

**2017 ACORN Conference & Trade Show
Best Western Glengarry - Truro, NS**

Workshop Title: Opening Plenary: Funding the Sector: Saving the Standards – Staking the Research – Supporting the Network

Speakers:

Nicole Boudreau, member of Organic Federation of Canada

Tim Livingstone, Strawberry Hill Farm

Tom Manley, President, Homestead Organics, President of Organic Council of Ontario

Ashley St. Hilaire, Director of Programs and Government Relations, Canadian Organic

Growers

Carolyn Young, Executive Director of Organic Council of Ontario

Executive Summary: Various experts in the organic sector discuss funding strategies for revisions to the organic standards, as well as sector support in general.

Notes:

Nicole Boudreau explained that the maintenance and review of the Canadian Organic Standards is part of the mandate of the Organic Federation of Canada. The standards have to be revised every 5 years and this requires funding.

Ashley St. Hilaire provided a bit of background about Canadian Organic Growers (COG). The organization is the oldest organic organization in Canada and it supports and represents farmers and consumers to federal government.

The standards are owned by the Canadian General Standards Board, a federal government agency. There is a cost of \$1million to revise the Canadian Organic Standards every 5 years. \$600,000 of that total goes to the Canadian General Standards Board to facilitate the revision. The remaining \$400,000 is for national consultation with working groups (approximately 100 people).

The Canadian Organic Standards are not government funded at this point, though the US and European organic standards are. The Canadian government thinks that industry should pay the bill for the revision. Ashley maintained that farmers shouldn't have to pay to maintain their own standards. Through her position with COG, Ashley is working with the Department of Agriculture to find a different funding model.

Tom Manley described a different funding approach inspired by a model he learned about in Quebec, where there was an organic check-off fee of \$.50/ton of grain. Through his position with the Organic Council of Ontario, he tried this approach with voluntary contribution from producers through an organic check-off fee of \$.50/ton of grain which Homestead Organics (a “collector”) then matched with another \$.50/ton. This is incorporated in the contract by the “collector”. Collectors in the vegetable and wine sectors have followed suit with check off fees of .05% from producer and .05% from consumer. According to Tom, this has had a huge impact and increased the value and membership of the Organic Council of Ontario (OCO).

Carolyn Young offered some comments also on the OCO’s new check-off fee program. Membership fees for the OCO are due at the beginning of the year, so the voluntary check-off fee program quarterly fees helped cash flow throughout the year more. There are challenges with the variety of different crops in the sector to determine what is fair for a check-off fee. The check-off fee is a levy (not a certification fee), so it is production and volume based. When a producer gets a payment from a buyer, it is a fee that comes off the cheque.

The OCO is also looking into the US model, where the organic check-off fee (based on 0.1% net organic sales, and applied to importers as well) is used as a matching fund with government. There is an opt-out for smaller operations, but opting-in allows access to funding.

Tim Livingstone offered his perspective as a farmer, and he has also been a board member with the Organic Federation of Canada for six years. He suggested that there are pros and cons to the funding source. For instance, if government controls all of the funding, they could potential have too much leverage ex: aquaponics approval in US. It’s important to ensure a strong industry working group reviews the system.

Tim proposes a joint program, with matching funds from industry and government. He also mentioned that the voluntary contribution method may not work for producers who do direct marketing.

Questions:

Q: Is there a potential trade dispute, since the EU and US organic sectors have advantage over Canada with government-funded standards?

A: Potentially...it could also be used as part of the case for more government funding for the standards. There are many other examples of standards being government funded in Canada; for instance, health, transportation, the petrochemical industry, etc. It’s important to talk not just about funding standards, but also funding other things the organic sector needs, like research, consumer

education, extension services, education, other sector supports, etc. What is government's role, and what should the sector be funding?

Possible Actions:

Write to your local MP about why this issue matters to you (use your story) and that you want to see the federal government step up. CC Minister of Agriculture, Lawrence MacAulay on the message. Send any further questions or comments to Janice Melanson, the executive director of ACORN for other possible actions.