

The Ontario Farm Products Marketing Commission

Grain Farmers of Ontario
Grains in Action
February 13, 2023



Overview

- What is the Ontario Farm Products Marketing Commission (OFPMC)?
- Regulated Marketing Structure
- OFPMC Members and Staff
- OFPMC Mandate
- Regulated Marketing Scope
- The Commission and the Grain Farmers of Ontario (GFO)

What is the Ontario Farm Products Marketing Commission (OFPMC)?

A regulatory Agency of the Ontario Government that:

- Oversees 22 marketing boards and 3 section 12 representative associations through regulations established under the Farm Products Marketing Act (FPMA) and the Milk Act (MA)
- The FPMA and MA allow for the establishment of marketing boards, and representative associations, which are accountable to their members and the Commission
- Gets its legal authority from the Ministry of Agriculture, Food and Rural Affairs Act (MAFRA), FPMA, and MA
- Exercises powers and authority under the FPMA and the MA
- Develops and implements policy related to regulated marketing within Ontario
- Provides advice and leadership for Ontario's marketing boards and other industry stakeholders in order to increase the effectiveness and efficiency of the province's regulated marketing system
- Is accountable to the Minister of Agriculture, Food and Rural Affairs and work closely with the Ontario Ministry of Agriculture, Food and Rural Affairs (OMAFRA) through a formal Memorandum Of Understanding (MOU) between the Minister and Commission
- Is comprised of members appointed by the Lieutenant Governor in Council that are provided with operational support by the Ontario Farm Products Marketing Commission Secretariat (a branch within OMAFRA's Policy Division)

Regulated Marketing Structure

- The Commission supervises and regulates 22 marketing boards, including 5 supply managed commodities.
- Also supervises 3 “Section 12 Representative Associations”, associations incorporated under the *Agricultural and Horticultural Organizations Act* or the *Not-for-Profit Corporations Act, 2010* that are authorized to collect mandatory licence fees from producers for promotion, education, and research.
- Large range in the scale and complexity of marketing boards and their sectors:
 - Manage supply and /or set prices
 - Seek markets and sell the commodity into the marketplace
 - Negotiate, or recommend prices to be paid by companies to growers, or provide price discovery vehicle
 - Provide market information, support research, manage programs
- Authorities tend to evolve over time to meet the current circumstances of each sector.

OFPMC Members and Staff

- **Commission Members**

- Currently includes, but not restricted to, six (6) individuals recommended by the Minister and appointed by the Lieutenant Governor in Council
- Includes a Chair, Vice Chair and four (4) members
- Are collectively responsible for decisions associated with regulated marketing for specified farm products in Ontario

- **Commission Secretariat**

- Staff supporting the Commission are OMAFRA (Ontario Public Service) employees.
- 9 staff members support the Commission, including 5 policy advisors who are the key point of contact with marketing boards, associations and stakeholder groups.
- Staff provide analysis and policy advice to the Commission and implement decisions of the Commission.

OFPMC Mandate

The Commission's Overview of the Agency's Mandate:

- The Ontario Farm Products Marketing Commission works to help drive the province's regulated marketing system forward. This is done to enable prosperous, thriving, and dynamic agri-food industries within Ontario's economy, and to promote investment confidence.
- This is done by:
 1. Administering the provisions of the Farm Products Marketing Act (FPMA) and the Milk Act and certain regulations governing regulated marketing; making regulations under these Acts governing regulated marketing; and, overseeing the activities of Ontario's marketing boards and Section 12 (of the FPMA) representative associations to ensure that:
 - marketing boards operate within the powers and authorities given to them;
 - the lines of accountability are maintained.

OFPMC Mandate (cont'd)

The Commission's Overview of the Agency's Mandate:

2. Fostering enhanced stakeholder collaboration to achieve whole sector solutions through Industry Advisory Committees, and by advocating for Ontario's interests locally, nationally, and globally.
3. Providing leadership and education in the form of advice, facilitation, and direction to Ontario's marketing boards and Section 12 representative associations in order to increase the effectiveness and efficiency of the regulated marketing system.
4. Directing the development and implementation of policy or regulations related to regulated marketing in Ontario in consultation with the Minister and Ministry.

Well-Governed Boards and Associations

The Commission's indicators of well-governed boards include, but are not limited to, such things as:

Commitment to Maintain the Integrity of the Regulated Marketing System	<ul style="list-style-type: none">• Fairness to all producer segments.• Responsiveness to industry challenges.• Appropriate use of/adherence to regulatory authorities.• Focus on long term planning (strategic thinking).• Engage with others in the value chain.• Strong focus on training for staff and board members.
Sound Financial Management	<ul style="list-style-type: none">• Financial sustainability• Accountability• Appropriate use of board funds• Financial reserve policy
Good Governance	<ul style="list-style-type: none">• Electoral structure/representation model• Comprehension of roles & responsibilities (board/staff)• Succession Planning for Board Members and senior staff• Communication strategy with grassroots

Regulated Marketing Scope

- Ontario has the most diverse agricultural sector in Canada, with over 200 commodities produced.
 - Over 50 different farm products are regulated under a regulated marketing framework
- Regulated Marketing sectors account for approximately 70-75% Ontario's total farm cash receipts.

List of Boards and Associations

Local/Marketing Boards

1	Asparagus Farmers of Ontario	
2	Berry Growers of Ontario	
3	Chicken Farmers of Ontario	
4	Dairy Farmers of Ontario	
5	Egg Farmers of Ontario	
6	Grape Growers of Ontario	
7	Grain Farmers of Ontario	
8	Ontario Apple Growers	
9	Ontario Bean Growers	
10	Ontario Broiler Hatching Egg and Chick Commission	
11	Ontario Flue-Cured Tobacco Growers' Marketing Board	
12	Ontario Fresh Grape Growers' Marketing Board	
13	Ontario Greenhouse Vegetable Growers	

Local/Marketing Boards

14	Ontario Pork Producers' Marketing Board (Ontario Pork)	
15	Ontario Potato Board	
16	Ontario Processing Vegetable Growers	
17	Ontario Sheep Marketing Agency (Ontario Sheep Farmers)	
18	Ontario Tender Fruit Growers	
19	Ontario Tomato Seedling Growers' Marketing Board	
20	Seed Corn Growers of Ontario	
21	Turkey Farmers of Ontario	
22	Veal Farmers of Ontario	

Section 12 (of the FPMA) Associations

1	Ontario Canola Growers' Association	
2	Ontario Ginseng Growers' Association	
3	Flowers Canada (Ontario) Inc.	

The Commission and the Grain Farmers of Ontario (GFO)

- Grain Farmers of Ontario is one of the Commission's 22 Marketing Boards.
- Established over a decade ago through the merging of 3 separate boards:
 - Ontario Wheat Producers Marketing Board
 - Ontario Soybean Growers
 - Ontario Corn Producers Association
- In July of 2015, oats and barley were added to the authorities of GFO through amendments to the Grain Plan.
 - Producer expression of interest votes were held in 2008 and again in 2014 to gauge producer support.

The Commission and GFO (cont'd)

- GFO's authorities are established in two regulations:
 - O. Reg. 484: Grain – Plan
 - sets out the governance structure of the board and defines the regulated commodities (grain corn, soybeans, wheat, barley, and oats)
 - O. Reg. 485 Grain – Marketing
 - sets out the marketing authorities, such as the ability to collect licence fees
- Delegated authorities provided allow GFO to:
 - Set and collect licence fees on marketed grain corn, soybeans, wheat, barley and oats
 - Fund research, develop markets, promote, advocate on behalf of grain growers in Ontario

The Commission and GFO (cont'd)

GFO Delegate and Board Member Eligibility

- Ontario Regulation 484/09: GRAIN – PLAN sets out GFO's delegate and board member eligibility requirements
- "Producer" means a sole proprietor, corporation or partnership that produces grain in Ontario.
- Subsections 4(2) and (4) provide that a board member must be an eligible producer
 - (2) The board members shall be producers elected or appointed to represent the 15 districts established by section 5.
 - (4) A producer is eligible to be elected or appointed a board member for a district only if,
 - (a) the producer is a member of the group of producers for the district, as determined under section 6; and
 - (b) at the time of the producer's election or appointment to the board, the producer is a delegate to the District Grain Committee for the district, having been elected as such under section 7.
- In Section 7, the eligibility criteria provides that delegates are required to be producers:
 - 7(4) A producer is eligible to be elected as a delegate for a district if,
 - (a) the producer is a member of the group of producers for the district; and
 - (b) the producer has paid licence fees to the local board for grain sold by the producer in the two years prior to the year of the election.

The Commission and GFO (cont'd)

GFO Delegate Eligibility (cont'd)

- **Sole proprietor or partnership:**
 - In the absence of a provision within the plan permitting a sole proprietor to designate another individual to be elected or appointed to the board or grain committee on his or her behalf, the local board member may only be the individual who is the sole proprietor. The regulation does not permit an employee to be delegate or board member.
- **Corporation:**
 - Many OFPMC Plan Regulations specify the individuals that may be designated by corporate producers (e.g. section 14 of O. Reg. 383/17: Berries – Plan).
 - For corporations, these provisions typically provide that officers, employees, directors and shareholders may be designated.
 - O. Reg. 484/09: Grain – Plan does not have a similar provision as to the above mentioned O. Reg. 383/17.
 - Since a corporation cannot act for itself, in the absence of such a provision, a corporation is able to designate the individual that it determines appropriate, and officers and employees would be included in that group.

The Commission and GFO (cont'd)

How does GFO connect with the Commission?

- Through annual reporting requirements established through legislation and regulations.
- Through meetings, reviews and presentations with the appointed Commission Members.
- Through participation in Industry Advisory Committees (IACs).
- Through Chair-to-Chair meetings.
- Through Director to General Manager meetings.
- Through ongoing engagement with the assigned Policy Advisor.

More Information...

- More information on the Commission, its activities, and Ontario's regulated marketing system can be found at:
- www.omafra.gov.on.ca/english/farmproducts/
- Mark Ferguson, Policy Advisor
Ontario Farm Products Marketing Commission Secretariat
(519) 546-5195
mark.t.Ferguson@ontario.ca