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GTA AGRICULTURAL ACTION COMMITTEE UPDATE

The Planning and Economic Development Committee recommends the adoption of the recommendation contained in the following report dated September 2, 2010, from the Commissioner of Planning and Development Services.

1. RECOMMENDATION

It is recommended that:

1. The Regional Clerk circulate this report to the local municipalities in York Region for information.

2. PURPOSE

This report provides an update of the activities of the GTA-Agricultural Action Committee (GTA-AAC) from June 2009 to May 2010 and present the GTA-AACs 2010 Work Plan (*Attachment 1*). This report also highlights York Region's participation in implementing the GTA Agricultural Action Plan.

This report also provides an overview of the report titled Profile of Agricultural Attributes in the GTA, prepared for the GTA-AAC by Planscape Inc. (*Attachment 2, Executive Summary*), which addresses several action items of the GTA Agricultural Action Plan.

3. BACKGROUND

The GTA-AAC ensures the implementation of the action items in the GTA Agricultural Action Plan

The GTA-AAC was established to ensure the implementation of the actions identified in the GTA Agricultural Action Plan and to champion the agricultural industry sector in the GTA. The Regional Municipality of York is represented on the GTA-AAC by Mayor Margaret Black and Mayor James Young (alternate). An Executive Director was appointed in May 2006, to lead the delivery of the Action Plan. Regional efforts towards implementing the Action Plan are also being coordinated through the Regional Planning Commissioners of Ontario (RPCO) – GTA Caucus, which is supported by a staff sub-committee - the GTA Agricultural Working Group.

The GTA Agricultural Action Plan was developed through partnership amongst the Regions of Halton, Peel, Durham and York, the City of Toronto, the GTA Federations of

Agriculture and the Province. The Action Plan, which was endorsed by Regional Council on January 22, 2005, provides a GTA-wide framework to keep the GTA agricultural industry competitive through the identification of 37 action items in the areas of economic development, education/marketing, land use policy, accountability and responsibility.

4. ANALYSIS AND OPTIONS

The GTA-Agricultural Action Committee 2009 Annual Report highlights the Committee's strength in partnerships and contribution to the agricultural community

The Executive Director, on behalf of the GTA-AAC, is responsible for facilitating the Committee's efforts by providing leadership on matters related to the agricultural industry, and advice on decisions related to priorities and funding. In 2009, the Executive Director undertook a number of activities as part of implementing the GTA Agricultural Action Plan, such as:

- Participated at the Royal Agricultural Winter Fair, the Toronto Food Policy Conference, Ontario Culinary Tourism Summit and the Canadian Food and Restaurant Services Association – Food Show.
- Supported our partners in research, analysis, education and awareness, such as the University of Guelph's study on Ethnic Foods and promoting courses on succession planning in agriculture.
- Partnered with the City of Hamilton and Niagara Region regarding agricultural sustainability around the Golden Horseshoe and in the Greenbelt. This resulted in the GTA-AAC leading the development of an Agricultural Agri-Food Strategy for the GTAH.
- Partnered with the Friends of the Greenbelt, and the Ontario Culinary Tourism Alliance to develop a database listing farmers and their products to help publicize sources to food processors, institutional buyers and direct buyers.
- Partnered with Advanced Agricultural Leadership Program (AALP) to market the Profile of Agricultural Attributes in the GTA.

With a significant portion of York Region's Greenbelt land being farmed, these research activities will assist in supporting local food production in the Region.

The GTA-Agricultural Action Committee's 2010 Work Plan continues to focus on promoting and identifying opportunities for GTA agriculture and local food

The approved 2010 GTA-AAC Work Plan will continue to champion the agricultural industry sector in the GTA through the following key activities:

- Participating at the Royal Agricultural Winter Fair and the Ontario Culinary Tourism Summit.
- Conducting further study on the potential of import replacement of crops, which could be grown locally, specific to the cultural needs of the GTAH population.
- Organizing and hosting a 2010 bus tour to explore opportunities and challenges facing the agricultural industry throughout the GTAH.
- Participating in the roll out of the Profile of Agricultural Attributes in the GTA.
- Organizing and hosting a workshop on farm succession planning in the GTA.
- Initiating the Agriculture and Agri-Food Strategy for the Golden Horseshoe. Through the process of applying for a grant to the Canadian Agriculture Adaptation Program the GTA-AAC asked for letters of support and received over 35 letters from a varied cross section which includes government, foundations, agricultural associations and educational institutions.
- Communicating the challenges and opportunities of near urban agriculture and locally grown food in the GTA and examining land use policies that support near urban agriculture.

The Agriculture and Agri-Food Strategy will provide the framework to further the competitiveness, sustainability and viability of agriculture in York Region and throughout the Golden Horseshoe.

The GTA-Agricultural Working group assists the GTA-AAC on implementing the nine action items of the GTA Agricultural Action Plan

The GTA Agricultural Working Group, reporting to the Regional Planning Commissioners of Ontario (RPCO), is comprised of planning and economic development staff from the four GTA Regions and the City of Toronto. The GTA Agricultural Working Group has been identified as the lead implementer on nine of the 37 action items in GTA Agricultural Action Plan.

Between June 2009 and May 2010, the RPCO's GTA Agricultural Working Group undertook a number of activities, such as:

- Completed Action Item 19 of the GTA Agricultural Action Plan which directs the development of a GTA Population Profile. The GTA Agricultural Working Group compiled the 2006 Statistics Canada Census data to develop the GTA Population Profile. The Profile identifies emerging consumer trends and the ethnic and cultural dynamic of the GTA.
- York Region staff worked with the York Region Food Network to connect the Chinese and South Asian communities with local food producers by developing two culturally-specific Guides to Fresh Food. This was made possible through support from the Friends of the Greenbelt Foundation.
- York Region Tourism profiles 33 farmers markets and farms open to the public on their website www.yorktourism.ca. This year the annual Explore York Discovery guide will include a pull out on Farm Fresh, 100,000 copies will be distributed throughout Ontario.

The working group has worked with the GTA-AAC to assist in developing programs that increase awareness of York Region residents and the agricultural community in such areas as local foods, ethnic foods, and farmers markets. This is increasingly important as consumers' demand for healthy local food rises.

The report, Profile of Agricultural Attributes in the GTA, provides an overview of the challenges and opportunities for agriculture and agri-business

Planscape Inc. was retained by the GTA-AAC to research, analyze and prepare a report on agriculture and agri-business in the GTA to assist the agricultural sector in effectively addressing changing economics, social and environmental issues and demographics.

The GTA Agricultural Working Group worked with the consultant to develop the Terms of Reference and provided comments on the draft report.

The Profile of Agricultural Attributes in the GTA confirms that the agricultural production in the GTA occurs on some of the best agricultural land in Canada, the production profile is extensive and diverse, producing hundreds of commodities which in turn support a sophisticated agri-business sector. While agriculture continues to be an important sector of the GTA economy in terms of gross farm receipts produced and productivity per acre, there is an ongoing decline. The amount of farmland continues to drop, and the average age of farmers is increasing.

The report recommends that in order to manage the agriculture and agri-business cluster certain challenges, such as the need for business support, the management of regulatory regimes, maintenance of farm service infrastructure and persevering the agricultural land

base should be a focus for enhancing, supporting and growing our agricultural community.

Planscape Inc. will present at September 8, 2010, Planning and Economic Development Committee with an overview of their report (titled Profile of Agriculture Attributes to the GTA) (*Attachment 2*) and will highlight the findings for discussion with Committee.

Relationship to Vision 2026

The Enhanced Environmental, Heritage and Culture goal area of Vision 2026 identifies “Sustaining Our Agricultural Base” as an action area. The GTA Agricultural Action Plan is a key strategic initiative to meet the objectives of this Vision 2026 goal.

5. FINANCIAL IMPLICATIONS

York Region continues to provide ongoing in-kind support through Council representatives on the GTA-AAC; and the work of the RPCO and the Agricultural Advisory Working Group, which has the benefit of assisting the agricultural sector in York Region. No additional funds are required at this time.

6. LOCAL MUNICIPAL IMPACT

Local staff across the GTA has participated in the development of the Action Plan and their continued support is needed to implement certain action items within the Plan to assist in supporting local agriculture.

7. CONCLUSION

The GTA-AAC is continuing its efforts to champion the agricultural industry sector in the GTA, to ensure the implementation of the action items in the GTA Agricultural Action Plan. York Region continues to support the Committee by providing Council representatives and through the direction of the Regional Planning Commissioners of Ontario – GTA Caucus, the Working Group will provide continued support to the GTA-AAC and Executive Director to ensure the implementation of the Agricultural Action Plan, particularly the nine regional action items, in such areas as marketing, research and program development.

For more information on this report, please contact Maria Leonis, Planner, Community Planning at (905) 830-4444, Ext. 1568, or Heather Konefat, Director of Community Planning at Ext. 1502.

The Senior Management Group has reviewed this report.

(The two attachments referred to in this clause are attached to this report.)

**Coordinator's Annual Report for the
GTA Agricultural Action Committee 2009**

Prepared by: Ms. Janet Horner for the GTA-AAC
Annual General Meeting, March 24, 2010

Coordinator's Annual Report for Greater Toronto Agricultural Action Committee 2009

Last year at my first annual meeting, I had not yet grasped the strength of the group of people that I had been chosen to work with. During the past year I have come to better understand the awesome potential of the GTA AAC.

For those of you who need a bit of a history lesson as to what the GTA Agricultural Action Plan is, when it was first drafted in 2006 there were 37 separate action plans that if enacted, would help agriculture in the near urban GTA area not only survive but thrive. Everything from researching Ecological Goods and services payments to land use policies, safe transportation of farm vehicles on suburban roads, promotion of Rural Economic Development Officers to work in each of the regions, local food marketing and initiatives, land use, taxation and value added activities.

The plan was overwhelming and a lot of time was spent documenting who did what and if progress was made on an action item. As a volunteer board, it is impossible for the GTA AAC to do these things without partnerships with those who sit around our table. As we moved through 2009, the number of partners we have has increased and our activity level has increased as well.

Many of our partners are in this room tonight. At the risk of missing someone, I would like to express our appreciation and thank you for what you have done in your own organizations and what you have done with us to further the GTA Agricultural Action Plan.

Our **Working Group of GTA Planners** chaired by Nancy Rutherford, Planner from Durham, released their demographic profile of the GTA a year ago. This group has been a valuable resource to the committee as they support our work and communicate regularly to ensure that the planning for agriculture is consistent around the GTA. They have also worked this winter with Kathy MacPherson Research Director of the Friends of the Greenbelt and Katheryn Kram from Ryerson, to examine the differences in the 4 regional official plans that pertain to value added activities on agriculture lands.

The **Toronto Food Policy** folks – Janice Etter, John O’Gorman and Wayne Roberts have been tremendously supportive in opening and maintaining the dialogue between rural and urban eaters. Farmers are not just producers of local foods but they are also the eaters of that same local food. Janice must often remind the GTA AAC to look at agriculture and food through the “urban” lens.

Last spring the Toronto Food Policy Committee held a Local Food Conference in May 2009 in North York. The GTA AAC supported the conference with a financial contribution and at the conference, attendees identified gaps in local food infrastructure and helped determine possible solutions and best practices.

We have had this crazy idea that the GTA wasn't big enough to get the attention of decision makers in Government. It was Peter's dream to extend our reach around the lake to include the City of Hamilton and Niagara. At the Local Food Conference held by the Toronto Food Policy Committee, we found that Donald Ziraldo of Niagara shared this vision. A short meeting between Peter and Donald at the conference put in motion the Think Tank that occurred at Vineland in August.

Jennifer Story of **The Friends of the Greenbelt**, the GTA AAC and the Ontario Culinary Tourism Alliance cooperated on a database project to help farmers publicize what products they were producing that might be of interest to food processors, institutional buyers and others who might want to buy directly from the farmer. Kathy MacPherson, Research Director at the Friends of the Greenbelt is an invaluable resource to us for funding proposals and new ways that we can work together.

This summer, we hosted a delegation of MPP's from Melbourne, Australia on a one day tour of the Greenbelt. The tour offered the committee an opportunity to show our visitors the best features of this unique region. It also gave the GTA AAC committee and their guests, a chance to be with each other outside of a meeting room while we toured the good farmland and the not so good farmland located in the Rouge Valley Park Area.

Frank and Mike Whittamore – two farmers that have brought the sexy back into farming – talked to us about the many facets of their highly successful agri-tourism and market garden operation. Alan Wells who gave us the guided tour of the Park expressed his appreciation to the Whittamores for their articulate, common sense input to the Rouge Park.

Micheal Wolfson, Economic Development Officer for the City of Toronto arranged a stop at Pita Break and we were able to see first hand a Toronto company that was using locally produced grains in their products. We need to help Micheal make more and more of those connections for food processors.

Ending up at the Niagara Centre for Innovation and Technology and the Peninsula Ridge Winery helped us appreciate the diversity and economic importance of agriculture and food processing in the Golden Horseshoe.

The bus trip was such a great experience that we are going to do it again but we haven't told our partner Jamie Reaume of the **Holland Marsh Growers Association** that we are coming!

Jamie brings lively discussion and thought provoking comments to our meetings. He often pushes us to be more than we think we can be.

We returned to Vineland in August to organize and participate in a Thinktank about Agricultural Sustainability in the Greenbelt . Attendees to the Thinktank discovered that many organizations were duplicating efforts to determine a sustainable future for agriculture. At that meeting the GTA AAC was charged to lead the effort to develop an Agricultural AgriFood Strategy to help guide the region.

As the project has progressed, we have added the expertise and the talents of Terri Donia and Patrick Robson the Commissioner of Planning from the **Region of Niagara** and Kim Reep ,Rural Information Officer, OMAFRA ,as they have participated in the development of the proposal and selection of a successful candidate for our new project.

Working with the **Ontario Culinary Tourism Alliance**, and Rebecca Leheup ,we were involved in the planning of the 2nd Annual Culinary Tourism Summit where we were able to help the 300 attendees connect with local farmers, tourism specialists and see how well some of the culinary tourism initiatives across the province were working.

I would be remiss to talk about the fabulous support we receive from our **Regional Economic Development Officers**. With Marlene Werry, who supports the farmers of Durham and local food through many projects, we assisted with an Urban Agriculture Information Meeting in Whitby. Durham participated for us in a booth at the Canadian Food and Beverage Show. I attended several local food events in Durham this year. Sue Coverdale from the City of Hamilton brings a wealth of experience to our activities and was a tremendous help with the RFP process. Regions that do not have rural economic development officers do not have the same leadership for local food initiatives, or connection to their agricultural communities.

Thank you to **Ontario Ministry of Agriculture and Food and Rural Affairs** for its support through their regional information officers – Kim Reep who is now a member at our board table Marilyn Bidgood and Gerry Horst and who represent their areas at local meetings and do such a great job of getting information distributed to those who need it.

Tonight we have been invited to make comment to the **Toronto Board of Health** on their Food Strategy that will be presented shortly by Peter Dorfman . Our Chair Peter Lambrick sits on the Advisory Board of the Toronto Medical Officer of Health – Dr. McEwan. Now more than ever, we must recognize the connection between food and health.

Our vice chair Nick Ferri has been asked by **Sustain Ontario** to sit on on their Advisory Committee. Lauren Baker of Sustain is one of the most well-connected people I know. She is great at bringing people and projects together.

We did a joint project with the **Ontario Farm Fresh Association** this year at the Royal Winter Fair in the Journey to Your Good Health booth. The joint venture enabled us to spend less money and time at the 10 day fair and still have a presence promoting local food.

Our support of the **University of Guelph's** Ethnocultural Food Study allowed Dr Glen Filson, and his associates to take a look at potential import replacement crops that could be grown locally to serve the needs of the Caribbean, Asian and South Asian residents of the GTA.

We have entered into another joint project with the current class of the **Advanced Agricultural Leadership Program**. Through the efforts of five of their members, we will be getting some expert advice in marketing ourselves as an organization and the Planscape report. They will also be taking a good hard look at our organization and helping us shape ourselves for the future.

The **Toronto Region Conservation Authority** and the support that their staff has given us over the year is vital to this organization. Brian Denny is such a wise and caring individual and even lent his car to me when I lost my keys, Jim Dillane has helped us through the RFP and budget processes, Gary Wilkens attends our meetings and looks after the activities at the McVean Farm with Farmstart, and finally Adrienne Langston takes our minutes and sends out our meeting notices and E-Blasts.

Before I finish, I would like to share with you a couple of my "ah hah" moments of this year. You probably remember the day last December when our chair Peter Lambrick appeared on the front page of the Globe and Mail. I was attending a meeting called by Burkhard Mausberg of the Friends of the Greenbelt Foundation to discuss some of the negative press that local food was getting. The Globe and Mail article was not the most complementary to the Greenbelt. In the room were representatives from Local Food Plus, Foodshare, the Environmental Alliance, Ontario Culinary Tourism Alliance, Sustain Ontario, Friends of the Greenbelt, a reporter from the Globe and Mail, and myself. As you can well imagine, that meeting started off with a wide variety of opinions about what our common messaging should be about local food.

Finally someone said "Why don't we think about the things that we can agree on instead of the things that we disagree on." By the end of that meeting, we were all able to support the statement that "Unless Ontario farming is economically sustainable, there will be no farmers. Following that meeting, I have seen many of the people in the room quoted in the press with that common message. What I have come to understand is that although we may not always agree, food is the tie that binds, a constant or in the words of James Beard "Food is our common ground, a universal experience".

My second "ah hah" moment came when a speaker at the Bring Food Conference said that that he used to cringe when farmers would say that they needed to be profitable. Now he understands that profitability means making a living – not making excessive amounts of money. We must be aware that although we think we are speaking the same words – the meaning of those words will depend on the experience and background of the speaker and the listener.

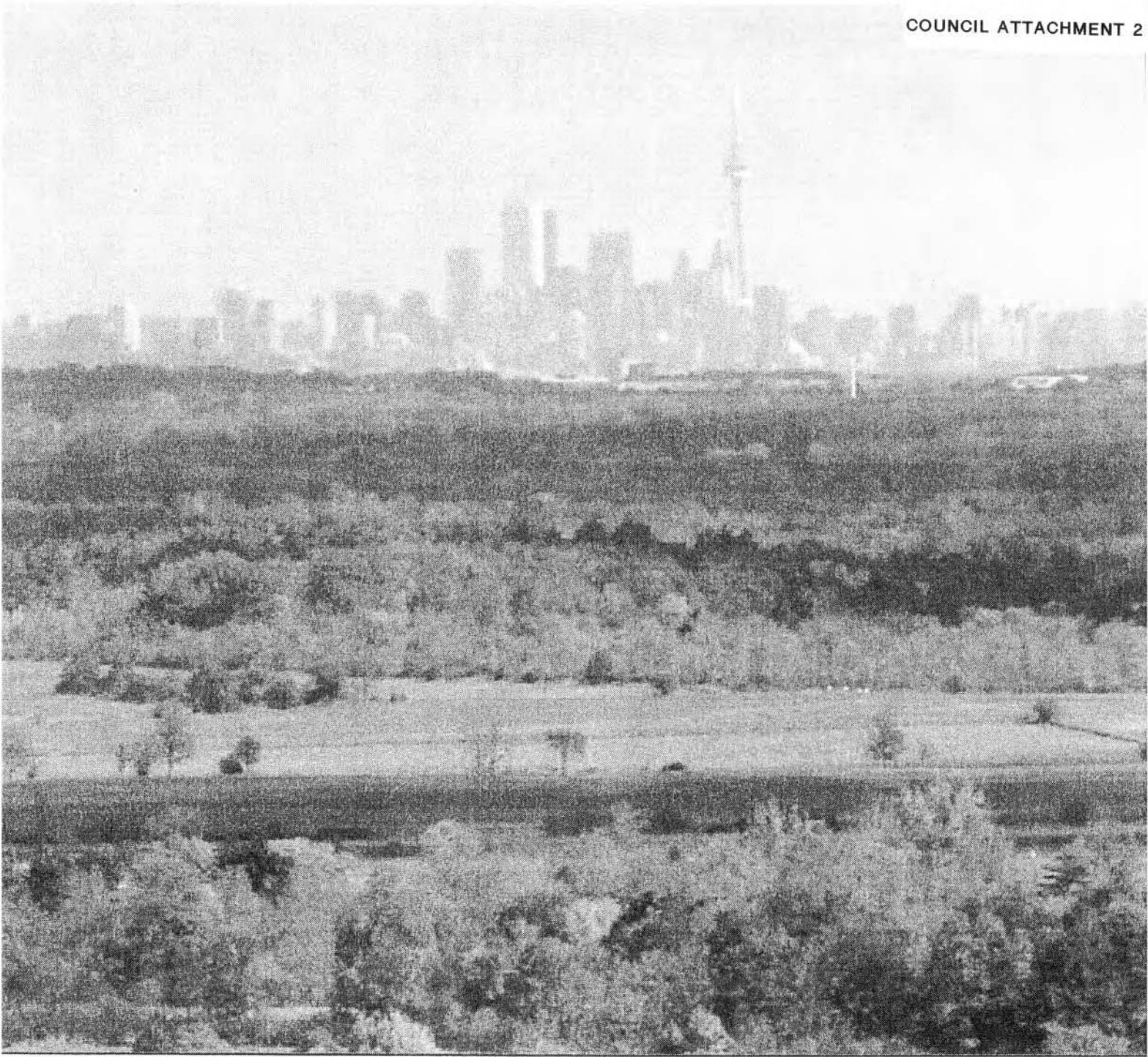
The GTA AAC have extended their tent to include lots of partners and we are richer for it. With your continued support we will make this exciting journey together.

GTA AAC Agricultural Action Committee Budget

	Budget 2009	Actual 2009	Budget 2010
Beginning Balance GTA AAC Trust Fund at Beginning of Period	419,079.00	419,079.00	327,247.14
REVENUES			
1. Trust Fund Interest Income	7,500.00	3,843.00	3,500.00
2. Contributions from Federations	5,000.00	3,750.00	15,000.00
3. Contributions from others	20,000.00		60,000.00
4. Grant for Agriculture and Agrifood Strategy			225,000.00
Total Revenues			
CASH & INVESTMENTS AVAILABLE FOR 2009	451,579.00	426,662.00	630,747.14
CAPITAL EXPENSES			
5. Office equipment including software	1,000.00	0.00	1,000.00
6. Exhibit	3,000.00	0.00	3,000.00
Total Capital Expenses	4,000.00	0.00	4,000.00
OPERATIONS			
MEETING SUPPORT			
7. Annual Meeting (food and entertainment)	5,000.00	3,597.00	5,000.00
8. Meetings of the GTA AAC (space, food services, travel)	5,000.00	4,049.00	5,000.00
TOTAL Meeting Support	10,000.00	7,646.00	10,000.00
PROFESSIONAL SERVICES			
9. Executive Directors Renumeration	70,000.00	31,000.00	40,000.00
10. Staff Support for projects			
11. Administrative Support	15,000.00	1,296.56	2,000.00
12. Accounting Support Charges	2,500.00	2,285.00	2,500.00
13. Website	5,000.00	0.00	7,500.00
14. Tuition and Staff Development	1,000.00	0.00	1,000.00
15. Travel/Meals/accomodation	6,000.00	5,175.00	6,000.00
TOTAL Professional Services	99,500.00	42,321.56	59,000.00
OFFICE SPACE, SUPPLIES & SERVICES			
16. Office space & furniture rental			
17. Communications	3,000.00	2,400.00	2,400.00
18. Office consumables and access to office equipment (printer and fax)	1,200.00	1,200.00	1,200.00
TOTAL Office Space, Supplies and Services	4,200.00	3,600.00	3,600.00
TOTAL OPERATIONS	113,700.00	53,567.56	72,600.00

PROJECT SUPPORT

19. Locally Grown Exhibit at Royal Winter Fair (Materials, equip, honorarium)	5,000.00	4,250.00	
20. Expanded Profile of GTA Agriculture	20,000.00	21,000.00	
21. Exhibit with CFRA	1,000.00	522.30	
22. Support of U of G study of Ethnic Foods	5,000.00	5,000.00	
23. Toronto Food Policy Conference	7,500.00	7,500.00	
24. Funds Available for local food, urban agriculture projects etc.	45,000.00		
25. Membership Ontario Culinary Tourism		1,575.00	1,575.00
26. 2nd Ontario Culinary Tourism Summit		2,500.00	2,500.00
27. Greenbelt Bus Tour with Australian Delegation		3,500.00	
28. Cultural Vegetables			5,000.00
29. 2010 Bus Tour			6,000.00
30. Rollout of GTA Agricultural Profile			10,000.00
31. Farm Succession Planning in the GTA - Workshop with Partner			10,000.00
32. Agricultural and AgriFood Strategy for the Golden Horseshoe			300,000.00
TOTAL Project Support	83,500.00	45,847.30	335,075.00
TOTAL 2009 Budget	201,200.00	99,414.86	411,675.00
GTA AAC TRUST FUND BALANCE AT END OF PERIOD	250,379.00	327,247.14	219,072.14



EXECUTIVE SUMMARY
PROFILE OF AGRICULTURAL
ATTRIBUTES IN THE GTA

The objectives of this report are to:

- Describe the current status of the business of farming in the GTA;
- Describe and analyze significant changes in farming in the GTA during the past decade;
- Assess the economic, social and environmental contribution of farming in the GTA;
- Review the implications of the evolving demographic profile of the GTA for agriculture;
- Assess the potential to address the widening gap in agri-food trade; and
- Provide a strategic audit of the 2005 GTA Action Plan with recommendations regarding future goals.

The study area is comprised of the City of Toronto and the four surrounding Regional municipalities of Durham, Halton, Peel and York.

Agricultural Profile

An update of the profile of agriculture in the GTA based on the 2006 census, confirms that while agriculture continues to be an important sector of the Greater Toronto Area economy in terms of gross farm receipts produced and productivity per acre, there is an ongoing decline. The amount of farmland continues to drop, the average age of farmers is increasing and the profile is shifting. Overall the conclusions that can be drawn from the profile include:

- The amount of farmland continues to decline but at a slower rate than in the period from 1996 to 2001. Between 2001 and 2006, the area of farmland in the GTA declined by 31,476 acres or 4%. The rate of decline differed in the four regions. Halton experienced the largest decline in farmland at 9,859 acres or 10%; Peel declined by 9,144 acres or 9%; York declined by 8,889 acres or 5% and Durham declined by 3,584 acres or 1%. The trend to smaller farms in the GTA continues in all regions except Durham.
- Despite a 4% decline in the amount of regional farmland between 2001 and 2006, gross farm receipts generated in the GTA in 2006 were \$6.5 million higher than in 2001.
- The total value of farm capital in the GTA rose from \$6.1 billion in 2001, to \$7.5 billion in 2006. Average farm capital in 2006 was \$2 million per operation.
- Gross farm receipts generated in the GTA in 2006, totaled \$677.3 million, an increase of \$6.5 million from 2001. Regionally, GFR's increased in both York (25%) and Durham (2%) and decreased in Peel (30%) and Halton (7%).
- The share of GFR's generated by fruit, vegetable, greenhouse and nursery sectors continue to grow. Greenhouse became the leading sector in the GTA in 2006 based on GFR's; dairy dropped to second. The cash crop sector increased slightly in terms of GFR's between 2001 and 2006.
- The number of dairy operations declined between 2001 and 2006, particularly in the Regions of Halton and Peel, but the share of GFR's generated by dairy remained fairly constant.
- The livestock sectors including cattle, hogs and "poultry and egg" declined in number of operations and in GFR's, between 2001 and 2006.

- The Cost to Revenue ratio improved in Peel, York and Halton between 2001 and 2006, but worsened in Durham.
- The number of operations generating in excess of \$250,000 in gross farm receipts per annum continued to grow between 2001 and 2006. The number of operations in all other categories declined. The largest decline between 2001 and 2006, was in the number of operations reporting less than \$10,000 in GFR's per annum.
- The average age of farmers in the GTA at 55.4 years is higher than in other parts of Ontario and continues to rise.

With respect to the City of Toronto, agriculture does occur within the City limits. There is at least one operating farm and numerous undeveloped parcels are cultivated for cash crops, vegetables, fruits, nursery and greenhouse operations. With the growing interest in local food and the introduction of innovative ways to grow food including roof top and community gardens, the profile of agriculture in the City is shifting.



Demographic Profile

The demographic profile prepared by the GTA Regional Agricultural Working Group, identified opportunities for the agricultural sector and underscored some challenges.

The GTA is a rapidly growing area undergoing a comprehensive planning process to stipulate where the growth will occur and in what form it will be accommodated. When this process is completed, additional existing agricultural areas will be removed from production but there will be more certainty, about what areas will be available for production to 2031 and beyond. If circumstances exist to allow the remaining operators to operate efficiently and profitably this could stabilize primary production in the GTA.

While the rapid pace of growth in the GTA creates challenges, it also creates opportunities for both primary production and the agri-food industry. In planning for the future businesses can rely on an sophisticated, expanding market for their goods

The market for organic and local products tends to be driven by age and income. Given that the 20 to 44 year old age group is clustered in the more urbanized area of the GTA and that the highest density of population is located in that area; producers need to create linkages, market products and establish retail outlets that connect with and take advantage of this market.

Toronto has the highest proportion of people living in low income. Connecting these low income groups to healthy affordable food sources is a challenge that is being faced by public health agencies in the GTA. Farmers and food processors can play a role in supporting programs that will ensure healthy and accessible food programs for low income families.

Settlement patterns of new immigrants tend to be clusters, based on country of origin. Each of these clusters exhibit unique characteristics and customs and have specific demands. Understanding these clusters and the demands associated with them could assist in gearing food production and focusing on niche markets.

The higher income levels and cultural diversity of the GTA are factors that create a strong market for a diversity of food and other agricultural products.

A very high proportion of food, beverage and tobacco (FBT) establishments in the GTA are comprised of operations with less than 50 employees. These smaller companies are well suited to responding to specific niche markets and offer an opportunity for direct links with primary producers.

Given the aging profile of the farm population and the ongoing need for new farmers and farm labour, consideration should be given to programs to attract immigrants with agricultural skills. Such programs should provide support to access agriculturally related employment accompanied by social programs to allow new arrivals to adjust to rural communities.

The educational system should deliver programs that educate consumers to make informed choices and enjoy healthy diets; to understand and appreciate modern agriculture; and to introduce them to the interesting opportunities associated with agriculture and the agri-food business.

Although there are areas of relatively high unemployment in the GTA, they tend to be located in urban areas. Accessing available labour, ensuring the skills to work in the agricultural and agri-food businesses are being taught, and making candidates aware of available employment opportunities can be complicated by the urban/rural divide.

The GTA is a dynamic, fast growing region of contrasts. The settlement patterns reflect a mosaic of age, ethnic background, education and income. However one thing all residents of the area have in common is a need for the products of the agriculture and agri-food system. Understanding the patterns of the GTA and using them to the benefit of the industry is essential to its ongoing prosperity.



Contribution to the GTA

The contribution of agriculture and the agri-food sector to prosperity and quality of life in the GTA is multi faceted and significant.

The value of the gross farm receipts generated by agriculture in the GTA has increased steadily over time. Based on the increase since 1999, a reassessment of the economic impact confirmed that the contribution of GTA agriculture to the provincial economy in the year 2006 was approximately \$2.1 billion.

As an intrinsic part of the rural landscape, agricultural lands provide many positive environmental benefits. Agricultural land preserves open spaces and provides natural corridors for the movement of wildlife, contributing to the biodiversity of the area. Retention of woodlots and windbreaks reduces soil loss through wind erosion, and provides habitat for birds and animal species that may be under stress due to habitat loss in urban areas. Farm fields provide habitat and a food source for birds and animals.

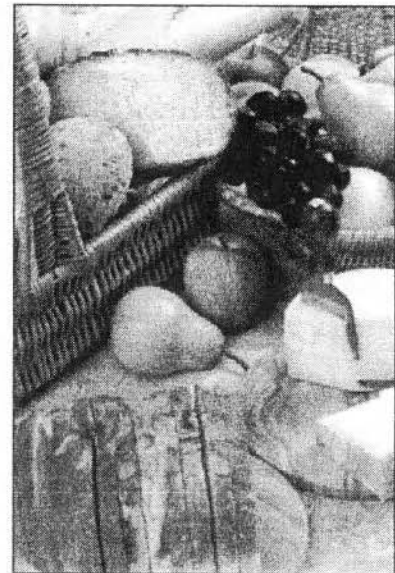
There is ongoing debate about the environmental impact of agricultural activities on the natural environment. In response, programs have been developed to reduce the impact of agriculture on the natural environment, focusing on farm practices that can contribute to improvements in surface and ground water quality, introduction of alternative energy sources and the use of bio solids to improve productivity and reduce waste. The Environmental Farm Plan program is designed to address environmental issues and provide farmers with a vehicle through which to confirm and monitor their commitment to environmentally sustainable practices.

As recognition of the links between a healthy community and a sustainable local food system grow, health organizations are becoming increasingly supportive of partnerships with the agricultural sector and involved in policy development to promote a healthy, sustainable food system. The GTA is fortunate to have a healthy, vibrant agricultural sector to provide a base for these partnerships.

Proximity to a healthy agricultural community provides urban residents with access to fresh produce from local farm markets. Such markets offer variety, improved freshness and quality of products at reasonable prices and can be an effective, informal source of information about the complexities of modern agriculture.

Having agricultural activity within close proximity to urban areas provides educational benefits to both the farm community and to urban consumers. Access to farms, farmers and local farm product provides an opportunity for urban residents to be educated about modern farm practices. Having access to the extensive educational resources of the GTA is a tremendous benefit for farmers and farm business operators in the area.

The rural and agricultural countryside represents an important element of life in the GTA. The public is able to enjoy rural landscapes and view and sometimes experience, farming activities. Farm bed and



breakfasts, working holidays, “pick your owns”, and farm vacations provide opportunities for the urban public to experience the farm.

Having an active and successful agriculture and agri-food sector as an integral part of a city region such as the GTA enhances the viability, sustainability and livability of the region.

Agri Business Profile

The Canadian agriculture and agri-food system is comprised of:

- Primary agriculture;
- Farm input and service providers;
- Food beverage and tobacco processing (FBT);
- Food retail / wholesale; and
- Food service.

The sector generated 8.1 % of GDP and accounted for 1 out of every 8 jobs in Canada in 2008. Canada ranked as the 4th largest exporter of agriculture and agri-food products in the world in 2008.

Exports are broken into bulk, intermediate and consumer oriented products. In 2008 bulk exports accounted for 37.7% of total exports, consumer oriented products accounted for 37.5%. The percentage of bulk exports was pushed up in 2008 by higher prices for grains and oilseeds.

44% of the raw material that goes into food processing is supplied by primary agriculture.



There is a strong trend to consolidation in the retail sector with large chains grocery stores dominating volume of sales in all provinces except Quebec.

The largest market for food service products is the commercial market where full services restaurants have the largest market share.

In 2008, small food processing operations were dominant in terms of number. However, the operations with 200 employees plus, accounted for 3% of operations but 46% of sales.

Imports captured 26% of the domestic food market in 2008.

Agricultural costs are dominated by materials, supplies and labour with fertilizer being a leading expenditure.

At the provincial level, Ontario dominates the Canadian agri-food sector. In 2008, the Province contributed 33.2% of the total Canadian agriculture and agri-food GDP and accounted for 32.2% of the jobs in agriculture and food processing.

Within the Ontario agriculture and agri-food cluster, food service had the highest employment level followed by retail and wholesale, processing and primary production.

There are ongoing fluctuations in the employment profile for the agriculture and agri-food sector in Ontario. Even sectors which have a net increase in employment have not experienced constant growth.

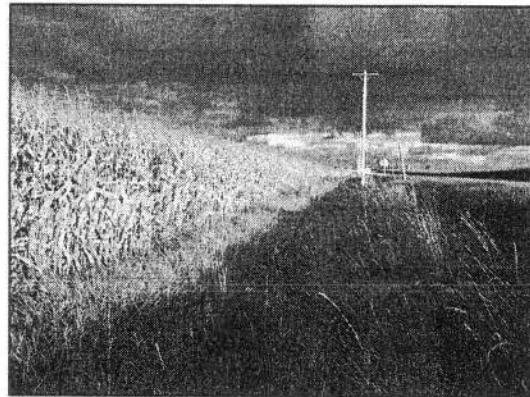
The Food, Beverage and Tobacco (FBT) percentage share of Ontario GDP was 11.2% of the total in 2007. This is second only to the GDP of the transportation equipment category.

The value of agri-food imports in Ontario is approximately double the value of agri-food exports.

The commodities groupings where there is a positive trade balance are predominantly unprocessed commodities. Grain products is the largest followed in order by oilseeds, live animals, other animal products and tobacco.

Although exports have seen a relatively constant increase over time, there have been periods of slower growth or decline and the rate of growth has not kept pace with the increase in imports.

Ontario's largest trading partner is the United States. The EU, Asia, Latin America and Mexico are the next largest importers. In terms of exports, the American market captured 80% of all exports in 2009, followed by Asia (8%), Japan (3%), the Middle East (2%), and Mexico and "other East Europe" (1%).



Although the food processing component of the agriculture and agri-business cluster is third in size in terms of employment to the retail and food service sectors, it leads in terms of GDP. It is also a very diverse sector that has the potential to expand and capture larger shares of both the domestic market and the export market for intermediate and consumer ready products. The top five sectors in the cluster are meat processing, dairy products, bakery, confectionary and beverage.

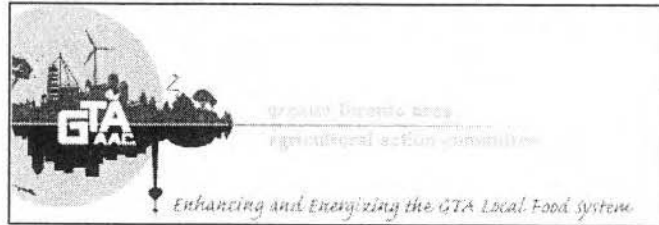
Regionally, the GTA is the largest contributor to the agri-food sector in the province. The area is home to the second largest food cluster in North America. Toronto is the largest trucking, rail and air distribution hub for food products in North America and the most cost effective for road freight of all major metropolitan markets in North America. Although a disproportionate percentage of the food retail market is controlled by a handful of companies, farmers markets and facilities such as the Toronto Food Terminal provide alternative means of connecting the producer and the consumer.

The one activity which appears to be under represented in the GTA is the agricultural service and input sector. Durham is the one region that continues to support a large network of agricultural service providers.

Over half of the food manufacturing companies in the GTA have annual sales of less than \$5 million. Many include owner operated businesses servicing specialty markets or producing fresh product. The majority of operations employ less than 20 people. The medium sized establishment with sales of between \$5 million and \$20 million are the fastest growing component of the food processing sector.

The GTA AAC

Creation of the Greenbelt and implementation of the Growth Plan for the Greater Golden Horseshoe has added a new dimension to managing agriculture and agri business in the region. The GTA AAC recognizes potential for new partnerships and an opportunity to revise, expand and update the Action Plan for supporting agriculture in the GTA. Based on this, they have revised their vision to include new priorities. Completion of this report is the fulfillment one of the revised goals and is intended to provide a resource as the group moves forward.



Challenges and Opportunities

This overview of agriculture and agri-business has confirmed the depth and breadth of the sector in the GTA. The agricultural production in the GTA occurs on some of the best agricultural land Canada has to offer. As a result, the production profile is extensive and diverse, producing hundreds of commodities which in turn support a sophisticated agri-business sector.

The GTA is a fascinating area. The ethnic diversity is unrivaled and the land uses range from dense urban areas, to lower rise suburban, light industrial subdivisions, commercial malls, bucolic rural landscapes, small towns and fertile and unique agricultural areas. Agriculture is embedded in the history of the area but is struggling to maintain its status in the face of pressures for growth. Agri-business is the second largest economic force in the region and has made the GTA a leader in North America. To support this important economic sector there are challenges and opportunities that need to be addressed.

Challenges

The goal for the future is to manage all of the elements of the agricultural and agri-business cluster to overcome challenges and seize opportunities to grow the sector. A healthy agriculture and agri business cluster supports the economic, social, environmental and cultural well being of the GTA. In conducting this study, certain challenges were identified. These included:

- the need for business support;
- management of regulatory regimes;
- maintenance of farm service infrastructure;
- linkages between producers and processors;
- overcoming myths about agriculture;
- attracting new participants to work in agriculture and agri-businesses;
- preserving the agricultural land base; and
- encouraging farmers to continue farming in the GTA.

Opportunities

In preparing this report certain observations were made about opportunities facing the sector. These opportunities include potential actions to support expansion, innovation, diversification and reduction of the trade deficit for the agricultural and agri-food sector and are focused on:

- ethnic diversity;
- expanding niche markets;
- closing the income gap;
- educating consumers about the benefits of a healthy and productive local agricultural system;
- building a local food system;
- diversifying production;
- expanding access to wholesale facilities;
- capturing the growing market for bio-products;
- encouraging innovation;
- improving the existing trade balance;
- promoting nutrition and health as drivers of consumer demand and food supplies;
- supporting urban agriculture;
- developing alternative markets;
- implementing stable supportive and consistent planning controls;
- encouraging healthy choices over labels;
- planning for food;
- coordination of policy; and
- providing support for the GTA agriculture and agri-business cluster.