

Keystone Agricultural Producers

Speaking up for Manitoba farmers

Policy Handbook

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KAP WORKS FOR ALL MANITOBA FARMERS

- KAP is a general farm policy organization that takes direction from its members – including farmers and farm commodity organizations.
- Our mandate is to ensure primary production in Manitoba remains profitable, sustainable and globally competitive.
- We work with governments, industry and stakeholders on overarching issues that affect all farmers.
- We act as spokespersons for Manitoba's farmers, engaging media and other stakeholders in understanding the issues facing primary producers.
- We promote agriculture and its contributions to the Manitoba and Canadian economies.
- KAP is member funded.

This handbook has been developed to provide an overview of KAP's policy on a wide range of farming and rural-related issues.

Keystone Agricultural Producers
601-386 Broadway
Winnipeg, Manitoba R3C 3R6
204-697-1140
kap.ca

KAP Policy

FARM FINANCE

Business Risk Management

Producers in the agricultural industry face many uncontrollable production and economic risks every year. Production risks include drought, excess moisture, frost, hail, insects and diseases. Economic risks include world market conditions, international trade, government policies and programs, increasing operating costs, high fixed costs, low margins, and risk of purchaser default.

These risks can result in large fluctuations in producer incomes, which threaten the stability of the agricultural industry. To achieve the goal of sustainable growth, agriculture needs programs that provide financial stability and reduce the fluctuations in income.

KAP believes that this can best be achieved through programs designed, developed, and reviewed in consultation with established farm organizations. These programs must be adequately funded by the provincial and federal governments, adjusted for inflation, and consist of production insurance, income stabilization, and a disaster program.

The programs should be long-term, simple, equitable to all commodities, and predictable in order to provide financial stability to all producers. These programs should be delivered consistently across Canada and payments should be made in a transparent and timely manner.

Canadian agriculture policy should focus on the profitability and stability of the primary producer.

Income Stabilization Programs

KAP supports negative margin coverage, and believes that the caps in any income stabilization program must be adequate to reflect the diversity and size of farm operations. Where payments from other support programs are included as income for calculating eligibility, KAP maintains that incomes should also be used in calculating reference margins.

Inventory values for all commodities should reflect realistic projected market prices. Producers and/or their accountants must have full access to the numbers used in all calculations – including restructuring calculations – relating to their own account.

KAP believes that government should offer a choice of Olympic average or last three years on an annual basis, and automatically use the larger amount to provide the optimum benefit to producers.

KAP supports the maintenance and enhancement of an investment-matching program that will serve as a self-stabilization and investment tool for producers.

Production Insurance

KAP believes that provincial and federal governments should be encouraged to maintain and strengthen production insurance programs. KAP believes that production insurance should be offered to producers at different levels of protection based on the individual producer's yield history and experience, and that the producer's share of premiums should be affordable.

KAP believes that production insurance coverage should reflect the productive capability of the land, average yields, current market conditions, and the cost of production. It should also support the wide diversity of crops and crop types in Manitoba and ensure they are treated equitably.

KAP believes that production insurance should also include a compensation factor for farmers who incur extra costs associated with the disposal of grain and other crops deemed unsalable by Manitoba Agricultural Services Corporation (MASC).

KAP believes that all laboratories grading grain samples for production insurance programs should be accredited by an appropriate agency.

Appropriate methodology to calculate individual producer indexes for all crops should also be developed. To encourage crop diversity, MASC should carefully monitor the introduction of new crop varieties and/or crop traits in Manitoba in order to expeditiously develop coverage options for these crops.

Producer Payment Security

KAP supports a producer payment security program that covers all agricultural commodities for all producers. More information in *Canadian Grain Commission*.

Cash Advances

The Advance Payment Program plays an important role for Manitoba farmers and should remain an integral part of the business risk management suite of programs. KAP supports the continuation of interest-free loans for all commodities to allow producers to market their production in a timely manner. KAP encourages the federal government to review the Advance Payments Program periodically to ensure that it reflects current farm management practices.

Disaster Programs

KAP supports a targeted disaster program that is adequately funded by the provincial and federal governments. These disasters could be *natural* (prolonged droughts, wide-scale flooding, frosts) or *man-made* (trade challenges or trade barriers).

When additional funds are allocated in disaster programming, they should come from outside of the existing safety net system. They must also be adequate to address the needs, be delivered in the year needed, and should treat all producers equitably.

KAP supports the development of a disaster recovery program for sectors that have experienced catastrophic losses. This program must include initiatives that address fundamental changes to the industry structure due to a disaster. It should also include the deferral of tax liabilities which may be incurred as a result of the forced liquidation of livestock.

KAP believes the following principles are critical components of a transparent and predictable disaster program for producers:

- Whole-farm program
- No producer premiums or deductibles
- Provide a coverage level of at least 70% of a producer's average gross margin (based on the best three years of the last five years)
- Claim inventories should be calculated using a consistent and fair accrual method
- Must cover negative margins
- Must not be pro-rated
- Should have an individual payment limit
- No links to other program payments.

Wildlife, Waterfowl and Predator Compensation

KAP believes that producers should be fully compensated for losses due to wildlife, waterfowl, and predators. The process for making such wildlife damage claims should be modernized to include new technologies in order to increase efficiencies. More information in *Wildlife Management*.

Agricultural Lending Agencies

There are large capital requirements and financial risks that exist in agriculture. Both of these factors can inhibit the ability of farmers to adapt to changing business environments and the ability of beginning farmers to establish their operations.

KAP supports the roles played by Farm Credit Canada and the Manitoba Agricultural Services Corporation in agricultural lending. KAP calls on governments to protect the

agricultural mandates of these agencies and encourage them to remain competitive within the industry.

Environmental Assessments

Lending institutions may require an assessment of environmental risk related to loan applications. KAP believes that these assessments must be based on good science and a reasonable risk/benefit concept to determine the importance of the environmental issue.

Assessment of Farm Incomes

KAP believes that care must be taken when obtaining farm income information, to ensure that only income derived from the farm operation is designated as farm income. Income figures should accurately represent an average yearly farm income.

Taxation

Taxation has a significant impact on the agricultural industry. Farmers pay sales tax as consumers, income tax as earners, payroll tax as employers, municipal and education taxes as residents and property owners, and may also pay capital gains taxes as substantial property holders. In general, KAP supports the maintenance of existing tax planning tools such as deferred grain tickets.

KAP supports the regular review of property tax frameworks to ensure that a fair and equitable balance of the tax burden exists between both farmland and residential properties.

KAP believes that costs incurred to upgrade facilities or equipment to meet new or enhanced environmental regulations should be exempt from Retail Sales Tax (RST).

Assessment

KAP believes that it is necessary to ensure that all farmland in the province is assessed at the value of its agricultural productivity and not at its market value. This assessment process must recognize the changes in process and design of production facilities.

If farmland values significantly increase between assessments, the province should consider adjusting the portioned assessment on farmland to offset the burden that those increases create for farmers.

Education Tax

KAP supports the complete removal of education taxes from all property, including agricultural land and production buildings. KAP believes that this can be best achieved by working with other groups that support the reform of Manitoba's education financing system.

KAP believes that the current tax rebate on farmland should not be capped and should be applied at the point of payment, the property tax bill.

Land Transfers

KAP believes that the capital gains realized from the sale of farmland by bona fide farmers should be exempt from the minimum tax law. This exemption should also be applied equally to all farmland jointly owned by immediate family members.

In general, KAP supports the development and use of tax tools that facilitate inter-generational transfer of family farmland.

Fuel Tax

KAP supports the removal of the federal excise tax on farm fuels.

Incentives

KAP supports the principle of tax incentives, including the Investment Tax Credit Program, to assist producers in making investments that encourage and promote growth in the rural economy.

Sales Tax

Agriculture is a capital-intensive business, and the taxation of inputs is a significant cost to the industry. KAP believes that any inputs involved with the production of crops and livestock – including items like fertilizer, chemicals, fuel, seed, feed, machinery, buildings, building materials, and construction – should be tax exempt and the benefit of this exemption must accrue to the farmer.

This exemption should also apply to initiatives relating to the environment, food safety, and biosecurity and include related professional fees. KAP believes that the federal government should periodically review the list of GST zero-rated inputs to ensure it reflects current farming practices and technologies.

YOUNG FARMERS

Young farmers and new entrants to farming in Manitoba face challenges that are unique to agriculture and that require special attention from both government and industry. Some of these challenges include: land prices, input costs, succession planning, and rural community support. It is important that government programming be available for young and beginning farmers to address the challenges they face. It is also important that industry provide opportunities for young and beginning farmers including encouraging participation in farming and commodity organizations.

KAP works to ensure there are meaningful occasions for young and beginning farmers to meet and network, while providing a solid foundation of support within the organization.

This includes working closely with young farmer organizations to foster closer relations and encourage greater engagement.

Agricultural Lending Agencies

KAP encourages these institutions to provide incentive programming for young and beginning farmers. Programs should reflect current farming practices, market values, and the unique situations in which many young farmers find themselves as they start their agricultural careers. More information in *Farm Finance*.

ENVIRONMENT

KAP shares the public's interest and concern for the environment and believes in the importance of preserving the soil, air and water for future generations. KAP encourages the development of programs that facilitate stewardship and sustainable agriculture that meet World Trade Organization (WTO) standards.

KAP commits to working closely with government to develop environmental regulations and to take a pro-active role to ensure they are practical, affordable, and economically viable for all producers. Since environmental protection is a public service, government should provide financial assistance to farmers when costs are incurred to meet new or amended regulations.

KAP also encourages government and industry funding for environmental research focused on agriculture. Where appropriate, KAP also supports government establishment of and funding for environmental programming for farmers. KAP also sees a role for industry in the development and promotion of sustainable farm practices.

Climate Change and Greenhouse Gases

KAP believes that governments must use a multilateral approach and apply sustainable development principles when dealing with greenhouse gas reductions. The level of greenhouse gas mitigation measures that are imposed on agriculture must be supported by good science.

Carbon Taxation

The Government of Canada is imposing a carbon pricing system on provincial governments. KAP is concerned about the potential impact a carbon tax will have on the profitability and competitiveness of the industry. Farmers see themselves as being part of the solution through carbon sequestration and beneficial management practices (BMPs).

As systems are developed relating to carbon sequestration, and greenhouse gas emissions, government must consider the impact these systems will have on agriculture. These

systems should be based on sound science and recognize the concerns of agricultural producers.

In order to maintain profitability and competitiveness under a carbon tax, KAP supports a full exemption on all direct emissions from agricultural production including marked fuels, biological emissions, and fuels and utilities that are used to heat and cool confined livestock spaces, greenhouse spaces, and operate grain dryers . KAP recommends that a portion of the revenue generated through a carbon tax be recycled back into programming for farmers to support their efforts in delivering ecological goods and services, and building adaptive capacity to weather volatility caused by climate change. Government must be accountable and transparent with the collection and distribution of carbon tax revenue.

Ecological Goods and Services

KAP supports the concept of an ecological goods and services program as a component of national agricultural policy. We also support the Alternative Land Use Services program as one of the tools that financially recognizes primary agricultural producers for the ecological services they provide to society in addition to the production of food, fibre, and energy. This may include programs that promote the implementation of beneficial management practices that encourage the protection of riparian areas and other public goods

Environmental Farm Plans

KAP supports the Environmental Farm Plan (EFP) program that is available on a voluntary basis to producers. We believe that the key to the continued success of this program is the guaranteed confidentiality of producer information.

We support government funded, cost-shared incentive programs that will provide financial assistance to encourage the implementation of action plans under the EFP. These programs should receive substantial financial support for the review and adoption of beneficial management practices. It is important that BMP incentive programs be reviewed, updated, and enhanced with recommendations from farmers. The provincial government must be transparent with its intentions to target specific issues and regions of the province.

Handling, Storage and Recycling / Disposal of Farm Inputs

Manitoba producers are aware of the potential hazards resulting from the improper handling, storage and disposal of farm inputs. KAP supports the development of affordable, effective, and convenient infrastructure to handle the safe disposal and/or recycling of all products from farming operations, including those that are hazardous. KAP supports the extension of affordable recycling services for farm products like hoses, applicators, plastic grain bags, baler twine, silage tarps, bale wrap, pesticide containers and decommissioned fuel tanks.

Nutrient Management

KAP recognizes that there are many possible nutrient sources that impact Manitoba waterways, and encourages the development of practical, science-based nutrient management strategies for the entire province that are flexible and based on annual environmental conditions rather than fixed dates.

In order to validate the sources of nutrient loading in Manitoba's waterways KAP encourages the government to maintain or increase regular water quality testing as required.

Water Management

KAP supports the development of a comprehensive provincial water management strategy that involves the federal, provincial and municipal governments and the agricultural sector. This strategy should be all-encompassing, interjurisdictional and include drainage, retention, irrigation, and other water-related issues. It must also be adequately funded on an ongoing basis and utilize the most effective technology available.

KAP encourages a strong role for conservation districts in the development and implementation process of the provincial water management strategy. This strategy should accommodate regional differences and localized concerns.

All levels of government must participate in measures to prevent damage to farmland that is caused by flooding. Government must provide adequate compensation to landowners when flood prevention infrastructure causes damage. This must include compensation for lost income. More information in *Disaster Programs*.

All drainage and water licensing processes must be reasonable, consistently applied and regularly reviewed. KAP also believes that non-governmental organizations must be required by the provincial government to follow the same procedures and licensing processes that private landowners must follow for drainage and water storage projects.

KAP strongly believes that the federal government should ensure that our drainage system is not jeopardized due to the regulatory nature and activities of Fisheries and Oceans Canada (DFO). KAP believes the actions of DFO should not negatively impact the agricultural industry in Manitoba. KAP will work with DFO and other appropriate agencies in an effort to ensure that ongoing concerns are addressed.

Crop Residue Management

KAP will work with the provincial government to educate and encourage farmers to improve straw management techniques. To improve the forecasting and permitting system for crop residue burning in Manitoba, KAP encourages government to use specific

geographic features like highways and rivers in addition to municipal boundaries when designating areas where straw can be burned.

Weed Control

KAP encourages land owners, right-of-way owners, the province and municipalities to control all weeds, especially noxious weeds, and believes that governments must support current control options while investing in research for new control technologies. Control of weeds within these areas is critical to reducing their spread to adjacent agricultural operations.

Any regulation of weed control products should be based on scientific evidence of risk.

FARM INPUTS

Pricing and Costs

The availability and cost of farm inputs are of significant concern to Manitoba farmers and their economic well-being. As such, KAP has a role to scrutinize and monitor the costs of farm inputs to maintain competitive pricing and identify access and availability barriers. Farm inputs include, but are not limited to, pesticides, fertilizers, fuels, pharmaceuticals, vaccines, equipment, insurance, banking, and credit costs.

Rapid and/or unjustifiable increases in the costs of these inputs are unacceptable and both the federal and provincial governments have a responsibility to conduct inquiries into extreme and/or unwarranted price increases. Governments must also ensure that tax or regulatory burdens do not impose and/or increase price inequities between Canadian and American producers.

The Canadian agricultural economy and farmers operations are influenced heavily by large scale agricultural companies via input costs and marketing opportunities. KAP supports competition within the agriculture industry and believes that all levels of government have a responsibility to carefully scrutinize the short and long term effects of large scale mergers.

Pesticide Registration and Regulation

KAP supports Canada's science based pesticide management regulatory framework and the Pest Management Regulatory Agency which has a mandate to safeguard the interests of the public. Canada must also work to harmonize our registration procedures with those in the United States to reduce costs and improve the speed and efficiency of the registration process.

KAP supports cost competitive access to products registered in both Canada and the United States.

KAP continues to emphasize the importance of including minor use chemicals in the pesticide registration process.

Pesticide Use

KAP believes that pesticides are responsible and essential tools in a long-term, sustainable food production system. KAP continues to encourage government to identify risks caused by pests to human health, to the availability of safe and nutritious food, and to the environment. KAP supports the creation of a Farm Inputs Board or ombudsman to deal with farmers' complaints regarding seed, chemicals, fertilizer and other inputs.

Safe Handling

While KAP recognizes the need for caution in handling fertilizer and pesticides, the regulations should not be excessively restrictive, and should continue to allow producers to transport these products to and from their fields. Any regulatory changes made to the handling or transportation of these products should be developed in consultation with farmers and other industry stakeholders and be based on a demonstrated need.

FOOD SAFETY AND TRACEABILITY

KAP acknowledges the importance of on-farm food safety practices and encourages all producers to provide input into the development of guidelines, regulations, and best practices. Food safety is about the health and wellbeing of a farmer's products as well as the general public. KAP encourages producers to use all available tools relating to food safety and traceability and encourages small and large scale farms and on-farm food processors to follow all applicable regulations.

KAP believes that increased consumer awareness regarding food safety has resulted in increased costs to producers that may not be rewarded by the marketplace. Any programs that are developed relating to on-farm food safety should be voluntary.

KAP has a mandate to play an active role in the adoption of an on-farm food safety program for the cereal, oilseeds, pulses, and special crops sectors to ensure that producers' interests are heard.

KAP believes that federal and provincial governments should have adequate surveillance of imported foods and food products, and that there should be effective grading and labeling regulations for these foods when sold in Canada.

Traceability Programs

KAP supports the development and/or enhancement of industry-led traceability programs that are a minimal cost for producers, avoid duplication, and meet the marketing needs of specific commodities.

GOVERNMENT SERVICES

As farms grow larger and rural populations decrease, KAP is concerned that rural communities may be overlooked for basic social services as governments allocate their resources. KAP believes that rural residents have the right to expect and demand services equal in quality and cost to all other citizens in Manitoba, and commits to speaking on behalf of farmers and rural residents. More information in *Rural Policy*.

KAP also encourages government to maintain staffing and service levels at agricultural offices across the province.

KAP believes that government should allow for adequate producer representation on relevant government appointed boards, based on the geographical regions of agro-Manitoba.

Cost Recovery

While we recognize and accept that producers should share in the cost of the regulatory systems that govern our industry, KAP is firmly opposed to having producers bear the full burden of the costs that protect the interests of the general public or the industry/commodity as a whole. Where producers agree to a portion of funding responsibility, KAP maintains that producers should then have a measure of control over the size, efficiency, and cost of these services. Assessment of cost recovery fees must take into account the ability of the industry to pay, and the effect that costs may have on the industry's competitiveness in the world market.

Education

KAP believes that high quality and affordable education is important to farmers and their families, and that rural residents should have the same opportunities to access post-secondary as urban residents.

Health Care and Emergency Services

KAP maintains that rural Manitobans have the right to access high quality health care and emergency services within a reasonable distance from their residences. Government has a responsibility to ensure that there is an established and well communicated system for locating rural residents in the event of an emergency.

KAP supports adequately funded mental health programs which are community-based, focus on the need to educate and inform people of the resources available, and ensure access to these resources. More information in *Rural Policy*.

Weather Information

KAP believes that Environment Canada should provide free, comprehensive and accessible historic and current data on weather and climate in combination with adequate forecasting

services to assist producers in making good farm management decisions and for public safety.

GRAINS, OILSEEDS AND PULSES

Canadian Grain Commission

KAP believes that the Canadian Grain Commission must operate in an efficient manner for the benefit of farmers and the Canadian grain industry, and remain as an independent third party to establish grain grades and standards, including the calibration of equipment or machinery. Services provided by the CGC that are for the benefit of the general public should be funded by the government.

While ensuring that the CGC has adequate and stable funding, KAP believes that government must ensure that this spending falls within the dictates of the WTO agreement.

The authority of the CGC should include producer protection against losses due to non-payment in the crops industry. KAP encourages the retention of the purchaser bonding process until viable alternatives have been developed.

KAP supports a system of payment protection for all producers that can provide adequate compensation and not be burdensome for smaller buyers who pose less of a threat to grain sellers. More information in *Producer Payment Security*.

Disease and Pest Prevention

KAP believes it is important to work with governments and industry to anticipate and prevent disease and pest outbreaks, and supports the availability of information and the development of mitigation tools for new and emerging concerns, including treatment resistance. More information in *Biosecurity*.

Identity Preservation

KAP supports the development of a marketing system which will allow producers and grain companies to respond to customer requirements for identity preservation.

Marketing

KAP believes that governments must obtain a demonstrable indication of support from producers of the affected commodity and also provide indisputable evidence of necessity before implementing any changes to the currently-accepted marketing provisions of that commodity.

KAP supports new and innovative marketing initiatives that will assist those farmers growing new varieties that are needed to service new and emerging markets and, by doing so, have the potential to improve farm-gate returns.

Varietal Eligibility Declaration

KAP supports the varietal eligibility declaration system, provided the system imposes minimal costs to the producer, regulates penalties for misrepresentation via administration by a neutral third party, and contains an appeal process. A simple, confidential, and standardized document for variety declaration should be used.

Varietal Registration

KAP believes that the varietal registration system should include merit testing, and that the data used to verify this testing should be published. KAP supports the use of an industry-regulatory cost benefit review as part of the registration process for new field crops.

Industrial Hemp

KAP supports changes to legislation affecting industrial hemp to clearly distinguish it from cannabis.

LIVESTOCK

The livestock sector is a critical component of agriculture in Manitoba contributing significantly to the provincial economy through both primary production and processing. Livestock in Manitoba refers to: cattle, hogs, chicken, turkey, eggs, elk, sheep, bison, bees and aquaculture.

Deadstock Disposal

KAP believes that the provincial government must ensure that there are regional disposal sites that are designated for the disposal of deadstock and specified risk materials.

Environmental Sustainability

KAP supports the expansion of the livestock industry in an environmentally and economically sustainable manner. We recognize that municipalities have a role in developing land use plans but believe that the provincial government must be involved to ensure consistency across Manitoba. To avoid nuisance complaints, any complaints to government about the industry's impacts on the environment should be accompanied by a fee, which should be reimbursed upon validation of a legitimate complaint.

Livestock Compensation Programs

Government incentive programs for other sectors that increase costs to livestock producers should be balanced by trade-friendly programs that provide a comparable level of support.

When compensation is paid to producers for animals destroyed due to infectious diseases under the *Animal Health Act*, KAP believes that it should reflect the fair market value of these animals. When a herd is destroyed, there should be additional compensation for the costs of the mandatory clean-up.

Manure Management

KAP believes that producers should be consulted before any changes are made to existing regulations, and that changes should be based on sound science. Government must also recognize that new regulations could have a financial impact on producers and must ensure that operations have sufficient financial resources to adapt their practices.

Marketing

KAP believes that the Government of Canada and the Government of Manitoba should have regulations and programs in place to ensure that producer payments are protected in cases where purchasers default.

KAP believes that governments must obtain a demonstrable indication of support from producers of the affected commodity and also provide indisputable evidence of necessity before implementing any changes to the currently accepted marketing provisions of that commodity.

KAP supports the development of adequate facilities (i.e. sanitation/disinfection) at the Canada/USA border crossing for animal export.

Veterinary Services

KAP recognizes the importance of adequate large animal veterinary services in rural Manitoba.

Crown Land

KAP believes that the use of Crown land is important for livestock enterprises in Manitoba. Programming that governs the use of Crown land should reflect current practices and be periodically reviewed.

Feed

KAP supports government enforcement of the *Feeds Act* and associated regulations that set maximum contaminant levels in feed produced and sold by commercial feed mills.

PROPERTY RIGHTS

Farmers, landowners, and rural residents are regularly scrutinized for the actions they take on their property and are also subject to utility providers, government employees, and others trying to access their lands. It is important that rural landowner's rights are acknowledged and accepted and that the rules landowners establish for their own property be adhered to. A 'Right to Farm' has been established in Manitoba and the principles are outlined in the *Farm Practices Protection Act*. More information in *Hydro and Land Use Planning*.

KAP supports a farmer's right to manage the business data collected by companies who are using data-collection technologies.

Biosecurity

Biosecurity protocols are preventive measures and practices intended to reduce the risk of the spread of diseases in crops and livestock. Many landowners have developed biosecurity protocols for their own operations. It is critical that all those who enter private property follow the biosecurity protocols that are in place – this includes: government employees, Manitoba Hydro employees, oil and gas workers, all utility workers and contract workers, and individuals. Without following the appropriate protocols a landowner may deny access to his or her property. More information in *Disease and Pest Prevention*.

KAP encourages all levels of government to work with industry in establishing biosecurity protocols to minimize the transmission of disease during the movement of livestock.

Access to Land and Buildings

KAP believes that there should be legislation enacted that will require all government agencies and private individuals to obtain pre-authorization from a manager (including biosecurity protocol acceptance) to gain access to private or leased property, including Crown land. This will help prevent the spread of diseases, weeds or pests and enhance human and livestock safety.

We also believe that legislation should include severe penalties for non-compliance and provide a manager with the right to refuse access, with just cause, to any unannounced visitor without legal consequences.

Land Ownership

KAP supports that all bona fide Canadian farmers should be able to buy farmland in Manitoba, and believes that there should be no restrictions that prevent family farm corporations or co-operatives from buying or leasing farmland in Manitoba. KAP opposes any government regulations or projects which may result in rigid restraint on future use and value of farmland.

Trespassing

KAP defends and supports the right of a landowner to legal protection from unauthorized trespassing, including off-road vehicles and hunters and trappers who have not obtained written permission for access. KAP supports a ban on the practice of night hunting across the province.

WILDLIFE MANAGEMENT

As wildlife is a public resource, KAP believes that it is the responsibility of the federal and provincial governments to compensate producers for 100% of all wildlife and waterfowl

damage to crops and feed supplies. KAP believes that farmers and landowners must be fully compensated for any measures required and any losses incurred while protecting endangered species on their property as mandated by legislation. This compensation should be sourced from outside of the agricultural budget.

KAP believes that governments must take full responsibility for the cost and implementation of measures intended to prevent wildlife and waterfowl damage.

Where wildlife population levels become burdensome and out of proportion with available habitat (including federal and provincial parks), KAP believes that governments should reduce the population through harvesting, sale, or relocation to prevent the spread of disease and the level of damage done to crops, fields, and feed supplies.

KAP supports flexible programming to achieve sustainable wildlife populations. More information in *Wildlife, Waterfowl and Predator Compensation*.

AGRICULTURAL AWARENESS

KAP believes that it is important to respond to misinformation about farming and farm practices, and to proactively raise awareness about the value of agriculture and the contributions of farmers to Manitoba. With urban populations getting further away from the culture of farming and losing awareness of where their food comes from it is important for farm organizations both large and small to work on bridging the divide between urban and rural communities.

KAP supports the development of partnerships with other agricultural stakeholders, including small farmers, to create dialogue about agricultural issues.

With an increasingly urbanized population in Manitoba who may or may not know about primary food production it is important to ensure that accurate and science based information is available and accessible for the general public. This includes information about food production, processing, property rights, technology, trade, and farmers' contribution (economic and otherwise) to Manitoba.

KAP recognizes the importance of the collection and dissemination of data regarding the agriculture industry by Statistics Canada. It is important that Statistics Canada highlight the differences between agricultural production and agricultural processing. KAP also encourages them to conduct the Census of Agriculture at an appropriate time for farmers, and provide the data in a timely and accessible manner.

KAP supports campaigns, programming, and initiatives that educate urban and rural citizens on the importance of agriculture and raise awareness and consumption of locally produced foods.

RESEARCH AND BIOTECHNOLOGY

KAP believes that agricultural research is an essential tool to maintain and enhance the viability of Canadian agriculture and that publicly funded research benefits all of society. Agriculture and Agri-Food Canada's research branches must therefore be provided with adequate funding and direction to be major contributors to publicly funded research.

KAP believes that research funding should be a partnership between producers and both levels of government, and that all partners should participate in establishing the focus of research. Producer support for research should be provided through a mandatory checkoff.

KAP believes that all new technology should provide benefits to producers. KAP and government agencies can play a positive role in assisting producers and consumers to recognize the benefits and risks of biotechnology.

Development of New Varieties

KAP believes that AAFC should be encouraged to develop crops that are suitable for energy production as well as food in Manitoba. A regulatory system to allow for the commercialization of these new crops must also be developed.

Guidelines for GMOs

KAP believes that products derived from biotechnology must gain acceptance in key markets before they are commercialized and made available for unconfined release and production. Allowance for GMO admixtures should reflect acceptable international trade protocols.

KAP believes that industry regulators must ensure the security of GMO test plots.

KAP believes that federally-established safeguards for biotechnology and intellectual property rights are required to maintain competition in the supply of inputs to Canadian agriculture.

Regulatory Systems

KAP believes that Canada's regulatory system must be capable of registering and protecting new technology quickly while also recognizing an acceptable level of risk to humans, animals, and the environment. Benefits and risks must be balanced, with the understanding that zero-risk is not achievable or acceptable. The regulatory system must have a process in place to correct any issues in a manner that is based on scientific evidence.

KAP supports the harmonization of regulatory processes based on science and a reasonable level of risk. Regulatory processes must encourage competition and facilitate the advancement of research initiatives.

RURAL POLICY

Manitoba is comprised of both urban and rural populations; both ways of life offer specific challenges and opportunities. It is important for rural communities that special attention is paid to their unique needs and that government and industry acknowledge the lifestyle of rural residents and work together to ensure community development, basic services, employment rates, and property rights are maintained.

KAP's policies are intended to support rural development and include principles that enhance the quality of life for rural citizens. Areas of importance include:

- Rural health and support services including emergency medical services;
- Child care that meets the needs of rural residents and provides safety for farm children;
- Protective services including fire and police;
- Safe and accessible water;
- Communications services including phone and internet;
- Adequately maintained provincial and municipal roads;
- A broad range of adequately-funded education opportunities for rural children and adults that include consideration for cost-of-living allowances. More information in *Health Care and Emergency Services* and *Transportation*

KAP has a mandate to work with governments to ensure that legislation and regulations do not unduly affect agriculture's ability to produce food, fibre, and energy, while continuing to maintain rural infrastructure.

KAP supports initiatives that address the recapitalization of agriculture for the next generation of farmers. It is important for government to develop policies which deal with adaptation and succession, and these policies must stem from the ability of producers to continue to reside in and contribute to their rural communities.

We also support the continued development of policies and programs that encourage value-added and diversified enterprises stemming from primary agricultural products.

As agriculture and rural areas become more regulated, the impact of regulations must be evaluated and recognized prior to implementation to ensure that they do not negatively affect rural economic sustainability. KAP believes that compensation must be provided to mitigate any negative impacts that are identified.

RESOURCE DEVELOPMENT AND TRANSMISSION

KAP recognizes that the development of natural resources is important to rural development. KAP will work with government and other stakeholders to ensure that resource development is done with minimal negative impact and that the rights of farmers, and their ability to operate profitable businesses, are also considered when projects are proposed and developed.

Information about the location of any buried infrastructure must be made easily available to the public.

Any proposed project or regulation that affects land and resource use must undergo a complete cost-impact analysis to ensure that it does not have a negative impact on the sustainability of farm operations.

Where financial harm is incurred, adequate compensation must be provided to all affected property owners. Farmers should be compensated for the increased liability risks associated with the placement of infrastructure on private land and compensation should be made available on an annual basis. Compensation must be assessed at a rate that recognizes the ongoing financial impact to landowners.

Energy

KAP recognizes that agriculture is an energy intensive industry and access to stable and reasonably priced energy is critical to the long term success of the industry. If government seeks to modify the use of any particular energy source by agricultural operations or rural residents, it must consider fuel source availability, price, and environmental impact before implementing policy changes.

Hydro

Hydroelectric power is an essential service for the economic viability of agricultural operations and the well-being of rural residents. Manitoba Hydro should provide upgrades at a reasonable cost for customers in rural areas to meet the everyday needs of modern agriculture. KAP believes that residential hydro rates should be set at the same level for all Manitoba residents. KAP encourages Manitoba Hydro to work with stakeholders to make natural gas service available to rural communities and residents where it is economically feasible.

KAP encourages Manitoba Hydro to, wherever possible, install hydro lines in a manner that minimizes disruption to farm practices. Manitoba Hydro should be aware of current farm practices, including equipment size and production dates and timelines.

KAP encourages Manitoba Hydro to promote voluntary cost sharing with farmers to relocate or bury hydro services to and within farmyards for safety reasons.

KAP believes that government must require that all projects, including oil and gas pipelines, must include a plan for decommissioning that includes the full remediation of affected land.

The protection of our natural resources like land and water is of utmost concern to Manitoba's farmers – just as it is to all Manitoba residents. These resources are shared and enjoyed by all, and should be protected for future generations. We believe that the cost of preserving natural resources should be borne by society, according to the benefits received.

KAP believes that the water needs of agriculture should be given priority, immediately following those of domestic and municipal usage.

Land and water use policies that will be needed for future generations, KAP believes the government must foster new links between departments, and create a comprehensive land and resource use policy. More information in *Property Rights*.

Communications Services

KAP believes that modern communications services including high speed internet access and comprehensive cellular phone coverage are critical to the success of modern agricultural operations, the safety of all Manitobans, and the overall quality of life for rural residents. KAP is committed to working with service providers and all levels of government to ensure that these needs are met.

Land Use Planning

The development of good land use planning bylaws and guidelines is essential for agricultural producers to continue to invest in their operations. For individual development proposals, site-specific technical review committee reports must continue to be based on sound science.

We encourage the province to ensure that land use planning bylaws are developed for all of agro-Manitoba as soon as possible, in order to provide certainty for producers. The province should ensure these bylaws provide a consistent set of development criteria for agriculture throughout the province.

These planning bylaws must accommodate a farmer's ability to engage in normal farming practices. If municipal bylaws restrict normal farming practices, producers should have the ability to have the Farm Practices Protection Board or the Municipal Board evaluate the bylaws to ensure that these restrictions are warranted. More information in *Property Rights*.

Alternative Energy

KAP supports the research, development, production and sale of alternative energy products and encourages the use of a variety of programs to facilitate this development so it benefits Manitoba's rural communities.

We support the use of Manitoba's farm products as a preferred source of feedstock for this industry, and we encourage governments to have policies in place that protect markets for the betterment of the industry, including an incentive structure that is comparable to that of our competitors.

KAP believes that the Manitoba Government should adopt a system in which a preferential price is paid for electricity generated by smaller (less than 10 MW) renewable energy production units.

KAP believes that government and the petroleum industry should replace sulfur in diesel fuels with an industry specified amount of biodiesel additive from agricultural sources.

KAP supports an ethanol mandate for all commercial gasoline sold in Manitoba, which should be produced in Manitoba from local feedstocks.

Producer Co-operatives

KAP supports the use of closed producer co-operatives to develop value-added businesses.

TRADE

World trade and access to provincial, national and global markets is an essential component of food production. As marketplaces evolve and change due to consumer demands and climate variability, among other factors, so too must government and industry assist farmers in adapting to these changes.

WTO

KAP believes that the World Trade Organization should be the primary forum for establishing fair trade rules, and supports the expansion of membership in the WTO.

Free Trade

Canadian agriculture is dependent on international trade, particularly for grain and livestock exports. KAP supports the elimination of export subsidies and tariff barriers that distort world trade, both domestically and internationally. KAP supports the concept of free trade only where all trading partners are on a level playing field.

Supply Management

KAP supports the supply management system with its fundamental pillars of import control, production discipline, and producer pricing.

KAP encourages the Canadian government to work toward the harmonization of trade laws.

Canada must enforce its trade laws, and ensure that imported food and food products are not allowed into Canada without verifiable food safety and traceability programs that are equivalent to those required for domestic production by the Canadian Food Inspection Agency. KAP believes that government should be more aggressive in using WTO dispute settlement mechanisms to protect Canadian producers.

TRANSPORTATION

Well maintained and accessible transportation is vital for Manitoba producers. This includes roads and bridges that can accommodate farm equipment and provide access to processing infrastructure including elevators, auctions, and crushing facilities. This also includes rail service that meets the needs of prairie farmers, provides adequate levels of service, and works with farmers, government and industry towards a cohesive and well run grain handling and transportation system. Deteriorating transportation infrastructure, such as highways and railway crossings, and increased transportation costs have created significant challenges for Manitoba's farmers. More information in *Rural Policy*.

Driver Licensing

Licensing and registration of farm vehicles should adequately reflect current farm practices.

Highways and Roads

Roads are increasingly used to transport agricultural products to market, so KAP encourages the provincial and federal governments to ensure that adequate funding is available to plan, develop, and maintain a grid of RTAC highways and other market roads within the province. KAP also supports the allowance of RTAC weights on A1 or B1 roads for farmers for short distances to allow for the marketing of agricultural commodities.

The provincial government should provide clarity for producers when they erect signage, provided that these signs meet minimum highway safety standards.

KAP supports the provincial government in its efforts to harmonize regulations for the transport of goods within Canada and to the United States.

Hopper Car Ownership

The distribution and control of the Canadian hopper car fleet is of serious concern to producers. KAP believes that producers must be represented on any group established to determine policy relating to the allocation of grain cars. Regardless of ownership, KAP believes that the hopper car fleet must be maintained to an acceptable standard.

Labour Disputes

Labour disputes in the grain handling and transportation sectors have a significant, negative impact on the income of farmers and on Canada's reputation as a reliable supplier of food. As a result, KAP believes that the government should take all necessary action to eliminate or reduce labour strikes in the industry.

All contract negotiations in the sector should be dealt with simultaneously to minimize the term of labour disruption. KAP believes that producers should be represented in labour negotiations. Government, labour, management, and farmers should share the cost of demurrage resulting from strike action.

Ports

KAP believes that Manitoba producers should have access to transportation routes, including the Port of Churchill that give them the ability to provide the best service to their customers. Government must ensure that the required infrastructure and policies are in place to provide for the maximum movement of grain and specialty crops.

Producer Car Loading Facilities

KAP supports the development of producer car loading facilities and believes that they should not be licensed as primary elevators. Further KAP believes that existing sites should be protected from abandonment by the same type of discontinuance process that protects grain dependent branch lines.

Rail Lines

KAP believes that producers are the primary beneficiaries of the railway system's performance, and producers must realize the benefits of increased efficiencies or cost savings. For competitive measures to be successful, they must be present in all components of the transportation and handling system.

For true competition to exist in the rail system, KAP believes that all potential rail carriers should be granted access to all rail lines in Canada. KAP encourages the federal government to pass legislation that will ensure a seamless grain car interchange occurs between all rail operators, to ensure that producers are not restricted by the system and that shippers have access to an effective final offer arbitration system.

Service Levels

KAP supports the ongoing monitoring of service levels provided to shippers by the mainline railway companies including Transport Canada's Grain Monitoring Program as well as other industry led data gathering initiatives. KAP commits to working with government and other stakeholders to take action on recommendations made by industry experts to improve the level of service provided to shippers of agricultural products by rail.

KAP believes that the Canadian Transportation Agency should ensure that timely level of service reviews take place to make sure that the needs of producers and other stakeholders are met.

KAP also believes that the railway line discontinuance process must include fair compensation to affected communities anytime a rail line is sold.

KAP believes that the provincial government should put a moratorium on rail line abandonment in Manitoba, until such time as a stakeholder group develops a strategic plan for agricultural transportation.

KAP urges government to ensure that all rail cars are equipped with reflective decals to ensure greater visibility.

Shortline Railways

KAP supports shortline railway companies as a way to reduce overall agricultural transportation costs and to encourage rural industrial development. KAP believes that the Government of Manitoba and the Government of Canada should encourage the purchase of shortlines going through the discontinuance process by offering financial and logistical support.

KAP also encourages the Government of Manitoba and the Government of Canada to provide funding for shortline infrastructure projects.

Maximum Revenue Entitlement

KAP supports Transport Canada in ensuring that penalties to railways are large enough to deter exceeding the Maximum Revenue Entitlement cap. KAP supports the payment of MRE cap overcharges and penalties to the Western Grains Research Foundation.

KAP believes that Transport Canada should conduct periodic costing reviews to verify the component used in setting the revenue cap, and adjust it accordingly.

Trucks and Equipment

KAP believes that safety standards and requirements for farm trucks should take into consideration the relatively short time frames that farm trucks are on the road, and the relatively short distances that they travel. KAP supports the implementation of the National Safety Code, which provides for safety inspections of farm trucks, and takes into consideration the exposure and type of use of these trucks.

KAP encourages all levels of government, Manitoba Hydro, and MTS Allstream to ensure that permitting processes for over-height and over-width equipment is harmonized whenever possible and that permits are valid for an appropriate time frame.

KAP encourages Manitoba Public Insurance to implement programs that promote the safe operation of farm trucks, which may include the extension of merit discounts to grain trucks. Since many farms in Manitoba operate as a corporation, MPI must continue to ensure that the definition of a farmer recognizes these entities on the same basis as individuals for the purpose of providing insurance for farm vehicles.

WORKPLACE AND EMPLOYMENT

The labour force for agricultural workers in Manitoba faces unique challenges based on a limited rural work force, specific skill requirements, and distances from urban centres or accommodations. KAP encourages programming and incentives that are robust and address the specific needs of agricultural producers and agricultural workers in the province. Any programming should limit paperwork and administrative restrictions and should provide realistic and skills based solutions to work force shortages. The agricultural industry, including KAP, should be consulted prior to any changes to programs.

KAP supports the work of the Canadian Agricultural Human Resource Council and acknowledges the important work they are doing in moving forward with a Workforce Action Plan to address labour issues in Canada.

Farm and Rural Workers

KAP has a mandate to deal with labour issues that affect agricultural operations. KAP supports the development of multi-stakeholder initiatives that maintain a viable rural workforce, this includes training programs that would equip potential workers with the skills needed to succeed in the agricultural workforce.

Equipment

KAP believes that any regulations relating to safe use of agricultural equipment must be developed in conjunction with established farm organizations keeping in mind the intended use.

Health and Safety

KAP believes that increased education, training, self-assessment, and incentive-based programs are the preferred means of improving safety and health on farms, as opposed to regulation and legislation.

KAP encourages the provincial government to expand existing farm safety programs and to provide more workplace safety education programs in schools. To ensure the safety of farm children, KAP recommends the creation of more child care services in rural areas that are flexible and affordable to serve farm families. More information in [*Rural Policy*](#).

We also encourage the government to continue to develop and allocate resources towards self-assessment risk manuals that allow producers to create individualized farm safety policies and on-farm safe play areas for children.

KAP believes that the efforts of farmers and their employees to create a safer work environment should be recognized by an incentive-based approach, which may include reduced insurance premiums.