

Agriculture a Wealth Generator for the future of Nova Scotia

Agriculture's Part in Getting Back to Balance

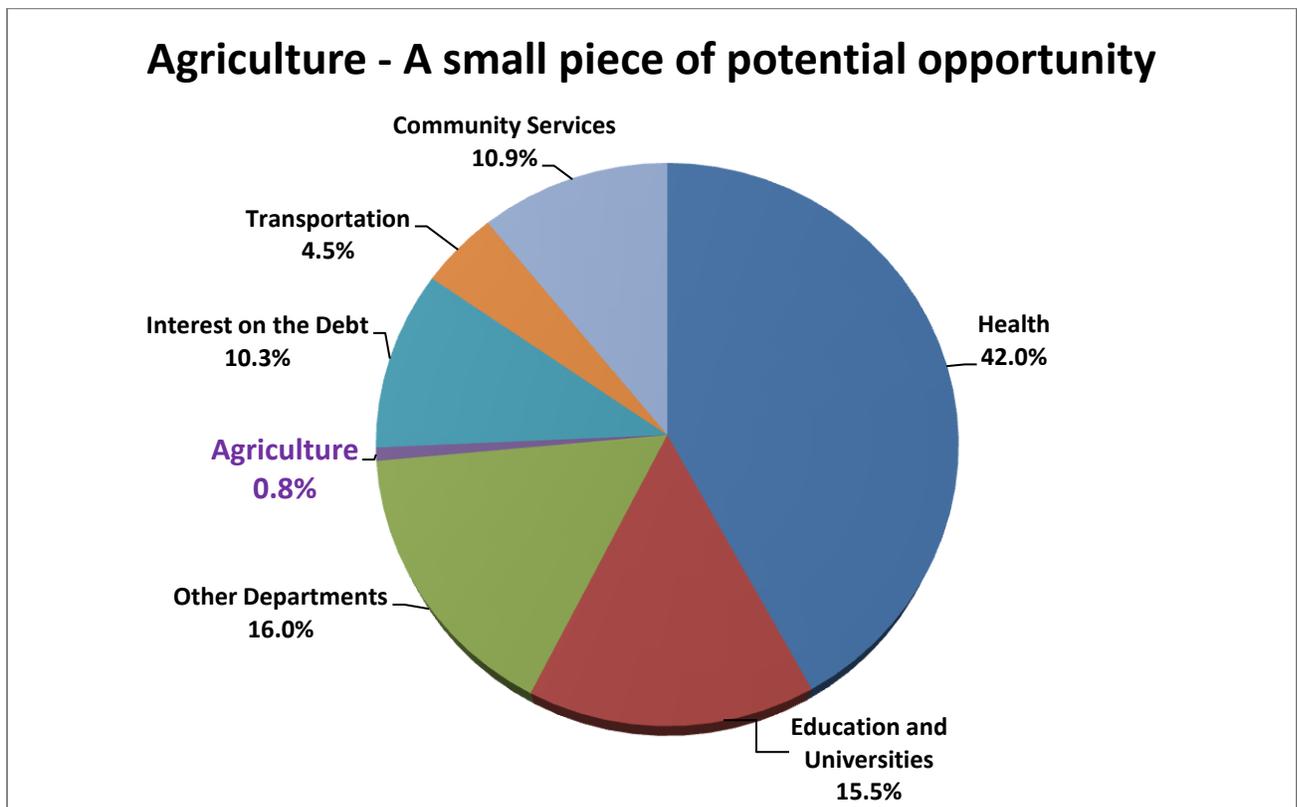


Nova Scotia Federation of Agriculture
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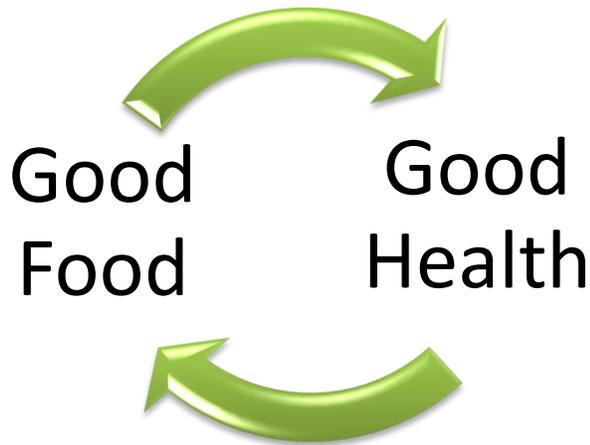


Agriculture is a Wealth Generator for Nova Scotia

- A significant proportion of the provincial population (45%) resides in rural areas. Nova Scotia farms generated \$509 million in total gross farm receipts in 2006 (last Census data). Operating expenses associated with these farms are made within the community where farmers reside and support local feed and machinery dealers, and many other agri-businesses. Agriculture is clearly acting as an economic driver in certain regions of the province and is an important contributor to maintaining the infrastructure in many others.
- The 2010-11 agriculture budget estimates of \$60.8 million are on par with the December 2010 forecast. Recognizing that \$9M of the budget is allocated to legislation and compliance (i.e. food inspection) and \$20M million is allocated to the Nova Scotia Agricultural College, it leaves less than \$32 million for agriculture programs and services (which includes salaries). Even without these exclusions, agriculture is only 0.8 percent of the total provincial budget making agriculture a small part of the 16.8% “of all other departments” where health and education dominate spending.



- By developing policies that encourage increased food and fibre production in Nova Scotia, the government would support the revitalization of Nova Scotia agriculture and support a healthier population – ultimately reducing costs and burden on government departments such as Health and Wellness.



Farm to School Program

Strive for Five at School!

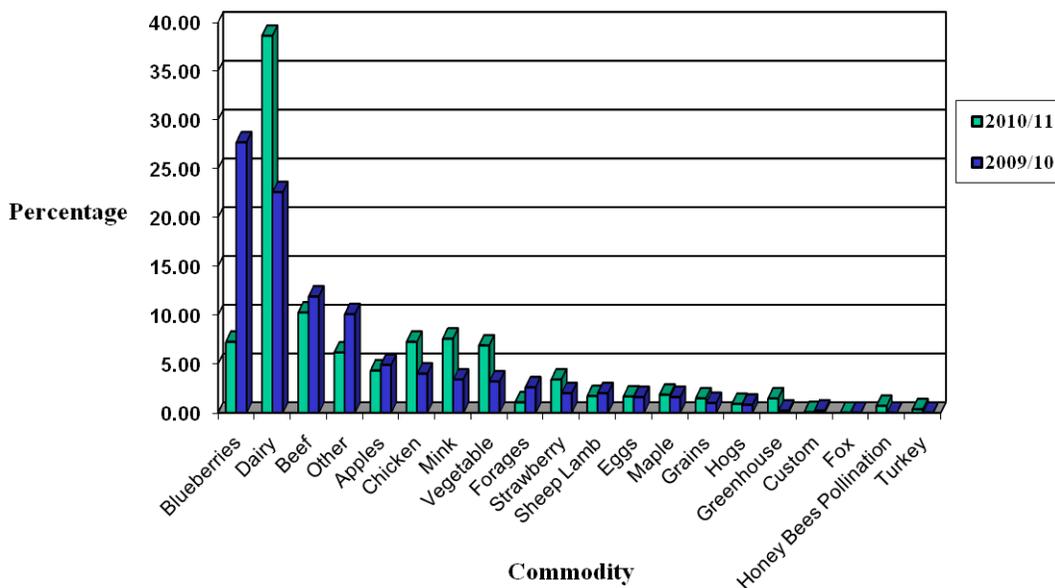
- An example of agriculture growth is Nova Scotia's Mink Industry, \$108M in farm gate sales makes it second to milk production in the province. Average age of mink farmers is 37 compared to the average of all Nova Scotia farmers sitting at 57.
- There is an opportunity in Agriculture to transition into market growth, new opportunities and new jobs for Nova Scotia. Agriculture can be a part of a sustainable balance by 2013 with stability in the short term to transition in the long term.
- Our agricultural economy directly employs over 5400 Nova Scotians ; plus thousands supporting the industry beyond the farm gate. Taking into account the 25,000 other Nova Scotians who work in the food service sector, our, agri-food industry provides employment for approximately 10% of Nova Scotia's work force.

Innovation and Investment in Agriculture – the good news!

- Currently valued at approximately \$12 million, the wine industry has tripled commercial grape production since 2000 and continues to grow.
- \$400,000 in Soil Amendment will lead to maintaining healthy productive soils in Nova Scotia
- Chicken Industry has invested \$48M in a new Poultry processing plant
- Innovation Centre at AgriTech Park plus major research at NSAC (improved spray techniques on blueberries
- Oxford Frozen Foods is investing in increased freezer capacity.
- Frito Lay invested money into quality and sustainability
- Investment in BioEnergy – Gus Swanson's hay pellet burning furnace
- Investment in Traceability –Millen Farm's Fresh QC program for tracking berries
- Investment in new products and niche markets – Sawler's development of the new line in turnip sticks, Van Dyk's blueberry juice - an award winning product.

Importance of Programs and Services during Industry Transition

- With budget cuts the primary focus in Year 2 of NDP’s Back to Balance plan, it is vital to protect our existing agriculture budget, particularly programs and services. Programs such as Farm Investment Fund and Innovation Capacity of Farmers provide growth and long term stability in the Agriculture Industry.
- The objective of the Farm Investment Fund is, *“To support sustainable growth in Nova Scotia’s farm businesses by providing investment for projects that enhance :*
 - *economic viability*
 - *farm and food safety*
 - *promote environmental stewardship.”*
- 2009-10 the final report given to the NSFA Council of Leaders indicated that 581 applicants were approved for a total of 2300 projects. That year, the program delivered approximately \$ 4.4M of federal / provincial funding. Majority of the projects approved were in land development and protection and Beneficial Management Practices (BMP’s) – a little over \$3M in provincial funding alone.
- An interim report to Commodity Managers in October, 2010 indicated there has been continued use of the program and the fund closed early. At that time, 418 applicants were approved for 2039 projects and again most of the projects (\$2.9M provincial dollars) fell under Category F, Environmental Farm Stewardship Program. 80 applications were pending.
- The approximate \$3M provincial investment of government intervention through programs like FIF is a small price to stabilize the industry through a necessary transition to growth and opportunity.
- Funding for on-farm projects is all taxable income—so no matter what tax bracket a farm is in, a certain percentage of the funding is going to go back into the government budget anyway. It doesn’t cost the government or the taxpayer that much and it brings a lot of benefits to those who use it.
- Any investment in a local farm always benefits the entire community.



Farm Investment Fund is a boost to Farmers and their Non-Farming Neighbours



Sebastian Margarit and Brenna Koneczny are a young couple who didn't originally come from farming backgrounds, but who now are deeply immersed with and dedicated to growing food for Nova Scotians. They own Vista Bella Farm, a Community Supported Agriculture (CSA) operation in Malagash, NS, where they grow more than 40 fruit and vegetable crops, including some specialty items such as artichokes, heirloom tomatoes, asparagus, and fingerling potatoes. They sell most of their produce through CSA shares, with surplus produce being sold at one of several seasonal farm markets in the area.

"We are in a minority as new entrants into agriculture," Sebastian says. "We entered the industry from scratch, taking on a farm that had been mainly fallow for the last 50 years. We didn't inherit a farm operation, we had no equipment, no infrastructure, and no fertility in our fields."

The Farm Investment Fund has been a huge help to the couple in the past three years, as they work to develop and expand their croplands and production. "FIF allowed us some assistance with lime subsidies to increase our land's fertility, effectively turning acidic, unproductive land into relatively good soil for vegetable production," Sebastian says. "We had help with compost purchases for use in starting seedlings in the greenhouse, which reduced our reliance on non-renewable peat resources. We also had assistance in building a pond for use in drip irrigation, and electrical upgrades for our cold storage building. We modernized our cleaning methods for our produce, allowing us to

make an investment in food safety that is otherwise quite difficult for small farm operations." As a plus for the local community, local tradesmen and other business people from the Malagash area were involved in the improvement work that Sebastian and Brenna have done to date.

As Sebastian and Brenna continue to develop and improve their farm, they are seeing benefits to their local community, in no small part due to the availability of the Farm Investment Fund. "We're one of a number of new farms in our area: smaller-scale, crop diverse farms similar to some operations in the Valley," Sebastian says. "We feel the FIF has been a boost not only to farmers like ourselves, but to non-farming neighbours and visitors who have more access to locally grown specialty crops without having to travel an hour or more to large stores or farmers markets."

"The Farm Investment Fund gives small farmers a fighting chance to enter the marketplace," Brenna says. "We were able to make upgrades to our infrastructure sooner than we'd originally anticipated with the fund's help." They hope to access more assistance as they continue to develop their farm's soil quality and introduce new crops, including berries and tree fruit. Sebastian points out that he and his partner "are very aware that we are stewards of the land." Many of the programs in the FIF are focused on helping farmers become more environmentally responsible; helping with better manure storage, drip irrigation, ponds for rainwater collection, and similar uses. He points out that as producers who sell directly to consumers, "we are entrusted by our customers to take care of the land we produce our food on, and our direct market relationships make that a much easier association to create than the typical wholesaler can achieve."

FIF allows a bridge between the general public's expectations of farmers and the economic reality of farming, by investing in growers who are willing to make smart long-term decisions. In Sebastian Margarit's view, "This is the way to keep more new farmers on their land for many years to come, instead of trying it out for a few years and giving up because no-one seems to care."

Projects made possible through Farm Investment Fund

Rick and Jeanita Rand have always embraced innovation in their farm operation. The sixth-generation farming couple operates Fox Hill Farms in Port Williams, in Nova Scotia's Annapolis Valley. Until early in the 21st century, the dairy farm had been focused on fluid milk sales, but the Rands were looking ahead at their long-term viability. They stepped outside their traditional comfort zone and began developing value-added products using their own milk, opening Fox Hill Cheese House in 2004.

Today, Fox Hill produces Gouda, cheddar and Havarti cheeses as well as quark (a soft cheese), yoghurt, cheese curds, and gelato, an Italian ice cream. With help from their half-dozen employees, including their daughter Melissa, the Rands sell at a number of year-round and seasonal farmers' markets, including the newly opened Halifax Seaport Market, where they have a presence 4 days a week, as well as from their farm-based store. They have gradually added to their line of products as they've been able to expand their infrastructure, with plans to sell their own bottled, unhomogenized but pasteurized milk still in the works.

The Rands are grateful for the presence of many different programs available to help producers in Nova Scotia, including the Farm Investment Fund, which Rick says is "a very important tool for long term investments in the agricultural industry" in this province. Jeanita says, "The Fund has helped us in a variety of ways. It assisted us with the costs of developing an Environmental Farm Plan, and in addressing certain environmental issues in regard to manure handling and storage as well as storm run off." She continues, "The limestone assistance program has also been important to our farm."

Accessing the Farm Investment Fund has proved to be a positive step not just for the Rands and their farm, but also for the local farm community. Jeanita Rand says, "we have a consistently cleaner farm environment due to the resources we've been able to access, and this impacts not only us but our neighbours, our community, and our customers at our on-farm retail facility, Fox Hill Cheese House." She also is clear that without access to funding through Farm Investment, "these projects would have taken many more years to accomplish."



As the Rand family continues to develop innovative products and new opportunities on their farm, providing employment not only for themselves but also for other families in their neighbourhood, they hope to access the Farm Investment Fund for additional water capacity for their farm. **"We appreciate this investment by government into agriculture in our province," Jeanita says. "It encourages us to hope that in the future, there will be always be Nova Scotian farms helping to feed people."**

Any Investment in Local Farms Benefits the Entire Community

“We need to be good neighbours as well as good farmers,” producer Dean Manning is fond of saying. He and his wife Catherine operate a mixed farm in Falmouth, outside of Windsor, including 100 head cow-calf beef herd, grains, a variety of greenhouse crops, bedding plants, and other vegetables, most of which they sell directly through their seasonal on-site farm market. The Mannings’ commitment to being good farmers and good neighbours led to their winning the 2010 Farm Environmental Stewardship Award.

Mixed farming is not without its challenges, and unreliable beef prices in recent years prevented the Mannings from making any large capital outlay for farm improvements during that time. They have, however, benefited from funding from the Farm Investment Fund, which, Dean says, “helped us improve the soil and water environments that we work with everyday, and also helped us better manage our farm and market our products,” including the greenhouse and other vegetable crops they sell through Mannings’ Farm Market.

“Any investment in a local farm always benefits the entire community,” Dean says of the Farm Investment Fund. “We ourselves deal directly with consumers and the message that we receive from them all the time is one of appreciation. They are glad they can get the safe, tasty, and healthy products that they want, and that these products are grown right in their own community,” a community which has grown up all around the Manning farm in recent years. Dean continues, “So the better job we can do at that, the more the community benefits.” Catherine adds, “We welcome customers on our farm, where they can see first-hand how we do things,” she says. “They come away with a better understanding of how much work we dedicate to being good farmers and land stewards.”

Asked about the soil and water improvements that he has made to his farm, Dean Manning says that

he could not have done as much as he has to improve his farm’s environmental footprint without assistance from the Farm Investment Fund. “Most of the projects we’ve undertaken, we couldn’t have completed, not with the price of beef like it’s been,” he says. He has plans for further land improvement projects in coming years with help from the Fund, including dykeland improvement, better water distribution, soil improvement, and farm energy efficiency. He and Catherine also plan to further their skills in business and farm planning under the various categories for project funding.

The Mannings believe the Farm Investment Fund is hugely important to farmers everywhere. “When you rely on the marketplace to make a living, you never get to do all the things you would like to do to improve your operation,” Dean says. “You have to balance new growth and development with maintenance of the status quo, and you always must budget for the unexpected.”

“With the Farm Investment Fund, we’re able to do a little more each year to improve our environmental footprint, our marketing, and so on,” he continues, pointing out, “Funding for on-farm projects is all taxable income—so no matter what tax bracket a farm is in, a certain percentage of the funding is going to go back into the government budget anyway. It doesn’t cost the government or the taxpayer that much, and it brings a lot of benefits to those who use it.

