Submission to the Next Policy Framework

June 30, 2026

Grain Farmers of Ontario represents the province's 28,000 farmers who grow barley, corn, oats, soybeans, and wheat. Ontario's grain farmers provide versatile products that generate food, renewable fuel, and fibres used around the world. Their activities sustain more than $27 billion in total economic output and employment for more than 91,000 people across Ontario, as well as annual tax revenues for government of more than $1.07 billion federally, $857 million provincially, and $391 million municipally.

Ontario's grain sector is a critical part of Canada's food system and economy. Ontario grain farmers lead production of Canada's third-largest field crop by volume, grain corn, and third-largest field crop by value, soybeans. On average, 60% of Canada's corn and soybeans are grown in Ontario. Ontario grain farmers also contribute to an increasing share of Canada's wheat production and grow more than 80% of Canada's winter wheat. These grains and oilseeds, along with Ontario barley and oats, underpin critical Canadian agri-food and bioproduct industries, including baked goods, meal ingredients, confectionery, grain-fed meats, plant-based proteins, breakfast cereals, cooking oils, spirits, fermented foods, biofuels, and more.

In the Next Policy Framework (NPF), federal, provincial, and territorial ministers of agriculture and agri-food should increase framework funding to reflect the scale of risk now facing agriculture and the inflationary realities affecting farm businesses.

The NPF should be built around the economic sustainability of farms by supporting on-farm productivity, keeping grain farmers competitive, and strengthening the Business Risk Management tools that allow farm businesses to withstand shocks beyond their control.

For grains and oilseed farmers, the current Sustainable Canadian Agricultural Partnership (SCAP) and the forthcoming NPF shape the most important public programs affecting farm resilience, innovation, and competitiveness.

The NPF should be more than a routine renewal of existing programming. It should respond to a grain sector operating in a far more difficult environment than in previous policy cycles. Ontario grain and oilseed farmers continue to face high input costs, ongoing volatility in grain and oilseed markets, transportation constraints, and growing competitive pressure from producers in competing jurisdictions who benefit from greater government support. The Farm Input Price Index is at its highest level ever, while the prices grain and oilseed farmers receive for their crops have not kept pace with the rising cost of production. Fertilizer, energy, machinery, seed, and crop protection products continue to increase, compressing margins and limiting the ability of farm businesses to reinvest. The NPF should be designed to strengthen the sector's competitiveness, improve resilience to economic and agronomic shocks, and ensure that farmers and processors can capture more value from domestic and international markets.

The policy framework has demonstrated the value of a shared federal-provincial-territorial approach by giving governments and stakeholders a common structure for investment and delivery. The next framework should build on that foundation by improving the balance of spending and sharpening its focus on outcomes that matter most to Ontario grain and oilseed farmers: economic sustainability, productivity, and long-term competitiveness. Above all, it should recognize that effective agricultural policy begins with a farmer-first approach.

Future NPF priorities should be understood in practical terms. For grain and oilseed farmers, resilience means reliable Business Risk Management (BRM) tools, programs that respond to real production and market conditions, and a policy environment that allows Ontario farmers to remain viable while competing with U.S. farmers who receive stronger government support. Competitiveness means improving productivity, lowering structural costs, supporting research and innovation, and enabling market growth. Growth means both export expansion and the development of domestic value-added opportunities that create demand for Ontario grains and oilseed crops. It also depends on regulatory frameworks that support domestic production, including the implementation of Clean Fuel Regulations that protect ethanol, the largest market for Ontario grain farmers. A successful framework will be informed by farmers, regionally responsive, and clearly tied to outcomes that strengthen farm businesses, support the wider agri-food economy, and reinforce Canada's food security and trade position.

Grain Farmers of Ontario recognizes four key pillars of a successful NPF:

I) Business Risk Management
II) Agri-science and research
III) Agri-marketing and market development
IV) On-farm programming

I. Business Risk Management

Ontario grain and oilseed farmers are navigating one of the most difficult economic environments in a generation. Four consecutive years of lower commodity prices, persistently elevated input costs—including seed, fertilizer, transportation, and energy—and a sharp rise in machinery and equipment costs have significantly compressed farm operating margins and reduced farm incomes. Against this backdrop, BRM programming has not kept pace with the realities facing grain and oilseed farmers. The result is a widening gap between the support available to Ontario producers and the support provided to their U.S. counterparts—a gap that is increasingly difficult to sustain for farmers expected to compete in the same integrated North American marketplace.

Analysis comparing a 1,000-acre Ontario corn farm with an equivalent U.S. operation at 2025 prices shows U.S. farmers receiving four to five times more government support. This disparity affects Ontario grain and oilseed farmers' ability to compete for land, inputs, equipment, labour, and markets. A stronger federal role in BRM would help address this structural disadvantage and strengthen both farm resilience and Canada's agricultural competitiveness.

Grain Farmers of Ontario's Business Risk Management priorities for the NPF are:

1. **Increase funding to support the risk management programs required by grain and oilseed farmers in Ontario.**

2. **Develop a reliable risk management product that protects grain and oilseed farmers from price volatility driven by geo-political events beyond their control.**

Initiate immediate federal funding and participation in the Ontario Risk Management Program (RMP) to increase coverage for Ontario grain and oilseed farmers beyond the current 40% ceiling already funded by the Province of Ontario.

RMP provides an important cost-of-production foundation for Ontario grain and oilseed farmers, but its effectiveness is constrained by the absence of federal funding. Federal co-funding is the most direct and practical path to meaningful improvement for grain farmers in Ontario. Federal participation in the Ontario RMP would help address the shortfall in AgriStability, which was cut from an 85% trigger to 70% of reference margin in 2013, and would restore a measure of confidence to farmers facing risk that existing federal tools do not adequately cover.

Past efforts by federal, provincial, and territorial agriculture ministers to increase the payment rate of AgriStability without addressing the trigger have not fixed the core problem. Almost all Ontario grain and oilseed farmers have opted out of the program because it does not provide meaningful coverage. As a result, 85% of grain farmers in Ontario have no federal price-loss insurance coverage. This demonstrates that AgriStability is not meeting the needs of this sector and that federal investment in RMP is urgently required.

3. **Maintain the quality of AgriInsurance available to Ontario grain and oilseed farmers. AgriInsurance is an essential program and works effectively when farmers need it most.**

AgriInsurance should remain a government-run and government-delivered program, with grain and oilseed farmers continuing to pay their share of premiums. It is one of the most trusted and effective tools available to farmers when production losses occur, and it should not be weakened by the expansion of private insurance options. GFO does not support government action that would allow private crop insurance to replace or erode the current AgriInsurance program. Private insurance risks drawing lower-risk producers out of the public system, leaving AgriInsurance with a higher-risk pool, higher premiums, and declining public program viability. It also raises serious concerns about financial integrity and equitable access among producers. The NPF should strengthen and defend the public insurance system, not create conditions for its gradual erosion.

4. **Maintain AgriInvest in its current form and remove cross-compliance requirements.**

AgriInvest is a reliable and well-regarded program among farmers. Its simplicity, predictability, and guaranteed matching contributions make it one of the most accessible components of the BRM suite. The NPF should preserve AgriInvest in its current form and resist changes that would reduce its value or complicate its delivery. Farmers have also indicated that cross-compliance requirements impose unnecessary and burdensome paperwork. In addition, we request that withdrawals from accounts, including government contributions, be treated as tax-free to ensure the program's full intended benefit is realized.

5. **Eliminate any current and future environmental cross-compliance conditions in BRM programming.**

Tying BRM program participation to the adoption of specific on-farm practices would weaken the core purpose of these programs: to provide reliable support when farmers face stress caused by factors outside their control, including weather, markets, trade disruptions, and geopolitical volatility.

Cross-compliance conditions could reduce farmers' participation in the programs they need most, create inequitable outcomes, and add administrative burdens unrelated to managing farm-level risk.

II. Agri-science and research

Agri-science and research should remain a central focus of the next framework because productivity gains, improved crop resilience, and practical innovation are essential to the future competitiveness of grain and oilseed farming in Ontario.

1. **The NPF must focus on sustained, predictable funding that spans the full life cycle of research projects, improved administration, and better selection criteria that favour practical value for grains and oilseed farmers. Priority areas for grains and oilseed farmers in Ontario include:**

- Yield improvement.
- Better management of weeds, diseases, and insect pests.
- Resilience to climate extremes, including drought.
- Grain end-use innovation using Ontario and Canadian grain.
- Fertilizer input efficiency.
- Technologies that help farmers respond to emerging agronomic and economic pressures.

2. **Strengthen the institutions that make this work possible, including research facilities, extension systems, and applied research networks.**

3. **Directly address plant breeding research and provide dedicated, sustained funding for public plant breeding programs, with priority given to crops of strategic importance to grain and oilseed farmers east of Manitoba.**

- Plant breeding is among the most consequential investments Canada can make in long-term agricultural productivity. It underpins yield gains, pest and disease resistance, climate resilience, and end-use quality.

- Recent communications from AAFC regarding its commitment to plant breeding capacity have raised serious concerns within the farmer community from coast to coast. Farmers need a clear signal that plant breeding will remain a priority in the next policy framework.

4. **Public research funding should be structured so that farmers and the Canadian agri-food sector capture the benefits of public investment.**

- Intellectual property arising from publicly supported work should be commercialized in Ontario or Canada wherever possible, and royalties reinvested to help create a more self-sustaining innovation system.

5. **Research programming should be responsive to priorities set by farmers with real-world experience, not constrained by artificial top-down spending limits or minimum spending levels in a specific topic area, or diverted away from the practical needs of grain and oilseed farmers.**

- Grain Farmers of Ontario has a disciplined, in-depth approach to assessing and prioritizing research. This process engages the grain farming community and uses a structured approach to evaluate which research is essential for grains and oilseed farms in Ontario.

- Government should formally incorporate farmer prioritization into research funding decisions so public investment is directed toward work that delivers clear, practical results for on-farm productivity, profitability, and competitiveness.

6. **Support a more direct pipeline from research to adoption so innovation delivers measurable returns at the farm level.**

III. Agri-marketing and market development

Market development and agri-marketing should remain important parts of the next policy framework. For Ontario grain and oilseed farmers, expanded market access, proactive trade promotion, and diversification are essential to profitability, risk management, and long-term sector growth.

1. **Support organizations that help build and maintain demand for Canadian grains and oilseeds, including:**

Commodity and export-focused groups such as Canada Grains Council, Soy Canada, and Cereals Canada. Consideration should also be given to programs that support crops such as corn, which do not have a national value-chain organization but are significant at the provincial level.

2. **Invest in developing market access policies in emerging markets.**

Trade promotion and market intelligence help grains and oilseeds reach new buyers, reduce dependence on a narrow set of export destinations, and strengthen the position of Canadian grain in an increasingly uncertain global trading environment. In a sector exposed to trade disruptions and shifting global demand, these investments protect existing markets and help build new ones.

3. **Support trade-enabling activities aligned with sector interests.**

Ontario grain farmers depend on the support of Canada and Ontario's international network of trade commissioners located in embassies, high commissions, and consulates around the world. Maintaining and strengthening this capacity, including access to budgets that support trade-enabling activities aligned with sector interests, is important to long-term market growth.

4. **Include support for the broader conditions that make market growth possible:**

Export infrastructure, transportation systems, storage capacity at export and import terminals, and domestic value-added processing should be central priorities.

5. **Provide the conditions for investment in domestic production in Canada.**

Ontario grain farmers benefit when governments help crowd in private investment, improve the investment climate, and support capacity in areas such as crushing, milling, biofuel production, and other domestic uses that create demand and retain value in Canada.

6. **Support regulatory co-operation with key export markets and ensure timely access to the same products available to grain and oilseed competitors.**

IV. On-farm programming

On-farm programming under the next framework should help farmers improve productivity, efficiency, and preparedness in a highly competitive environment. To be effective, programming should respond to the practical realities of running a farm business, rather than narrow policy categories that are difficult to access or disconnected from day-to-day operational needs.

1. **Focus on-farm programming on the real operational needs of farm businesses and the economic conditions they face, rather than using it as an instrument for top-down policy objectives. Grain and oilseed farmers need practical investments and adoption supports that help them take advantage of innovation, adapt to disruption, and remain competitive. These priorities should include programming that helps farmers facing:**

- High fertilizer and energy costs.
- Rising input costs, including plant science technology, cyber security threats, and business continuity risks.
- Evaluating and integrating new production technologies, including robotics, artificial intelligence, and other advanced technologies.
- Crop quality control, input management, precision tool adoption, and storage capacity.
- Labour challenges and overall farm readiness for future economic and agronomic pressures.

2. **Use a central principle of trusted, farmer-focused delivery.**

In Ontario, the Ontario Soil and Crop Improvement Association (OSCIA) is a credible delivery partner with established relationships, practical experience, and the trust of grain and oilseed farmers. Programs delivered through trusted farm-facing organizations are more likely to be understood, accessed, and adopted by the farmers they are intended to support.

3. **Ensure administrative application windows for funding and approvals do not open during peak field-work periods, such as planting and harvest, for grain and oilseed farmers. Farmers have also noted that application windows are often too short to fully access available programming.**

Harvest and planting are among the busiest and most time-sensitive periods of the year. Opening short application windows during these periods can prevent farmers from accessing programs designed to support them and can reduce the effectiveness of public investment.

4. **Provide funding to avoid programs being oversubscribed too quickly, limiting their effectiveness. Funding structures should be designed to avoid situations where strong demand simply confirms a program's relevance but results in many qualified applicants being left unsupported.**