
- providing technical advice, guidance and training
- increased efficiency by leveraging resources and expertise through cooperation
- a strengthened evidence base to measure performance, target investments and demonstrate progress

With stewardship initiatives such as the Environmental Farm Plan, an education and risk assessment program for farmers, and the industry-led 4Rs Stewardship program (the right fertilizer at the right rate, the right time and in the right place), the ministry is continuously improving recommendations for best management practices to be more effective in promoting soil health and in supporting a sustainable agri-food sector.

The ministry will also continue implementation of the 2018 'New Horizons: Ontario's Agricultural Soil Health and Conservation Strategy' to help grow and sustain the province's strong agri-food sector, while protecting the environment and building resilience to climate change.

The Canada-Ontario Agreement on Great Lakes Water Quality enters its 50th year in 2021, with a long-term objective of reducing phosphorus entering the Central and Western Basins of Lake Erie by 40 per cent. To achieve these science-based targets, action is needed by all parties, including agriculture, and as a signatory of this agreement, OMAFRA will continue work with stakeholders to implement the actions in the plan.

Through CAP, Ontario, with the federal government, will continue to support farmers in research, monitoring, education, tools development and increased adoption of Best Management Practices for soil health and water quality priorities.

Under CAP, the Lake Erie Agriculture Demonstrating Sustainability (LEADS) initiative builds on the successes of the Great Lakes Agricultural Stewardship Initiative. LEADS helps farmers in reducing nutrient losses, particularly phosphorus, to improve soil health. These actions help strengthen pollinator habitats and the sustainability of the agricultural sector.

OMAFRA is supporting sustainable practices by seeking to remove regulatory barriers to innovation in areas such as nutrient management and rural drainage.

The ministry continues to address Auditor General recommendations related to the VFM on Setting Indicators and Targets, and Monitoring Ontario's Environment. A full report-back will be done in 2022.

Economic development

The ministry enables innovation and fosters change with the aim to strengthen the social, economic and environmental sustainability of a diverse agri-food sector, including working with a broad set of agriculture, rural, government and academic partners to coordinate a wide range of initiatives. This work promotes change in the agri-food sector by improving access to trusted information, fostering the adoption of new innovative technologies and best practices, and promoting regulatory compliance for business sustainability.

The ministry's advisory services target those areas of the agri-food sector that will increase competitiveness, productivity and profitability; improve the anticipation, mitigation and response to risks; expand domestic and international markets and increase environmental sustainability.

The advisory services include the development, continuous improvement and dissemination of timely information and best practices; identification and validation of innovative technologies; surveillance, monitoring and mitigation of plant pest and disease threats; and ensuring access to critical tools to support business decisions (e.g. minor use program for pest management, plant disease models). These accessible services are delivered to partners through demonstrations, publications, training, mobile apps and web-based applications.

The ministry also supports the agri-food sector by providing knowledge and support to clients prior to and during emergencies to ensure, food security, health and safety and protection of the plant and animal resource base. For example: preparing for emergency responses to production-limiting diseases, such as porcine epidemic diarrhoea (PED) and African swine fever, as well as identifying and solving problems like plant diseases (e.g., vomitoxin in corn), and supporting industry and federal, provincial and territorial governments in the development of emergency response plans.

Food safety and animal health

OMAFRA is dedicated to continued enhancement of food safety and animal health through inspection, education and outreach, advisory services, surveillance, emergency management and compliance verification and action. The ministry continues its ongoing work to become an effective modern regulator. For example, OMAFRA works closely with farmers and agri-food processors to set clear expectations and achieve outcomes that meet food safety and animal health and welfare regulatory requirements.

Protecting the health and well-being of Ontarians during the COVID-19 pandemic includes protecting food workers, food safety and the food supply system. OMAFRA will continue to support a safe food supply, including investment in greater inspection capacity to help ensure operational needs are met. Significant efforts continue to ensure the health and safety of agri-food workers is top priority during the COVID-19 pandemic including continuation of a director's order requiring prevention and response plans for provincially regulated facilities and working with industry to implement the Prevention, Control and Outbreak Support Strategy for COVID-19 in Ontario's Farm Workers.

As part of this work, the Canadian Food Inspection Agency and OMAFRA are renewing a memorandum of understanding that allows for shared inspection resources to safeguard food security and production due to resource constraints imposed by the COVID-19 pandemic.

The ministry will be responding to the report of the Standing Committee on Public Accounts about the 2019 Ontario Auditor General's Value for Money Audit on Food Safety Inspection Programs.

Ministry planned expenditures 2021-22 (\$M)	
Expenditure type	Amount (\$M)

Expenditure type	Amount (\$M)
COVID-19 approvals	\$ 26 . 2
Other operating	\$ 724 . 8
Other capital	\$ 3 . 3
Total	\$ 754 . 3

Detailed financial information

Combined operating and capital summary by vote

Operating expense						
Votes/programs	Estimates 2021-22	Change from estimates 2020- 21	%	Estimates 2020-21 ^[1]	Interim actuals 2020- 21 ^[1]	Actuals 2019-20 ^[1]
Ministry administration program	\$ 22 , 472 , 900	(\$ 151 , 000)	(0 . 7)	\$ 22 , 623 , 900	\$ 21 , 293 , 000	\$ 22 , 215 , 587
Total including consolidation & other adjustments	\$ 748 , 273 , 787	\$ 79 , 570 , 500	11 . 9	\$ 668 , 703 , 287	\$ 772 , 144 , 100	\$ 810 , 883 , 446

Votes/programs	Estimates 2021-22	Change from estimates 2020- 21	%	Estimates 2020-21 ^[1]	Interim actuals 2020- 21 ^[1]	Actuals 2019-20 ^[1]
Better public health and environment	\$73,795,600	(\$1,920,100)	(2.5)	\$75,715,700	\$77,472,100	\$75,524,430
Strong agriculture, food and bio-product sectors and strong rural communities	\$496,741,300	\$78,300,400	18.7	\$418,440,900	\$488,616,500	\$404,674,303
Policy development	\$16,251,800	(\$127,800)	(0.8)	\$16,379,600	\$14,487,400	\$16,345,205
Total operating expense to be voted	\$609,261,600	\$76,101,500	14.3	\$533,160,100	\$601,869,000	\$518,759,525
Statutory appropriations	\$1,097,187	N/A *****	N/A *****	\$1,097,187	\$218,500	\$179,405
Ministry total operating expense	\$610,358,787	\$76,101,500	14.2	\$534,257,287	\$602,087,500	\$518,938,930
Consolidation adjustment - Agricorp	\$134,115,300	\$5,541,900	4.3	\$128,573,400	\$166,534,300	\$296,565,153
Consolidation adjustment - Agricultural Research Institute of Ontario (ARIO) *****	\$6,803,300	\$11,300	0.2	\$6,792,000	\$6,708,000	\$5,034,864
Total including consolidation & other adjustments	\$748,273,787	\$79,570,500	11.9	\$668,703,287	\$772,144,100	\$810,883,446

Votes/programs	Estimates 2021-22	Change from estimates 2020- 21	%	Estimates 2020-21 ^[1]	Interim actuals 2020- 21 ^[1]	Actuals 2019-20 ^[1]
Consolidation adjustment - General Real Estate Portfolio	(\$3,003,600)	(\$2,084,200)	N/A *****	(\$919,400)	(3,185,700)	(\$9,655,501)
Total including consolidation & other adjustments	\$748,273,787	\$79,570,500	11.9	\$668,703,287	\$772,144,100	\$810,883,446

Operating assets						
Votes/programs	Estimates 2021-22	Change from estimates 2020-21	%	Estimates 2020-21 ^[1]	Interim actuals 2020-21 ^[1]	Actuals 2019-20 ^[1]
Ministry administration program	\$1,000	N/A *****	N/A *****	\$1,000	N/A *****	N/A *****
Better public health and environment	\$5,000,000	N/A *****	N/A *****	\$5,000,000	\$1,600,000	\$1,882,000
Total operating assets to be voted	\$5,001,000	N/A *****	N/A *****	\$5,001,000	\$1,600,000	\$1,882,000
Ministry total operating assets	\$5,001,000	N/A *****	N/A *****	\$5,001,000	\$1,600,000	\$1,882,000

Capital expense						
Votes/programs	Estimates 2021-22	Change from estimates 2020- 21	%	Estimates 2020-21^[1]	Interim actuals 2020- 21^[1]	Actuals 2019- 20^[1]
Strong agriculture, food and bio-product sectors and strong rural communities^[2]	\$7,500,000	(\$114,000,000)	(93.8)	\$121,500,000	\$7,500,000	\$323,555,330
Total capital expense to be voted	\$7,500,000	(\$114,000,000)	(93.8)	\$121,500,000	\$7,500,000	\$323,555,330
Ministry total capital expense	\$7,500,000	(\$114,000,000)	(93.8)	\$121,500,000	\$7,500,000	\$323,555,330
Consolidation adjustment - Agricorp	\$2,727,000	\$1,221,200	81.1	\$1,505,800	\$1,402,200	\$387,470
Consolidation adjustment - Agricultural Research Institute of Ontario (ARIO) *****	(\$4,208,900)	\$711,700	N/A *****	(\$4,920,600)	(\$4,488,500)	(\$4,540,576)
Total including consolidation & other adjustments	\$6,018,100	(\$112,067,100)	(94.9)	\$118,085,200	\$4,413,700	\$319,402,224
Ministry total operating and capital including consolidation and other adjustments (not including assets)	\$754,291,887	(\$32,496,600)	(4.1)	\$786,788,487	\$776,557,800	\$1,130,285,670

Ministry allocation of 2021-22 base spending

\$505M

Strong agriculture, food and bio-product sectors and strong rural communities

\$136M

Consolidated agencies and adjustments

\$74M

Better public health and environment

\$26M

Subset of strong agriculture, food and bio-product sectors and strong rural communities: COVID-19 Response

\$23M

Ministry administration program

\$16M

Policy development

Historic Trend

Historic Trend Analysis Data	Actuals 2018-19 ^[3]	Actuals 2019-20 ^[3]	Estimates ^[3] 2020-21 ^[4]	Estimates 2021-22
Ministry Total Operating and Capital Including Consolidation and Other Adjustments (not including Assets)	\$1,063,548,365	\$1,130,285,670	\$786,788,487	\$754,291,887
Variance (%)	N/A *****	\$6%	\$30%	-4%

The ministry's historical trends fluctuate primarily due to variability in its demand-driven programs which make up most of its budget.

The majority of the decrease is due to the transfer of delivery responsibility for the Ministry of Infrastructure's (MOI) municipal infrastructure programs to MOI in 2020-21 resulting in decreases in 2020-21 and in 2021-22. The expenditures for the municipal infrastructure programs in 2018-19 and 2019-20 were between about \$300M and \$350M.

For additional financial information, see:

- Expenditure estimates (<https://www.ontario.ca/page/expenditure-estimates>)
- Published Accounts of Ontario: past editions (<https://www.ontario.ca/page/public-accounts-ontario-past-editions>)
- 2021 Ontario budget (<https://budget.ontario.ca/2021/index.html>)

Agencies, boards and commissions (ABCs)

Agencies of the Ontario Ministry of Agriculture, Food and Rural Affairs (OMAFRA) perform a range of functions, including delivering business risk management programs, supervising Ontario's 23 marketing boards and three representative commodity associations, and fulfilling other regulatory, operational and advisory functions.

The ministry is responsible for the governance and oversight of 10 provincial agencies in accordance with the Agencies & Appointments Directive, 2015. The following is a list of the ministry's agencies, boards and commissions accountable to the Minister of Agriculture, Food and Rural Affairs.

Consolidated agencies

Agencies with assets, liabilities, revenues or expenses greater than \$50 million, or an annual surplus or deficit, or receiving an outside revenue source of greater than \$10 million, are consolidated in OMAFRA's budget.

Agricorp

Type of agency: Board-governed/Operational Enterprise

Constituting instrument: *AgriCorp Act*

Function:

Agricorp was created in 1997 with a mandate to deliver crop insurance and other agricultural business risk management programs. Agricorp delivers three core programs, AgriStability, Production Insurance and the suite of Risk Management Programs as well as several smaller programs such as the Farm Property Class Tax Rate Program.

To support farmers during the COVID-19 pandemic, the Ontario and federal governments announced numerous enhancements and changes in 2020 to existing programs that Agricorp delivers. Two new AgriRecovery programs were also announced to help cover the increased costs of feeding market-ready cattle and hogs due to COVID-19-related

processing delays. Agricorp successfully implemented all program enhancements and delivered the AgriRecovery programs.

Agricultural Research Institute of Ontario (ARIO)

Type of agency: Board-governed/Operational Service

Constituting instrument: *Agricultural Research Institute of Ontario Act*

Function:

ARIO is focused on ensuring Ontario maintains its competitive advantage in agri-food research and innovation and concentrates its efforts in four ways:

- 1. Providing strategic advice to the minister on agri-food research and innovation
- 2. Implementing the ARIO's Infrastructure Strategy to modernize the province's agri-food research and innovation physical and virtual infrastructure
- 3. Promoting the Ontario agri-food research and innovation system
- 4. Providing administrative and managerial oversight of open research programs and the 15 ARIO-owned research properties with over 6,500 acres, 280+ buildings with a book value of approximately \$80 million, and over 20 tenants that include government, not-for-profit, industry and private-sector organizations

With guidance and support from University of Guelph, physical distancing and enhanced hygiene practices were incorporated into research station activities. In addition, researchers were asked to reduce their team size to minimize the number of additional staff that needed to be present at the research stations. Overall, some reductions in research activity occurred at livestock stations. Reduction occurred to a lesser extent at the field stations where projects are more seasonally dependent.

Major capital infrastructure projects to modernize research assets and research platforms across the stations were initially slowed at the onset of the pandemic. However, with institutional construction allowed to proceed, many of these projects were able to get back on track with enhanced COVID-19 protocols in place to ensure worker safety.

Financial information for consolidated agencies (\$M)						
Agencies	2019-20 Expenditure actuals	2019-20 Revenue actuals	2020-21 Expenditure interim actuals	2020-21 Revenue interim actuals	2021-22 Expenditure estimates	2021-22 Revenue estimates
Agricorp	\$297.0 ^[5]	\$151.7	\$167.9	\$166.5	\$136.8	\$192.3

Agencies	2019-20 Expenditure actuals	2019-20 Revenue actuals	2020-21 Expenditure interim actuals	2020-21 Revenue interim actuals	2021-22 Expenditure estimates	2021-22 Revenue estimates
ARIO *****	\$ 0 . 5	\$ 1 . 9	\$ 2 . 2	\$ 2 . 4	\$ 2 . 6	\$ 3 . 8

Non-consolidated agencies

Agriculture, Food and Rural Affairs Appeal Tribunal (AFRAAT)/Board of Negotiation (BON)

Type of agency: Non Board-governed/Adjudicative

Constituting instrument: Ministry of Agriculture, Food and Rural Affairs Act and Environmental Protection Act

Function:

The function of the AFRAAT is to provide a fair and impartial hearing and decision process for stakeholders who are aggrieved by a direction, policy, order or decision, or who require the resolution of a dispute pursuant to one of 17 provincial statutes related to the agriculture and food industry. Most of the matters heard by the Tribunal arise from appeals of decisions made under the following eight statutes: *Drainage Act, Agricultural Products Insurance Act, Ministry of Agriculture Food and Rural Affairs Act (for appeals of decisions made under the Farm Products Marketing Act and the Milk Act), Assessment Act, Food Safety and Quality Act, Farm Registration and Farm Organizations Funding Act* (applications heard), *Farm Implements Act and Agricultural Employees Protection Act*.

The Board of Negotiation (BON) was established to provide people seeking settlement in cases where contaminants have caused damage to livestock, crops, trees or other vegetation, a place to present their case to obtain a non-binding decision by an independent panel of agency appointees. While the jurisdiction for requesting assistance from the BON falls with the Minister of the Environment, Conservation and Parks in legislation, the administration of the process for BON hearings was transferred to OMAFRA in 1999. Since that time, no cases have been brought forward for a BON decision. The BON was dissolved in August 2020.

Normal Farm Practices Protection Board (NFPPB)

Type of agency: Non Board-governed/ Adjudicative

Constituting instrument: Farming and Food Production Protection Act

Function:

The NFPPB reviews and resolves disputes related to an agricultural operation, including the determination of what constitutes a normal farm practice, and makes the necessary inquiries and orders to ensure compliance with its decisions.

Grain Financial Protection Board (GFPB)/Livestock Financial Protection Board (LFPB)

Type of agency: Board-governed/Trust

Constituting instrument: *Farm Products Payments Act*

Function:

Under the *Farm Products Payments Act*, funds and boards are established to protect producers from non-payment by licensed buyers.

The GFPB collects fees, administers a compensation fund and makes decisions on claims made against the funds. The fund was set up under the Grain Financial Protection Program to protect producers of grain corn, soybeans, wheat and canola in the event of defaults on payment by licensed buyers. It also protects owners of grain who store their grain in licensed grain elevators.

The LFPB collects fees, administers a compensation fund and makes decisions on claims made against the fund. The fund was set up under the Ontario Beef Cattle Financial Protection Program to protect producers and other sellers of beef cattle in the event of defaults on payment by licensed buyers.

Business Risk Management Review Committee (BRMRC)

Type of agency: Advisory

Constituting instrument: Order in Council

Function:

The BRMRC has the authority to consider requests for reviews and make non-binding recommendations to the program administration for the following programs: AgriStability; Ontario's Risk Management Program (including Ontario's Self-Directed Risk Management Program); Ontario's Wildlife Damage Compensation Program; and any other program to which the Lieutenant Governor in Council or the Minister assigns responsibility.

Rural Economic Development Advisory Panel (REDAP)

Type of agency: Advisory

Constituting instrument: Order in Council

Function:

The REDAP is responsible for providing non-binding recommendations to the Minister on applications for funding under the Rural Economic Development (RED) program and any other program that the Lieutenant Governor in Council or the Minister may assign.

Ontario Farm Products Marketing Commission (OFPMC)

Type of agency: Non Board-governed/ Regulatory

Constituting instrument: *Ministry of Agriculture, Food and Rural Affairs Act*

Function:

The OFPMC administers the *Farm Products Marketing Act* and the *Milk Act*, develops and implements regulated marketing policy, represents Ontario’s interests in regulated marketing at the national level and supervises Ontario's 23 marketing boards and three designated associations. It also provides leadership in the form of advice, facilitation and direction, as well as educational programs to these boards and associations.

Ontario Food Terminal Board (OFTB)

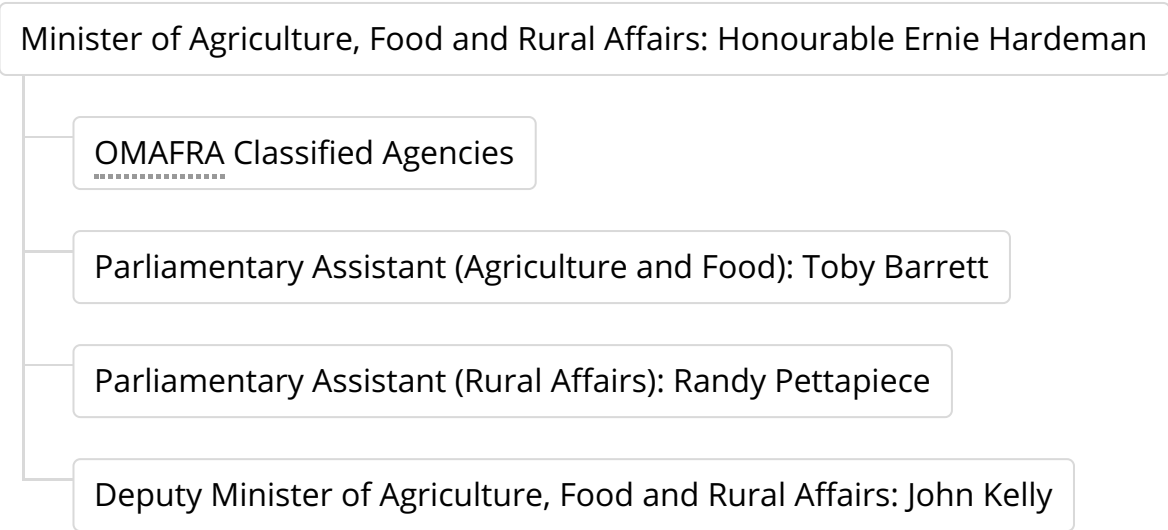
Type of agency: Board-governed/ Operational Enterprise

Constituting instrument: *Ontario Food Terminal Act*

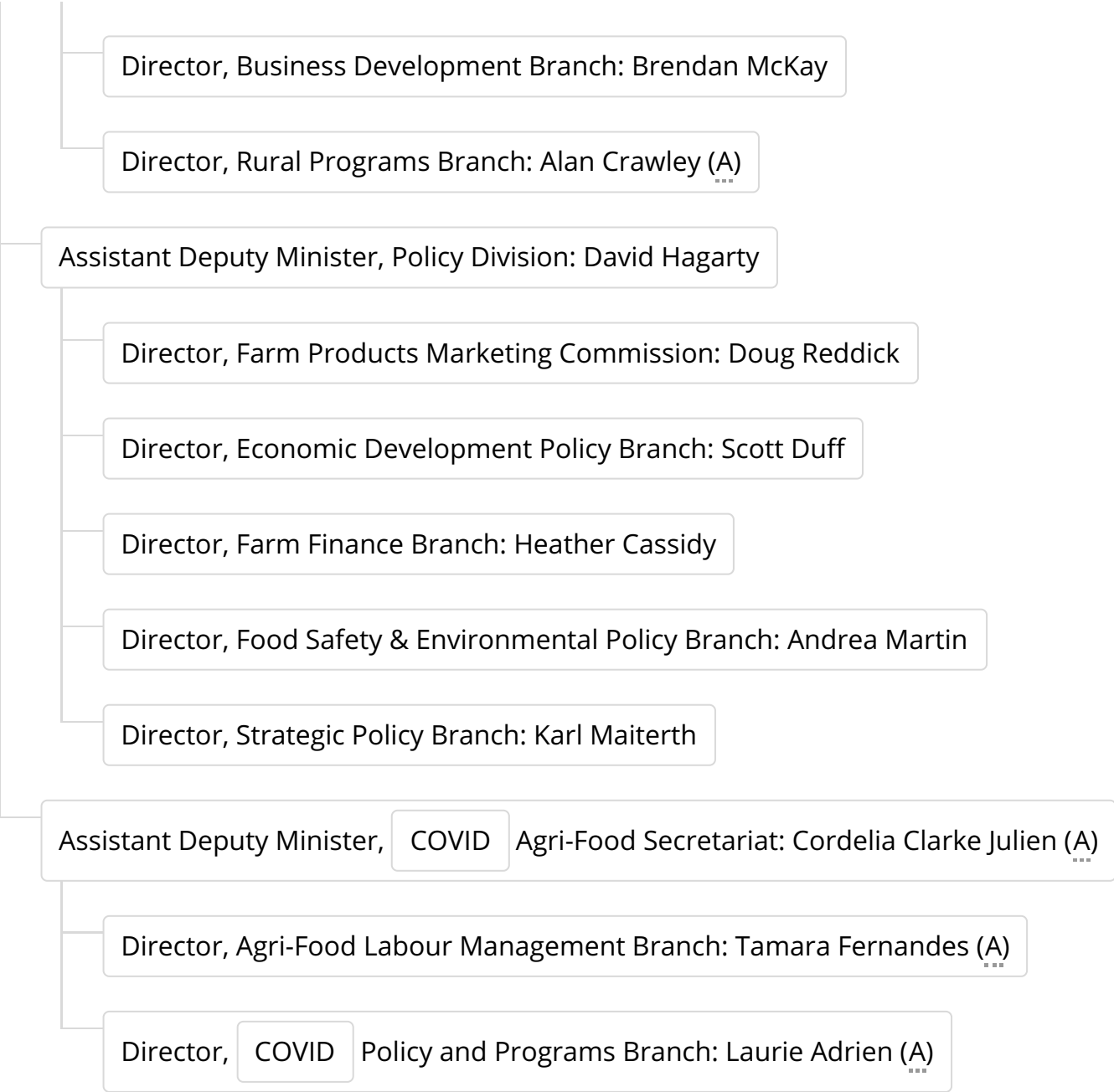
Function:

The OFTP has a mandate to acquire, construct, equip and operate a wholesale fruit and produce market, and operate such facility for the distribution and handling of fruit and produce.

Ministry organization chart (April 2021)







Annual Report

The Ontario government is committed to making Ontario’s agri-food sector and rural Ontario open for business, open for jobs and positioned for success now and into the future.

Ontario is reducing administrative costs while improving government services for farmers, food processors, agri-businesses and rural communities across Ontario.

It is reducing red tape and regulatory burdens, while maintaining rules that protect food safety, plant and animal health.

Ontario is also investing in key programs like the Risk Management Program (RMP), standing up for Ontario’s farmers globally and supporting on-farm environmental stewardship initiatives.

The government is supporting rural communities as they tackle COVID-19 challenges and the economic recovery that lies ahead.

Ontario continues to build the agri-food sector's capacity for economic growth, environmental sustainability and protecting public good through by identifying emerging issues and providing solutions. OMAFRA works with the agri-food sector, and other governments, so that farmers, and other agri-food businesses, have the resources they need to help them make informed decisions about their business practices. This includes developing and updating best management practices, monitoring and surveilling of production threats (e.g., pests) to inform decision making, ensuring research priorities are identified and addressed and information is shared through various channels.

COVID-19 response

The health and safety of agri-food workers, and the stability of the food supply chain, have been top priorities for the ministry during the COVID-19 pandemic.

As part of this commitment, the ministry required COVID-19 prevention and response plans for provincially regulated meat plants. Ministry inspectors ensured oversight and compliance with implementation of these plans. In addition, the ministry worked with industry to develop and begin implementation of a Prevention, Control and Outbreak Support Strategy for COVID-19 in Ontario's Farm Workers, providing funding and other supports to encourage application of key actions.

OMAFRA took action to make regulations ensuring development and enforcement of COVID-19 protocols at the Ontario Food Terminal. Through a transfer payment agreement under the Grassroots Program, the Ontario Food Terminal Board received funding to assist with enhanced screening and sanitization measures at the Ontario Food Terminal to help maintain maximum continuity of the food supply chain.

Restoring accountability and trust

- OMAFRA is committed to delivering effective and efficient programming. In 2020-21, the ministry continued its focus on efficiency measures and controls to help manage spending, including:
 - implementing more cost-efficient ways to communicate with stakeholders, such as holding online and teleconference meetings
 - identifying expenses that could be put on hold, with limited impact on the ministry's program and services delivery

Strong agriculture, food and bio-product sectors

- In 2019, Ontario's agri-food industry contributed \$47.3 billion to the provincial GDP and supported over 860,000 jobs, representing 11.6% of the province's labour force
- In 2020, agri-food exports rose to \$17.2 billion, up 4.2% from \$16.6 billion in 2019. Ontario is the top agri-food exporting Canadian province, followed by Saskatchewan.
 - In 2020, Ontario's major export partners were the US (80%) followed by Asia (10%) and the EU (6%)
 - Top exports include grain products (26%), vegetables (13%), Red meats (8%), other edible preparations (8%), oilseeds (5%) and beverages (5%)
 - Ontario exports are dominated by value-added or consumer-oriented goods (74%) followed by minimally processed or intermediate good (15%) with bulk good only comprising 11% of agri-food exports in 2019
- In 2019-20, the ministry influenced \$320 million in investments and the creation/retention of 2,684 jobs by Ontario food and beverage manufacturers

- The Ontario Food Terminal is the largest wholesale fruit and vegetable terminal in Canada and plays a key role in moving produce from Ontario and around the world to Ontario families.
 - The ministry is continuing to work with the Ontario Food Terminal Board and users of the Terminal on strategic planning and enhancements that will ensure the long-term sustainability of the organization and facility
 - As part of the *Main Street Recovery Act, 2020*, which received Royal Assent on November 30, 2020, amendments were made to the Ontario Food Terminal Act to enhance the Terminal's ability to drive agri-food sector success, including:
 - expanding the objects of the Board to include local food promotion
 - expanding the definition of what can be sold at the Terminal to a less prescriptive “wholesale market primarily for agricultural products”
 - setting the minimum number of board members at five and the maximum at 13
 - changing authority to approve the appointment of manager from Lieutenant Governor in Council to Minister
 - clarifying authority to establish advisory committees
- Through the Feeder Cattle and Commodity Loan Guarantee Programs, the government backed over \$250 million in operational loans, benefiting more than 1,000 farmers across the province
- Emergency Preparedness Planning and Response:
 - COVID-19 pandemic planning and response – starting in March 2020, OMAFRA worked with ministries across government to respond to the COVID-19 pandemic and activated its Incident Management System structure to respond organizationally to ensure the ministry was able to seamlessly deliver services to the public. The pandemic has had a significant impact on Ontario's agri-food industry, and as such, the ministry adjusted its operations to respond throughout the year
 - Significant planning was done to implement OMAFRA's workplace reintegration plans to assist with the safe and streamlined return of staff to the physical workspace, once instructed to do so, for those staff who were shifted to remote working environments
 - Animal diseases – both those that could affect humans and those that affect only animals – can have a significant negative impact on Ontario's agri-food industry. One such disease is African swine fever, which has devastated the pork industry in Asia and other parts of the world. The ministry continued working closely with other government partners and industry on enhancing biosecurity to prevent the disease, while ensuring that should the disease be found here producers, processors and government partners are prepared
- Agriculture advisory services in northern Ontario support producers in key sectors and agriculture organizations to ensure the continued growth of agriculture as an economic opportunity in the north.
 - OMAFRA provided \$88,800 in Rural Economic Development funding to the Northeast Community Network to identify private land suitable for livestock production in Cochrane district, further supporting the expansion of agriculture in the North

Cutting red tape and reducing regulatory burden

- Ontario is maintaining its standards to keep Ontario workers and families safe and healthy while working to reduce unnecessary red tape for farmers and agri-businesses, to help businesses grow and cut costs

- OMAFRA is reviewing the licensing, certification and permitting processes in more than 20 programs delivered by the ministry. Results will be used to identify ways to streamline processes and reduce burden on applicants
- OMAFRA supports the cross-ministry work of Regulatory Compliance Ontario, which delivers training, programs and supports to instill the modern regulatory service principles across government. Consistent application of the principles by frontline staff helps improve regulatory interactions with business, reduce burdens, and support economic growth
- OMAFRA has targeted unduly costly and burdensome regulations within the agri-food sector while maintaining rules that help keep Ontarians safe and healthy. These include:
 - changes that repealed the *Livestock Medicines Act*, which contained outdated and duplicative requirements, and put in place more streamlined requirements around the sale of livestock medicines in new regulations under the *Animal Health Act, 2009*
 - reduced the frequency of registration for non-commercial beekeepers, which reduced red tape for these beekeepers
 - with the Ministry of the Environment, Conservation and Parks, OMAFRA consulted on further changes to the regulation under the *Nutrient Management Act* that would remove barriers to the on-farm production of biogas with upgrading to renewable natural gas. These changes would enable the farm sector to participate in an emerging renewable natural gas market
- Changes were proposed to the *Drainage Act* that would enable a streamlined process through a new regulation for approval of low risk activities, such as minor drain improvements and recording variances from the engineer's report when building drains. It would also enable the development and adoption of protocols by reference in regulation. These changes would support investments in drainage infrastructure that respond to the need for enhanced climate resiliency while maintaining environmental protection
- Changes were made to the *Agricultural Products Insurance Act, 1993* to allow Agricorp to make updates to the Production Insurance Contract of Insurance that would, when implemented, significantly reduce the amount of paperwork that farmers enrolled in Production Insurance would have to review and complete

Supporting local food

- Buying and supporting local food creates jobs and economic growth in communities across Ontario. Examples include:
 - Changes were made to the *Ontario Food Terminal Act* to expand the mandate of the Ontario Food Terminal Board to include promotion of local food
 - Foodland Ontario encouraged people to choose Ontario foods first and the program continues to maintain a high recognition rate of almost 90% with consumers
 - Communications Branch launched media campaigns that outperformed government benchmarks and used cost-effective print and broadcast tactics to increase coverage of local food. Foodland Ontario's cost-effective public relation activities, such as print and broadcast TV, achieved an editorial value of more than \$11.6 million (return on investment of 64:1) with the province's food and lifestyle media
 - Foodland Ontario's paid media campaigns generated over 340 million consumer impressions and over 3.1 million engagements to connect and dialogue with consumers about local food. The program's click through rate averaged 0.325% on social platforms, which is more than double the industry average of 0.16%. The program's website also received over 621,000 page views directly attributed to paid advertisements with consumers searching for content, such as local food recipes
 - The Ontario government continues to support the growth and success of the province's wine and grape industry. Under the VQA Wine Support Program, 97 wineries received payments totalling \$7.5 million in 2020. In 2020-21, the government also provided \$2.6 million to 68 Ontario cideries and 31 distilleries under the Small Cider and Small Distillery Program

Supporting Ontario's agri-food value chain

- The ministry held an eight-part webinar series called PROFIT in September 2020, to educate Ontario agri-food companies on exporting to the US market. Over 125 individuals from some 90 organizations, registered for the eight-part webinar, with 94% of participants rating the sessions as being satisfying or very satisfying
- The ministry offered several introductory webinars on opportunities in international markets including the UK, Germany & Netherlands and South Korea. These webinars attracted 150 individuals, providing them with market entry information and potential for further engagement with international contacts
- The ministry's Vendor Engagement Program (VE) continues to offer complete education, business to business and domestic trade show programming to further the consumption of locally manufactured Ontario food and beverage products and to leverage investment
- The VE local sourcing program is currently generating approximately \$1 million in new incremental sales weekly for Ontario and continues to grow in reach and dollars
- Metro Ontario and OMAFRA ran seven product sourcing events across the province over the last two years contributing to over 700 new product listings and over \$10 million in new incremental sales to date
- Sobeys Ontario and the Business Development Branch have held four buying events to further their local sourcing program over the last 12 months. The events produced approximately 50-75 new Ontario listings along with 30 new Ontario Vendors from primary producers to processors
- The VE local sourcing program is currently generating approximately \$1 million in new incremental sales weekly for Ontario and continues to grow. Retail participants have included Metro, Sobeys, Farm Boy, Longos, and Loblaws

Research

- The Ontario Agri-food Innovation Alliance continues to support the growth and competitiveness of Ontario's agri-food sector, creating jobs and further solidifying the province's position as a global leader in agri-food education, research and innovation
- Ontario continues to invest in the renewal and modernization of the Agricultural Research Institute of Ontario (ARIO) owned research stations across the province. The ARIO is a provincial agency accountable to the Minister of Agriculture, Food and Rural Affairs with a mandate to promote agri-food research in the province and maintain ownership and oversight of research lands and facilities across 15 research stations spread across all regions of the province
- Research continues in northern Ontario to support the growth of agriculture as an economic development opportunity. A study of "Barriers to Livestock Expansion in the North" was completed in 2020 with the support of OMAFRA Advisory staff
- To maintain a healthy and sustainable food and agricultural product supply, it is necessary to continue critical surveillance, monitoring, research and knowledge transfer for the agri-food industry. Maintaining a food secure system, is a partnership between industry, government and researchers that benefits consumers and the agri-food sector.
 - The critical work OMAFRA specialists perform helps to determine how and when control measures should be implemented, or an early warning of new threats
 - The agriculture industry relies heavily on the advice of OMAFRA specialists who contribute important research and input into the development of best management practices for crop and livestock production

Farm finance

- OMAFRA has been working with the agri-food sector, and other partners, so that Ontario's farmers have the tools they need to effectively manage their risks and grow their businesses. The ministry:
 - permanently expanded the RMP funding from \$100 million to \$150 million in 2020/21, one year earlier than expected
 - worked with industry to transition RMP to an insurance-like program year to make best use of government dollars while providing flexible, needs-based support. The ministry continues work with industry on the program to ensure that support is available when farmers need it most
 - continues to work with federal and provincial colleagues to drive recommendations for improvements to the national suite of business risk management programs, resulting in the removal of the Reference Margin Limit feature of the AgriStability program while consideration of other improvements continues
 - in response to COVID-19 pandemic processing disruptions, launched two joint federal-provincial AgriRecovery programs for the beef and pork sectors that committed up to \$10 million in support for producers impacted by the disruptions
 - expanded coverage under Production Insurance for COVID-19-related production losses for 2020 and 2021 and extended Production Insurance enrollment deadlines
 - increased AgriStability interim payments from 50% to 75% for the 2020 program year and extended the 2020 enrollment deadline in response to COVID-19
 - Recognizing the scope of the risk presented by the African swine fever virus for Ontario hog producers and the agri-food sector, the ministry is working with industry, the federal government and other provinces to be ready to respond should the virus be confirmed in Canada
 - Starting in 2020/2021, permanent changes were made to the Commodity Loan Guarantee Program to extend repayment deadlines were from February 28 to September 30 and increase the program lending capacity from \$120 million to \$200 million, as well as other changes to improve program responsiveness and reduce program costs

Agricultural system and growth plan

- OMAFRA developed the Agricultural System for the Greater Golden Horseshoe, comprised of an , and online Agricultural System Map Portal (http://www.omafra.gov.on.ca/english/landuse/gis/WCAG_AGOL/index.html?appid=3cbd2393a1e548949450e21d90646353)
- OMAFRA is working with municipalities to implement the Agricultural System in the Greenbelt Plan, Oak Ridges Moraine Conservation Plan and Niagara Escarpment Plan areas
- For the Growth Plan area, OMAFRA worked with Ministry of Municipal Affairs and Housing (MMAH) to develop and consult on changes to "A Place to Grow: Growth Plan for the Greater Golden Horseshoe". OMAFRA has released updated Agricultural System Implementation Procedures and is working with municipalities in the Growth Plan area to implement the Agricultural System
- OMAFRA worked with MMAH to update the Provincial Policy Statement, 2020 to maintain and strengthen policies to protect farmland and the viability of farming. For example, new policies set out in the Statement encourage municipalities to take an agricultural systems approach to protecting farmland and supporting the agri-food network

Environmental stewardship

- Ontario's agri-food sector has continued to show leadership in environmental stewardship
- The ministry worked with the Office of the Auditor General of Ontario on their 2020 report on environmental targets and indicators. As the report noted, OMAFRA has a priority to ensure the sustainability of Ontario's agriculture, oversees the province's managed honeybee sector and has released action plans and strategies to improve the health of pollinators and agricultural soils.

- The ministry appreciates the auditor's findings, and throughout 2021, will continue to work to address any outstanding actions
- OMAFRA supported sector efforts by collaborating with partners, investing in stewardship programs, supporting science and performance measurement to inform industry action, and reducing red tape for farmers and food processors
- Through CAP, approximately \$5.5 million in cost-shared funding was committed to:
 - implementing more than 550 on-farm best management practices in 2020-2021 that reduce phosphorus loadings in the Lake Erie basin
 - practices across Ontario that support soil health
- Further investments were made through environmental stewardship directed programming; funding projects that are building awareness and capacity in the sector to:
 - adopt stewardship practices (e.g., ONFARM applied research and demonstration sites across the province)
 - support farmers with on-the-ground action and tools (e.g., AgriSuite, a mobile-friendly software application to support on-farm decision making)
- The Lake Erie Agriculture Demonstrating Sustainability (LEADS) initiative, delivered by the Ontario Soil and Crop Improvement Association, continued to provide cost-shared technical support for field-specific risk assessment through:
 - the Farmland Health Check-up
 - access to cost-share funding over five years to help farmers act to reduce the risk of nutrient loss on-farm
- Since 2018, more than 700 projects have been completed under the LEADS initiative, with approximately \$6.6 million in cost-share funding paid out under CAP to support completion of these on-farm improvement projects
- Proper soil drainage is vital for an effective and competitive agricultural industry and rural Ontario. Over \$100 million annually is privately invested in drainage, linked to over 100 independent businesses. Over the last year, the ministry continued to:
 - issue licences
 - inspect new machines, operators and businesses to ensure licensing conditions were met
 - inspect and mediate complaints about installation workmanship
- Courses in drainage installation and design continued to be offered in support of the licensing system and were modified so they could continue virtually as a result of the ongoing pandemic
- OMAFRA has supported implementation of the Made-in-Ontario Environmental Plan, through support for on-farm soil and water quality programming and working with partners to improve agricultural management practices. This included support for programs and partnerships intended to make the agri-food sector more resilient to current and future climate impacts
- The ministry continued to work with sector partners to implement the 2018 New Horizons: Ontario's Agricultural Soil Health and Conservation Strategy to help grow and sustain the province's strong agricultural sector while protecting the environment and building resilience to climate change.

- The Soil Action Group, a stakeholder collaboration co-chaired by OMAFRA and industry, is focused on implementing the strategy with an initial focus on high priority actions
- The first Soil Action Group newsletter was released in Summer 2020, building engagement and connection with stakeholders and setting the foundation for future meetings when multi-stakeholder sub-teams were formed to develop an implementation plan for the next three years of collaborative action on soil health
- The ministry continues with its soil mapping initiative that contributes to the growing understanding of how soil properties can inform land management. New data collected by the soil mapping pilot will help farmers adjust their management practices by:
 - providing data to support agricultural production, management and stewardship practices
 - contributing information to support soil health efforts
 - further protecting the quality of Ontario's lakes, rivers and streams
- In August 2020, provincial funding was confirmed for OMAFRA's stewardship commitments under the Canada-Ontario Agreement on Great Lakes Water Quality and Ecosystem Health (COA) and Lake Simcoe Protection Plan (\$2.2 million and \$1.04 million respectfully)
- OMAFRA staff worked with key delivery partners to develop projects, resulting in 17 agreements.
 - The projects support science, on-the-ground action and measure progress toward agricultural stewardship for improved water quality, soil health and resilience to a changing climate
 - Activities include promoting action in the agricultural sector towards phosphorus load reduction, building soil health, water conservation, climate resilience, and the reduction of harmful pollutants such as plastics
- OMAFRA demonstrated its commitment to stewardship through continued negotiations and engagement in consultations for a new COA agreement (to be finalized and signed in 2021), and the 10-year review of the Lake Simcoe Protection Plan
- Work continued on implementation of the Canada-Ontario Lake Erie Action Plan, which outlines Canada's and Ontario's proposed actions to meet commitments under the Great Lakes Water Quality Agreement, and COA. The long-term objective of the plans is to reduce phosphorus entering the Central and Western Basins of Lake Erie by 40%. To achieve these science-based targets, action is needed by all parties, including agriculture.
 - Of 128 actions in the Plan, 25 are directly related to agriculture. OMAFRA has the lead for 19 of those actions, and six actions are being led by the agri-food sector
- OMAFRA continued support for industry-led actions such as 4R Stewardship Program, Ontario Greenhouse Environmental Strategy, Ontario Cover Crops Strategy, Thames River Phosphorus Reduction Collaborative and Timing Matters
- The ministry has a Key Performance Indicator to report on the level of adoption of environmentally beneficial practices (The percentage of Ontario's farms reporting winter cover crop use" as reported in the Agricultural Census of Canada).
 - In 2011, farms reported use of cover crops at 12%, with a notable increase to 25% observed in 2016

Protecting food safety and animal health

- Food safety and animal protection are priorities for Ontario

- OMAFRA worked with food safety partners at the provincial and federal level to respond to the 2019 Ontario Auditor General's Value for Money Audit on Food Safety Inspection Programs.
 - That audit concluded that overall, efficient systems and procedures are in place to keep the Ontario food supply safe, but that more could be done to improve OMAFRA's licensing and inspection programs
 - The ministry has been working to address the audit's recommendations, and on March 31, 2021, provided a detailed report back to the Auditor General noting completion of all OMAFRA's relevant actions
 - The ministry also presented on the audit's findings at the Standing Committee on Public Accounts. Their report was received in February 2021, with the ministry's response due in June 2021
- Over the last year, OMAFRA provided inspection services to:
 - Approximately 119 provincially licensed slaughter plants
- Inspectors are present in provincially licensed abattoirs to ensure food safety and animal welfare regulatory requirements were met.
 - Approximately 363 provincially licensed freestanding plants
- Inspectors are present to ensure food safety requirements were met.
 - Approximately 50 provincially licensed dairy plants
- Inspectors conduct comprehensive annual inspections and conduct finished product and environmental testing and sampling to ensure compliance with standards
 - Over 250 on-farm dairy goat milk operations
- Producers received an annual inspection as well as on-going and follow-up inspections to ensure regulatory compliance with the *Milk Act*
 - In addition to inspection services, the ministry completed sampling to support the Foods of Plant Origin regulation and monitoring program, which includes sampling, regulatory inspections and assessment of microbiological and chemical risks in produce, honey and maple products produced and distributed in Ontario
- OMAFRA's Meat Inspection Program:
 - Maintained inspection services at all provincial plants despite COVID-19 impacts
 - Implemented a resource-sharing agreement with the Canadian Food Inspection Agency to allow for provincial inspection support in federal plants, and federal support in provincial plants, if needed.
 - Worked with provincial plants extensively to maintain worker health during the COVID-19 pandemic
 - Continued to work with operators to improve hygienic slaughter and reduce the pathogen levels on beef, veal, other red meat species (sheep, lamb, goats and pigs), and poultry carcasses. New sampling programs were implemented to assist operators in their pathogen level monitoring
 - Continued to work with meat plant operators, the Muslim Association of Canada, and Islamic Society of North America to raise awareness of and compliance with provincial regulations for Eid-al-Adha at licensed meat plants across Ontario, by using communication materials to protect animal welfare and food safety

- Continued meetings of the Meat Industry Engagement Panel with Meat and Poultry Ontario to provide a forum for industry representatives to engage with the ministry to share ideas and collaborate on ways to address industry challenges
- OMAFRA worked with fish processors to help them meet requirements of the new fish processing regulation under the *Food Safety and Quality Act*, 2001 that is consistent with current industry standards, while protecting public health and supporting growth in the fish processing industry, and came into effect on January 1, 2021. Licensed fish processors in Ontario will be able to better brand their business by including their licence number on their packaging, in accordance with the regulation
- OMAFRA's veterinarians supported livestock and poultry industries through continued surveillance of, and response to, animal diseases such as infectious laryngotracheitis in chickens, equine herpes virus in horses and bovine anaplasmosis in cattle. While these do not generally have food safety or human health impacts, they can be devastating to industry, and OMAFRA's support in providing education and advisory services is critical
- The ministry also worked closely with industry and government partners on continued preparedness for African swine fever, a swine disease that – should it arrive in Canada – could have a significant negative impact on Ontario's swine industry
- Managed honeybees play a crucial role in Ontario agriculture through pollinating crops. OMAFRA works with beekeepers to maintain the viability of the sector through education and outreach, an inspection program, and monitoring for pathogens and pests.
 - Through CAP, almost \$500,000 was invested directly with beekeepers to strengthen the health of managed honeybees and Ontario's beekeeping sector

Plant health

- Plant health is a complex issue, which requires OMAFRA to work collaboratively with the federal and other provincial governments, industry and academia in prevention, monitoring and mitigation of plant pest threats. Through this collaboration there has been a focus on biosecurity, emergency management and surveillance. As a result, the ministry has engaged in the following activities:
 - Surveillance and monitoring of economically damaging pests impacting plant health; for example, pepper weevil, corn rootworm, vomitoxin and fire blight
 - Investing in information technologies / digital tools that standardize data collection and reporting to ensure producers have timely information to manage pest threats during the growing season
 - Working collaboratively with industry and researchers in developing and communicating integrated pest management strategies to address new, emerging and endemic threats to plant health
 - Advancing the sector's preparedness, coordination and ability to respond to plant health emergencies through the Canadian Agriculture Partnership which supports projects and new technologies that aim to prevent and mitigate plant pests

Strong rural communities

- OMAFRA provides support to Ontario's rural communities by developing and delivering local and regional economic development programs, tools and resources, including the updated Regional Economic Analysis Resources, Business Retention and Expansion, First Impressions Community Exchange, Downtown Revitalization, and Regional Advisory Services. These resources support our rural communities by helping them identify and advance initiatives that will foster economic growth and prosperity
- The Rural Economic Development program provides cost-share funding to rural communities, Indigenous communities and organizations, regions and not-for-profit organizations. The 2020-21 fiscal year had two intakes open for this program; 63 projects were approved in late May 2020 (total commitment just over \$3 million), and

\$777,602.59 of provincial funding was committed toward 16 projects that were approved in November 2020

Ministry administration and policy

- OMAFRA continued to support the development of Ontario’s digital and data action plan, mentioned in the 2019 Ontario Economic Outlook and Fiscal Review. The digital and data action plan also addresses policy direction included in Budget 2019 and considerations outlined in the 2018 Ernst & Young report. The ministry supported the digital and data action plan by participating in cross-ministry consultations on the data strategy, and publishing data to Ontario’s open data catalogue. OMAFRA continued to make services more digitally accessible. The ministry also completed the first phase of transitioning the Beef Cattle Financial Protection Program to Agricorp to make it easier for farmers to access more of the programs they need in one place and to find efficiencies in program delivery. They are working to complete the transition in 2021-22 (work was delayed because of the COVID-19 pandemic)
- The ministry worked collaboratively with the Accredited Farm Organizations and Agricorp to implement changes to the Farm Business Registration program. This supported electronic delivery and a simplified registration process to reduce paperwork and save farmers time. The changes came into effect on January 1, 2021. Farm businesses can now register, make a payment, select their Accredited Farm Organization and update most information in a single online portal
- Worked with industry stakeholders to begin a phased review of the Financial Protection Programs as committed to in the 2019 Ontario Budget to ensure that Ontario’s beef cattle and grain producers continue to have access to stable risk management tools that provide them with the confidence to grow their businesses. Phase 1, completed April 2020, focused on the sustainability of the programs by broadening the types of expenses paid by the Financial Protection Boards. The ministry continues to engage with stakeholders on Phase 2 changes

Ministry interim actual expenditures 2020-21

Expenditure type	Ministry interim actual expenditures (\$M) 2020-21 ^[9]
COVID-19 approvals	\$ 83 . 0
Other operating	\$ 690 . 5
Other capital	\$ 3 . 0
Staff strength ^[10] (as of March 31, 2021)	\$ 810 . 68

Updated: March 31, 2022

Footnotes

- [1] ^ Estimates, Interim Actuals and Actuals for prior fiscal years are re-stated to reflect any changes in ministry organization and/or program structure. Interim actuals reflect the numbers presented in the 2021 Ontario Budget.
- [2] ^ Municipal and Federal-Provincial Infrastructure Program delivery transferred from the Ontario Ministry of Agriculture, Food and Rural Affairs to the Ontario Ministry of Infrastructure in 2020-21.
- [3] ^ Estimates and Actuals for prior fiscal years are re-stated to reflect any changes in ministry organization and/or program structure.
- [4] ^ Municipal and Federal-Provincial Infrastructure Program delivery transferred from the Ontario Ministry of Agriculture, Food and Rural Affairs to the Ontario Ministry of Infrastructure in 2020-21.
- [5] ^ The 2019-20 Actuals include extraordinary production insurance payout of \$175 million above annual forecast due to 2019 crop conditions.
- [6] ^ Legal Services provided by the Ministry of Attorney General.
- [7] ^ IT Services provided by the Land and Resources Cluster.
- [8] ^ Audit Services provided by Treasury Board Secretariat.
- [9] ^ Interim actuals reflect the numbers presented in the 2021 Ontario Budget.
- [10] ^ Ontario Public Service Full-Time Equivalent positions.

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