OntarioSheep
FARMERS

2025 Federal Election
Ontario Sheep Farmers Issues Backgrounder

Access to Veterinary Tools and Care

Access to Veterinary Drugs, Vaccines and Drenches

Canadian sheep farmers have signed on to the white paper authored by organizations representing Canada's farmed animal producers that was prepared for the federal government in August 2024. This document states,

> "Due to various barriers detailed in this Whitepaper, Canadian farmers' and veterinarians' access to such tools is virtually at a crisis point, which is compounded by the fact that the number of currently approved and available tools is eroding at a significant rate. The result is that Canadian farmers and veterinarians are forced to rely on an increasingly limited number of tools – many of which are also important in human medicine. Not only does this have implications for animal and human health, it places Canada at a competitive disadvantage compared to other countries who do have access to such tools."

There are a number of solutions outlined in the paper that have been presented to Health Canada. The most relevant solution for Ontario's sheep producers is to address the barriers to accessing veterinary pharmaceuticals that disincentivize companies from marketing their products in Canada.

OSF endorses the white paper titled, "Improving access to veterinary pharmaceuticals, veterinary health products, livestock feeds and veterinary biologics in Canda," and recommends the federal government adopt the nine solutions detailed within the paper.

Veterinarian Shortage

The availability of small ruminant animal veterinary care in Ontario has reached a crisis point in Ontario. This deficit is continuously growing as large animal veterinarians retire without replacements. Many of our members have vets further than 100 kms away from their farm and in northern Ontario it is even further. Farmers also contact OSF monthly to share the news of clinics closing or ending services for small ruminant clients. There is great concern among our members that emergency care will not be available when it is needed for livestock farmers as a result of the increasing veterinarian shortage and the wide geographic coverage area of most large animal clinics.

The provincial government has announced the addition of 20 new veterinarians per year through a northern school that we hope will focus their career on large animals. The addition of this new school in the north and the money announced for graduates that choose to practice in rural Ontario is positive.

It is important to increase the number of veterinarians that practice in rural and northern Ontario to avoid overstretched practitioners without support. We also think it is important to increase the number of small

130 Malcolm Road, Guelph, Ontario N1K 1B1 T 519.836.0043 E admin@ontariosheep.org

ruminant specialists in Ontario. Our members have shared that even though they have a large animal vet, that vet predominantly serves cattle farms and does not have small ruminant expertise.

OSF recommends the federal government monetarily support the provincial government's efforts to increase the number of veterinary students in Ontario for those wanting to pursue large animal practices and increase incentives for small ruminant veterinarians to increase capacity across Ontario.

Interprovincial Trade Pilot

Ontario Sheep Farmers commends the provincial and the federal governments for taking steps toward interprovincial trade for meat within Canada.

OSF supports the proposed pilots to address slaughter availability in remote and rural border regions to increase producer access to small meat plants and custom slaughter services. Our organization also supports the proposal to work with high volume provincially inspected plants ready to expand market access beyond provincial boundaries to pilot national marketing before becoming federally inspected.

Ontario-Quebec Border

For producers in rural and remote areas there has been a decline in service availability and capacity – most notably in eastern Ontario and northern Ontario as well as Quebec. Many producers in these regions are seeking custom slaughter services not offered by large plants, to focus on local or direct to consumer sales where producers may obtain a premium for their products.

Currently these producers cannot bring animals to nearby cross-border plants for slaughter and return to home province for local sale, but instead may have to travel hundreds of km within the province. Improving these circumstances is expected to reduce wait times and improve costs for producers on both sides of the border and support rural economies.

The region of Ontario surrounding Ottawa, including the counties of Renfrew, Lanark, Leeds, Grenville, Stormont, Dundas, Glengarry, Prescott and Russell, represent 11% of Ontario's sheep production. Eastern Ontario abattoirs have capacity for only half of these animals, with the rest having to travel hundreds of kilometres for processing. Eastern Ontario is a region of great opportunity for sheep farms due to the geography and cost of land, however, the sheep population has declined by 50% in the last 10 years.

The northern region of Ontario that includes Algoma, Cochrane, Sudbury, Kenora, Manitoulin, Nipissing, Rainy River, Thunder Bay and Timiskaming represent only 3% of Ontario's sheep production but represent the greatest opportunity for sheep production in the province. Sheep production in this region has declined 44% since 2012 mainly due to the distance from processing.

OSF encourages the province to announce and roll out these pilots in 2025 for eastern and northern regions of Ontario.

Ready to Grow

OMAFA has committed to collaborate with industry and provincial and federal partners to develop the "Ready to Grow Pilot" to allow meat plants with demonstrated demand to grow and expand sales beyond their provincial borders. The pilot will not compromise Canada's market access abroad or its international reputation.

The objective of the pilot is to address needs for certain high-volume provincially regulated meat plants seeking to expand market access outside provincial boundaries.

OSF has supported this pilot since its inception and encourages the provincial government to launch the program in 2025.

OSF supports the "Ready to Grow Pilot," initiative for Ontario plants to access markets beyond Ontario and supports expansion of the pilot program for plants in other provinces that meet or exceed Ontario's processing standards.

Advanced Payment Program

The Advanced Payment Program (APP) is a critical tool for farmers, particularly new entrants and young farmers, that helps farm operations manage cash flow demands amid rising market volatility and high debt servicing costs. The temporary increases to the interest-free portion of APP since 2022 have been very helpful and well-received. However, we once again find ourselves rapidly approaching the end of the temporary increase period that will see the interest-free portion of APP revert back to the $100,000 limit.

Operating demands that farmers face today require significant investment and risk tolerance that far exceed the operating demands farms had to contend with only a few short years ago. As a result, we find a potential reversion back to the $100,000 interest-free limit under APP to be untenable given the current operating environment, and a move that would represent a major deterioration in the value and utility APP provides unless immediate changes are made.

In response, OSF urges you to consider increasing the interest-free portion under APP to $350,000. Doing so would mirror the recommendations by the House of Commons Standing Committee on Agriculture and Agri-food in report entitled Grocery Affordability: Examining Rising Food Costs in Canada. Specifically:

- **ensuring companies have access to short-term, low-cost credit, and**
- **maintaining the increased threshold for interest-free payments under the Advance Payments Program**

By increasing the interest-free portion under the APP, the federal government can demonstrate that it recognizes the needs of farmers who have been facing escalating input costs and increased financing demands. This was precisely what the APP was designed for.

While interest rates may decline, maintaining an adequate level of interest-free support under APP remains essential given rising production costs and financing demands. Doing so will help ensure farmers have year-round financial resources to plan, invest, and make informed decisions ahead of the next production year.

Research Investment

The Government of Ontario, the University of Guelph, and Agricultural Research and Innovation Ontario are part of a collaboration known as the Ontario Agri-Food Innovation Alliance that contributes nearly $207 million to the province's growing agri-food economy, growing businesses and helping the sector thrive.

In 2023, OMAFA, University of Guelph and ARIO renewed the Ontario Agri-Food Innovation Alliance Agreement. The agreement aims to ensure Ontarians have access to healthy, safe food and that farmers and businesses have the information needed to be competitive and sustainable.

In the first year of the agreement, $72 million was invested by OMAFA with $135 million in leveraged funding from the University of Guelph committed over the four years of the agreement. In the final three years, the government portion of the agreement drops to $66 million despite their desired outcome of 'competitiveness and productivity of the agri-food sector'.

The agreement is renegotiated in 2028 and Ontario Sheep Farmers feels strongly that supporting an effective agri-food research and innovation system that 'sustains core capacity and may generate new capacity to undertake world-class research' requires a sustained government investment.

More funding for research at the University of Guelph in partnership with OMAFA and farm organizations is necessary for Canada to remain a leader in agriculture worldwide. The University of Guelph is an internationally renowned research institution and ongoing federal investment through research funding is essential to the food sovereignty of Canada and our contribution to the sustainability of the planet.

Business Risk Management

Canadian agriculture is an essential part of the economic, political and social fabric of Canada. As a core driver of the Canadian economy, agriculture contributes to the well-being of both rural and urban communities as a key generator of Canadian jobs in rural and urban communities across Canada and as a leader in Canadian productivity growth.

Agriculture is a high-risk business that faces volatile prices, unpredictable weather, and a global market influenced by government supports to competing producers in other countries. In order to maintain its economic growth and continued innovation, Canadian agriculture must have a stable economic foundation from which to address shifting global and domestic market opportunities. For those risks that cannot be addressed through on-farm management practices, access to effective risk management programs provides Canadian producers with the income stability they need to continue investing in innovative technologies, to adapt to evolving market demands, and maintain long-term economic growth.

Canadian producers continue to focus on maximizing their income from the marketplace. The ongoing investment needed to maintain an adaptable agriculture industry requires an effective, credible suite of Business Risk Management programs that manages the effects of short-term volatility in weather and markets through bankable and timely programs. These programs must comply with WTO agreements, limit the risk of countervail from international competitors, but first and foremost, they must provide the predictable support needed to maintain a vibrant agriculture industry and healthy rural communities.

The Canadian government continues to erode its investment in the suite of Business Risk Management programs to the detriment of producers as world markets are becoming increasing more volatile and unpredictable.

OSF recommends:

- **Effective production insurance for commodities that are not adequately covered by traditional crop insurance**
- **AgriStability cannot be limited to providing disaster support and must provide funding on a timely basis to ensure that the short-term impacts of significant income losses are mitigated. In addition, AgriStability payments must be calculated in a transparent and straightforward fashion that allows producers to predict and bank upon impending payments.**
- **Enhance support and capacity within the AgriInvest program to provide a platform to facilitate market-based adjustments and proactive investments in risk mitigation. The AgriInvest program must match producer contributions up to 1.5% of allowable net sales and the government-matched contribution limit must also be amended to allow for matchable annual contributions up to $100,000.**
- **The AgriRecocery framework must define clear and precise rules such that it can respond quickly to exceptional events and take into account all losses not covered by programs such as AgriStability and AgrIinsurance.**