

Final Report

County of Elgin

Agriculture + Agri-Business Sector Profile

July 2009



millierdickinsonblais inc.

Contents

1	Background.....	4
2	Industry Trends Assessment	6
2.1	Agriculture in Canada.....	6
2.2	Ontario Farming is Evolving.....	10
2.2.1	Corn Production	11
2.2.2	Organics	11
2.2.3	Bio-Products.....	11
2.2.4	Greenhouse Production	12
2.2.5	Agri-business + Agri-tourism	13
2.2.6	Aging Farming Population.....	14
2.3	Agriculture in Elgin	14
2.3.1	Operational Profile.....	15
2.3.2	Food Based Manufacturing Operations	20
2.3.3	Farm Operator Characteristics.....	20
2.3.4	Farm Capital.....	22
2.3.5	Climate Conditions	23
2.3.6	Soil Characteristics.....	24
2.3.7	Elgin’s Agri-tourism Sector.....	24
2.3.8	Summary of Key Findings	24
3	Local Opportunities and SWOT Assessment	26
3.1	Strengths	26
3.1.1	Good Transportation Connections	26
3.1.2	Strong and Diverse Agricultural Community	26
3.1.3	Eat Fresh, Buy Local Elgin.....	26
3.1.4	Fresh Foods Elgin	27
3.1.5	Taste Trail Proposal	27
3.1.6	Improved Broadband Access	27
3.1.7	IGPC Ethanol Production Facility.....	28
3.1.8	International Plowing Match	28
3.1.9	Cross over Opportunities with Energy and Environment Sector.....	28
3.2	Weaknesses.....	29
3.2.1	One Post Secondary Institution.....	29

3.2.2	No Existing Cluster of Food Processors	29
3.2.3	Lack of Interaction between County Farmers and Consumers.....	29
3.2.4	Technological Servicing Constraints	29
3.2.5	Farming Community Lacks Marketing Skills	29
3.2.6	Aging Farming Population	29
3.2.7	Agriculture Still Commodity Based.....	30
3.3	Opportunities	30
3.3.1	Build on Success of Traditional Farming Base	30
3.3.2	Attracting Entrepreneurial Residents	30
3.3.3	Enhanced Support to Entrepreneurs.....	30
3.3.4	Strong Tourism Industry.....	30
3.3.5	Emergence of Agri-Tourism	30
3.3.6	Emergence of Bio-Products Industry	31
3.3.7	Organic Farming.....	31
3.4	Threats	32
3.4.1	Higher energy and agricultural commodity prices have affected sector	32
3.4.2	Lack of Alternative Viable Agricultural Crops.....	32
3.4.3	Small Farms Dependent on Non-farm Income	32
4	Case Studies.....	33
4.1	Prince Edward County	33
4.1.1	Background	33
4.1.2	Key Sector Strengths	34
4.1.3	Promotion of Agribusiness by Prince Edward County	34
4.2	Municipality of Chatham-Kent	34
4.2.1	Background	34
4.2.2	Key Sector Strengths	35
4.2.3	Promotion of Agribusiness by the Municipality of Chatham-Kent.....	35
5	Key Messaging + Recommendations	37
Appendix I - County of Elgin Agriculture + Agri-Business Profiles		

1 Background

While not the largest employer in the County of Elgin, agriculture and its emerging agri-business sector continues to make a significant contribution to the ongoing economic health of the County and its lower tier municipalities. In 2005, the Elgin Federation of Agriculture reported that 7,753 jobs in the County were attributed to the agricultural sector and that \$558 million in sales was generated from farms and businesses buying from and selling to farms. In addition, over \$216 million in farm expenses were spent in the regional economy.

Elgin County has long been a centre of agriculture in Ontario, with noted strengths in oilseed and grain farming, animal production and fruit and vegetable farming. However, as farming practices and technology become more advanced and more sophisticated, there is considerable evidence that some of the region's farmers have moved to implement increasingly advanced methods and structures for developing and delivering their product to market. Indeed, in some cases their product and or market have changed completely, to new areas of agri-business, bio-energy crops and organic farming.



From an economic development perspective, the rise of new this new 'Agribusiness' sector creates opportunities to strengthen and deepen the range of traditional agricultural activity, while at the same time developing or enhancing new competitive strengths in the County of Elgin.

To take advantage of the new opportunities offered by the Agriculture and Agri-business sector, it is essential to understand the nature and scope of the County's existing agriculture base of activity, as well as its unique assets and resources as they relate to the Agriculture and Agribusiness sector against the back drop of both the Canadian and Ontario agricultural sector.

In developing an Agriculture + Agri-business Profile for the County of Elgin consideration has been given to:

- an understanding of the key trends that are transforming the province's Agriculture and Agri-business sector
- an understanding of existing farm operations in the sector and the nature and scope of their work;
- the County's key sector specific strengths in agriculture and agribusiness;
- the existing infrastructure and assets that support the agriculture and agribusiness sector in the County;

Though Agriculture + Agribusiness are increasingly about utilising our agricultural assets in a different or transformative way, it is still reliant on the nature and capacity of local agricultural production. For this

reason it is important to understand the fundamental shifts and trends in the agricultural sector and to identify Elgin's traditional agricultural assets. Through this we will be better able to define and position Elgin's Agribusiness sector for growth.

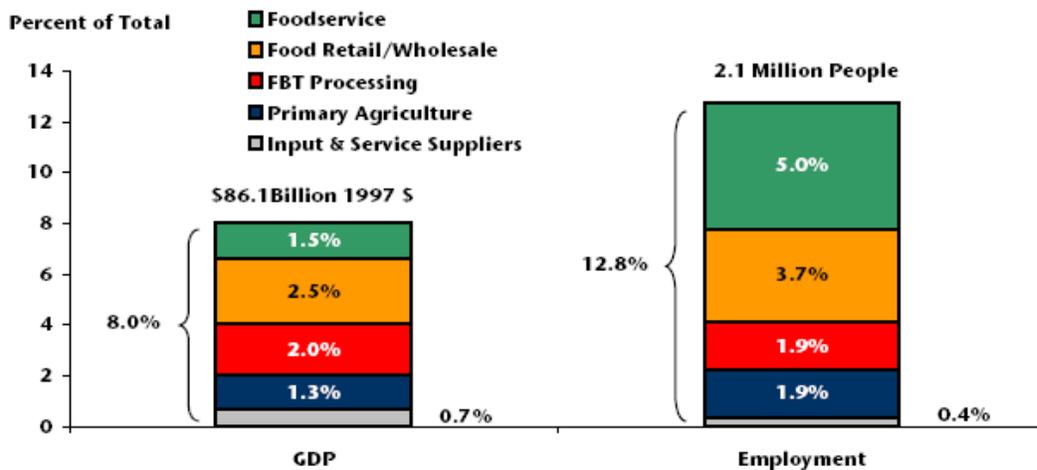
2 Industry Trends Assessment

2.1 Agriculture in Canada

Canada has a well-established agricultural and agri-food industry with long-standing success in the global marketplace. The sector however is undergoing significant transformation, as a result of having to respond to the challenges and opportunities brought on by restructuring and adaption to changing consumer demands, advancing technology, increased demand for non-food and non-feed products, North American integration and globalization.

As Agriculture and Agri-Foods Canada’s 2007 Overview of the Canadian Agriculture and Agri-Food System illustrates, the picture of agriculture in Canada is complex. While the relative contribution of agriculture to the economy has been declining; the absolute size of the sector has continued to grow. In 2005 the Canadian agriculture and agri-business sector contributed \$86 billion (constant 1997 dollars) or 8% of the Canadian economy and employed 2.1 million Canadians. Of this, primary agriculture accounted for 1.3% of the economy and employed 1.9% of the workforce.

Figure 1 – The Agriculture and Agri-Food System’s Contribution to GDP and Employment, 2005



Source: Statistics Canada, 2001 and 2006 Census of Agriculture, in 2007 Overview of the Canadian Agriculture and Agri-Food System

Over the last 15 years Canada has increased its share of world agriculture and agri-food production, as a result of trade liberalisation and changing market conditions. In 2006, Canada was the 4th largest exporter of agricultural and agri-food products and the 5th largest importer of these goods, valued at \$28 billion and \$22 billion respectively.¹

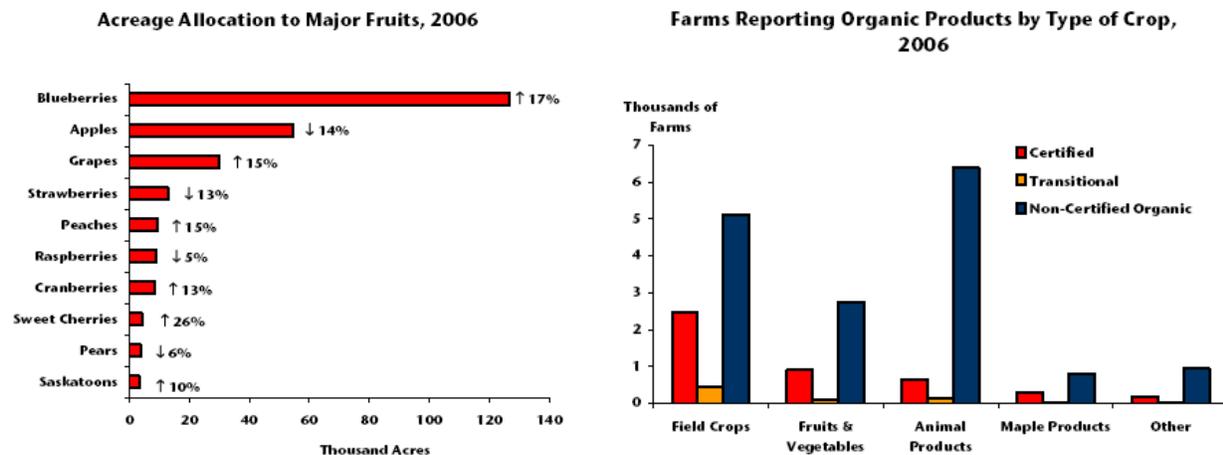
Despite this growth there remain significant challenges for the Canadian agricultural and agri-food sector. Changing consumer demand, both domestically and internationally, is affecting the entire agricultural system. Consumers are demanding more variety, convenience, healthier food choices, combined with

¹ An Overview of the Canadian Agriculture and Agri-food System 2007
http://www4.agr.gc.ca/resources/prod/doc/pol/pub/sys/pdf/sys_2007_e.pdf

assurance on quality of food and safety. There are also wider societal concerns around the environment and animal welfare which are impacting the demand for food. The growing importance of bio-fuels represents both an opportunity and a challenge for the sector, as the demand for grains and seeds drives up the prices for livestock farmers and can displace lands previously used for food production. The sector is also coming under increasing international pressure from emerging economies such as India, China and Brazil, where the cost of production is lower. This increasing competition, combined with currency fluctuation, makes agricultural commodities volatile and difficult for Canadian farmers to ensure value for their crops and livestock.

Changes in consumer taste; with an increased interest in healthy foods, nutraceuticals, and value added food products, have also had an impact on the types of products being produced. The total fruit area in Canada has increased by 5% between 2001 and 2006, due in large part to significant increases in the production of blueberries and grapes. Chicken consumption has increased in Canada, though slower growth is expected in the future. Organic products have also gained in popularity, with the worldwide market showing consistent growth for the past 15 years. In 2005 the Canadian retail market for organic foods was estimated at C\$1.3 billion while the US market was estimated at C\$15 billion, and this market is expected to grow by an estimated 15%-20% per year in the next few years. This demand has driven a change in the agricultural sector, with the number of certified organic farms increasing by 59% between 2001 and 2006 and with over 15,000 farm operations (6.8%) reporting at least one type of organic product in 2006.

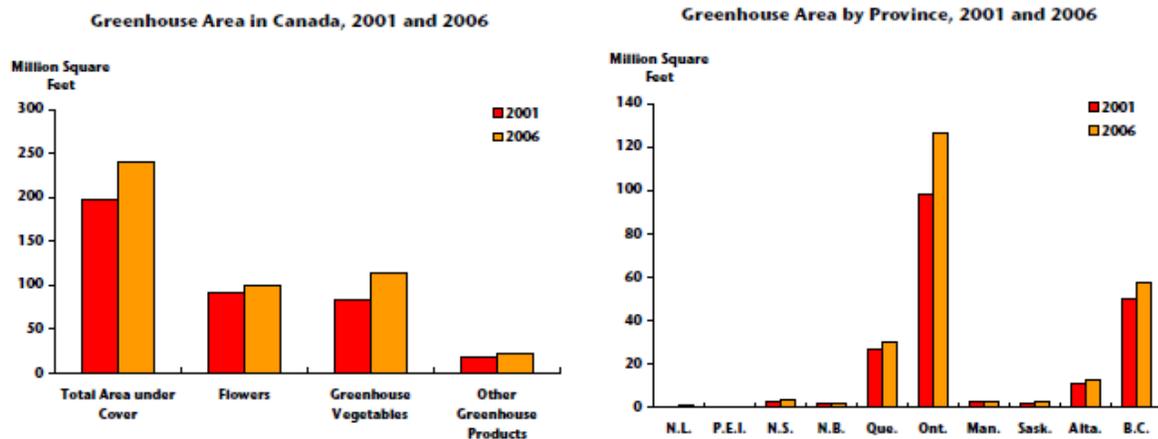
Figure 2 – Changing Agricultural Production to Meet Changing Consumer Taste



Source: Statistics Canada, 2001 and 2006 Census of Agriculture, in 2007 Overview of the Canadian Agriculture and Agri-Food System

There has also been a dramatic increase in the greenhouse industry. Between 2001 and 2006, the amount of greenhouse area in Canada increased by 21% and for the first time, greenhouse vegetables surpassed greenhouse flowers as the main product. As in other agricultural sectors, consolidation and expansion continues in the greenhouse industry. There were 5,600 operations in 2006, down 7% from 2001. Ontario accounts for more than half (53%) of the area under greenhouses with over 126 million square feet under cover in 2006 and a 29% increase between 2001 and 2006.

Figure 3 – Changes in Area Under Greenhouse

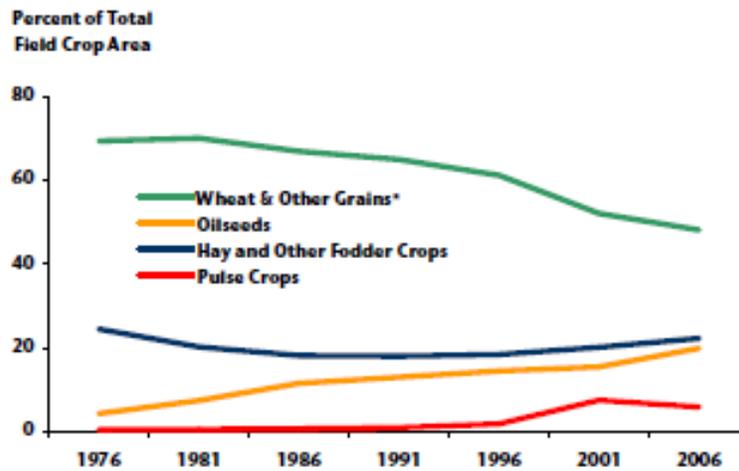


Source: Statistics Canada, 2001 and 2006 Census of Agriculture, in 2007 Overview of the Canadian Agriculture and Agri-Food System

Another significant trend impacting the nature of agricultural operations is the emergence of a global bioeconomy, one of the fastest growing global markets. The global market for bioproducts in 2003 was valued at approximately \$70 billion and it is expected to be a \$500 billion global market by 2015. Biomass provides the feedstock for a biobased economy and a significant amount of this biomass is provided by the agricultural sector. A 2006 Statistics Canada report highlighted the opportunity of primary agricultural producers to supply bio-mass, indicating that only 18% of biomass operators produced their own biomass². International demand is also high. The United States has indicated considerable interest in oilseed fuels, but does not have the production capabilities to meet demand, resulting in a dramatic increase in the crop prices for oilseeds. This is fuelling a shift in production whereby the total area planted to wheat and other grains has declined, while oilseed acreage has increased. The proportion of crop land in oilseeds has increased almost six fold since 1976, with the area planted to canola, the most dominant oilseed in Canada, increasing by one-third since 2001. This has been driven by canola's being seen as a healthy cooking oil and its use in the production of bio-diesel.

² Agriculture's role in the bioproducts industry
<http://www.statcan.gc.ca/pub/21-004-x/21-004-x2006003-eng.pdf>

Figure 4 – Acreage Allocation to Various Crops, 1979 - 2006



Note: *Other grains include oats, barley, mixed grains, corn for grain, rye and buckwheat.

Source: Statistics Canada, Census of Agriculture, various years, in 2007 Overview of the Canadian Agriculture and Agri-Food System

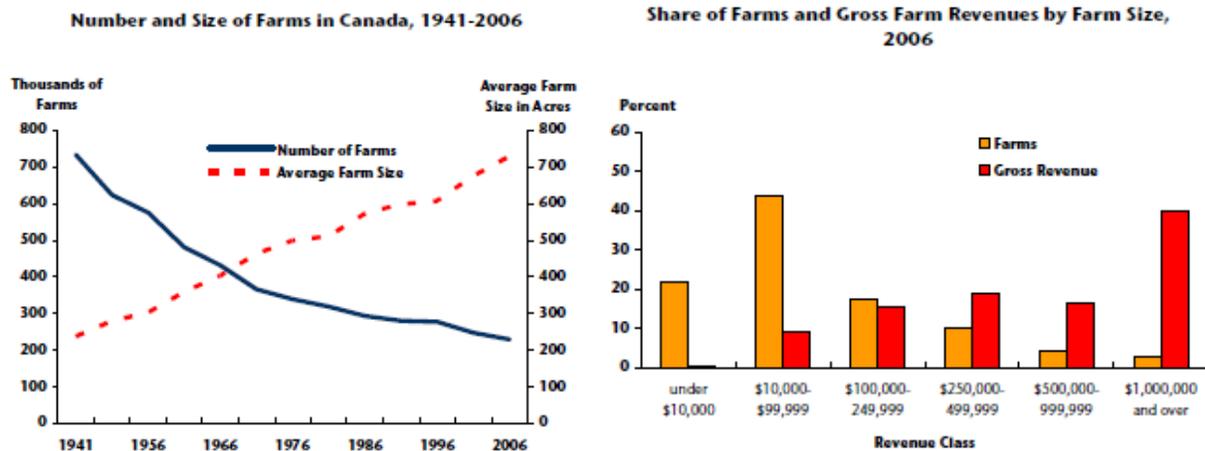
In response to these challenging and changing conditions Canadian farming has undergone some significant structural changes, specifically there has been a trend towards fewer, but larger farms, in some cases corporate farms, as well as increased concentration of activity. Over the past 50 years, average farm size has tripled while the number of farms in Canada has declined. In 2006, there were 229,373 farms, representing a 7% decline from 2001. At the same time, the average farm size is becoming larger with technological advances delivering increasing productivity and enabled increasing scale of operations and consolidation.

Larger farms, with management links to urban centres have been able to gain a competitive edge. From 2001-2006 Million Dollar farms (whose annual receipts exceed \$1 million) expanded from 1.8% to 2.6% of all farm operations in Canada. While the percentage of the total operations appears small, these accounted for 39.7% of total receipts³. In this context small farms are finding it increasingly difficult to maintain profitability. A 2005 study revealed that only half of small Canadian farms were profitable. There is also a growing trend of farm operators who work part time, or hold positions outside of their agricultural business in order to maintain an adequate household income⁴. In 2005, the average income earned by farm operators was \$54,700; however, 60% of this was derived from off-farm sources.

³ ibid.

⁴ 2006 Census of Agriculture: Farm Operation and Operators
<http://www.statcan.gc.ca/daily-quotidien/070516/dq070516a-eng.htm>

Figure 5 – Changes in Number and Size of Farms and in Share of Gross Farm Revenues by Size



Source: Statistics Canada, Census of Agriculture, various years, in 2007 Overview of the Canadian Agriculture and Agri-Food System

Another significant challenge facing the agricultural sector is the aging of the farm population. In 2006, 40% of farm operators were 54 years or older.⁵ As the farming population ages, many are scaling back to less labour intensive farming practices, renting or selling their land. Land rental is becoming a more popular trend in the industry as it is less capital intensive.

2.2 Ontario Farming is Evolving

Within Canada, Ontario contributes the most to the nation's Agriculture and Agri-Foods GDP, accounting for 35.6%, while the next largest contributor is Quebec at 19.5%. In 2006, there were 167 million acres of farmland in use across Canada, of which 8% was in Ontario; however the province accounts for almost 25% of all farms, more than any other province. In the same year, there were 57,211 farms in Ontario covering a total area of 13,310,215 acres, generating receipts of \$8,863,000,000. Between 2002 and 2006 employment in agriculture increased from 76,700 to 100,400 and also increased as a percentage of the total employment in the province from 1.27% to 1.55%.

Over the last 10 years, Ontario has seen a shift in the types of crops being grown. Between 1996 and 2006 there has been a decrease in the acreage of fruits, vegetables and potatoes and a drop in terms production of barley, mixed grains and grain corns. The products which have seen an increase during this time include winter and spring wheat and soya beans (this despite a drop in the province's production of canola). A number of other specialist crops have also started to grow in importance, including ginseng and sugar beets. Within the livestock sector, there has been a steady decline (15.3% decrease) in the number of cattle and calves between 1996 and 2006 which can be attributed in part to the prohibition on the export of Canadian beef to the U.S. during this time period. The decline in bovine livestock has been more than taken up by increases in the number of pigs (28% increase) and chickens (19.3% increase).

⁵ An Overview of the Canadian Agriculture and Agri-food System 2007
http://www4.agr.gc.ca/resources/prod/doc/pol/pub/sys/pdf/sys_2007_e.pdf

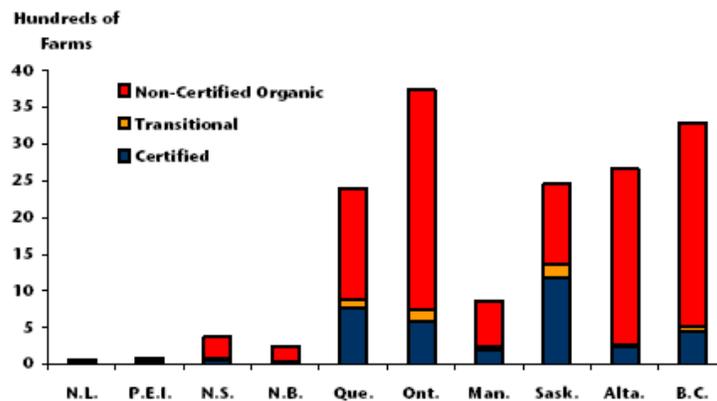
2.2.1 Corn Production

Currently, the most widely grown field crops in Ontario are hay, soybeans, grain corn, and winter wheat⁶. Ontario produces 57.3% of the corn in Canada, the highest proportion in the country. Recently, an increased surplus of corn led to a decrease in the market price. However, Agriculture Canada anticipates that Canada will benefit from increased corn prices on the national market over the next 8 years resulting from the growing interest in ethanol and world market pricing adjustments. Wheat and oil seeds (with the exception of soybeans) are also expected to rise in price⁷.

2.2.2 Organics

The province has also seen a rise in the popularity of organic farming. While Ontario lags somewhat behind Saskatchewan and Quebec in terms of the number of certified organic farms (see figure 6), the province leads the country in the total number of ‘organic’ farming operations. In 2006 Ontario had 593 farms that were certified organic, a 46.4% increase over 2001 where there were only 405 farms certified. In 2006 however, Ontario had a further 148 farms that were transitioning to organic certification and a further 2,989 which were producing uncertified organic products.

Figure 6 – Number of Organic Farms by Province, 2006



Note: Includes tame pasture (i.e. cultivated) and marginal pasture (i.e. non-cultivated).

Source: Statistics Canada, Census of Agriculture, various years, in 2007 Overview of the Canadian Agriculture and Agri-Food System

2.2.3 Bio-Products

The development and advancement of bio-products has also emerged as a factor that is shaping the future of the province’s agricultural community. New crops, such as soya and canola, are being grown and some traditional crops such as sweet corn and potatoes are finding new markets.

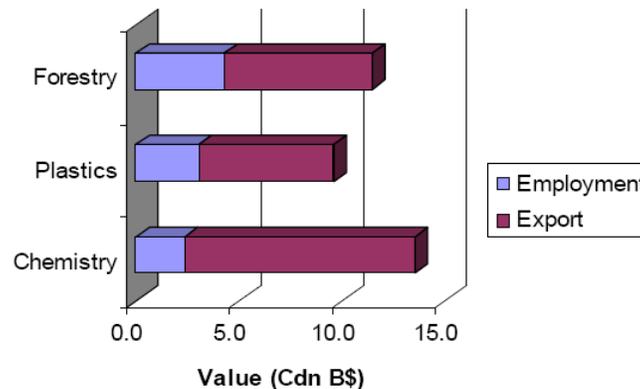
The 2004 Ontario Bio-products Strategy identifies three specific target industries for bio-products in the province - chemicals, plastics and forestry. These three industries are all significant contributors to the

⁶ Summary of Agriculture Statistics for Ontario
http://www.omafr.gov.on.ca/english/stats/agriculture_summary.pdf

⁷ Median Term Outlook for Canadian Agriculture
http://www4.agr.gc.ca/resources/prod/doc/pol/pub/ra-ra/pdf/m_term_e.pdf

Ontario economy both in terms of direct salaries through employment and exports (see Figure 7). The report also suggests that Ontario firms are primarily involved in the use of agricultural crop biomass, with over half of their inputs coming as by-products from the agricultural sector. The report estimated that in 2003 there were only 232 Canadian-based bio-products firms. Of these, 54 were based in Ontario, accounting for 23% of firms nationwide (second only to Quebec with 31% of firms) with revenues of \$871 million, the highest in Canada.⁸ While historically, the province has lagged in terms of private sector investment in R+D in this field, there is a significant amount of academic research on bio-products being conducted in Ontario.

Figure 7 – Value of Employment in Bio-product Target Industries in Ontario



Source: Ontario Bio-product Strategy, 2004

Currently across the province there are 10 public and private world-class research institutes working on advanced agri-food technologies, with some 500 scientists doing basic and applied agri-food research. Technical expertise at six major universities is linked closely with federal and provincial food, health, environment and agri-food clusters in such Ontario cities as Ottawa, Guelph and Kingston. Ontario's scientific excellence is led by the agri-food quality hub of activity at Guelph (academic, government and private sector working together) supported by excellent nodes located across the province. A number of Counties in Southern Ontario (Essex, Chatham-Kent, Lambton) are already starting to position themselves within this growth sector, attracting major bio-energy operations, research facilities and by focusing on the development of bio-material industries (i.e. Chatham-Kent BioAuto Strategy).

2.2.4 Greenhouse Production

Greenhouse production in Ontario has also seen a significant increase. In line with the nation trends, there has been a steady increase in the area of greenhouse production in the province, with a doubling of the area between 1996 and 2006. Ontario leads the country in the amount of area under greenhouses, with more than 126 million square feet in 2006, accounting for over 50% of the total across Canada as a whole.

⁸ Agriculture's role in the bioproducts industry
<http://www.statcan.gc.ca/pub/21-004-x/21-004-x2006003-eng.pdf>
 Bioproducts Development Survey: Analysis of Summary Results
http://www4.agr.gc.ca/resources/prod/doc/pol/pub/bioprod/pdf/bioproducts_e.pdf

Figure 8 – Area Under Greenhouse, Ontario, 2006

Item	1996	2001	2006	Difference 1996 to 2006	Percentage Change
Greenhouse area (thousand square feet)	63,303	98,374	126,590	63,287	100.0%

Source: Statistics Canada, Census of Agriculture, 2006

2.2.5 Agri-business + Agri-tourism

Agri-business is a generic term that has traditionally referred to the various businesses involved in food production, including farming and contract farming, seed supply, agrichemicals, farm machinery, wholesale and distribution, processing, marketing, and retail sales. Increasingly, however, agri-business is being used to represent a much wider and broader set of businesses or business activities that go beyond the production and processing food. Agri-business now involves activity that extends into the use of agricultural products for non-food uses, hence the increasing use of agricultural products in the bioproducts and bioenergy fields. It also includes small scale production and food processing which serve local and near local markets, such as micro-breweries; wineries; micro-enterprises; and greenhouse production. The term can also extend into the operation of the farm business and farming community itself with such activities as agri-tourism.

Agri-tourism, also considered an element of rural tourism, is generally associated with **small-scale farm enterprises and community events that are linked to local families and the agricultural traditions of rural regions.**⁹

Agri-tourism is defined as travel, which connects agricultural and rural settings with agricultural operations. Visitors generally engage in agri-tourism to experience agriculturally based activities ranging from **“fruit and vegetable stand shopping (direct farm marketing) to winery, orchard, garden and alpaca tours, from farm-based bed and breakfast accommodation, to participation in harvest festivals, farmer’s markets and cattle drives.”**¹⁰

The rationale behind agri-tourism is twofold; firstly many farmers have been forced to supplement their income through the broadening of their agricultural practices and the adoption of non-agricultural activity to compensate for cost/price pressures and agricultural overproduction. Secondly, there has been an increase in demand by the general public for specialized vacation experiences, which has stimulated growth for tourism and recreational activity in rural settings. A focused interest in agri-tourism has been driven by predominately urban populations with a desire to experience the natural environment, a chance to engage in inexpensive rural recreation and to gain knowledge about the farming industry and lifestyle.¹¹ The figure below describes both the benefits and costs associated with the introduction of agri-tourism to a community.

⁹ Government of British Columbia: Ministry of Agriculture & Lands, Agritourism Chapter 1: 2000

¹⁰ Ibid.

¹¹ Government of Manitoba, 2000

Figure 9 – Costs/ Benefits Associated with the Introduction of Agri-tourism

Benefits	Costs
- Expansion of farm operations;	- Unforeseen marketing and development costs to farmers
- Increase farm revenue;	- Creation of only part-time and seasonal employment
- Heightened awareness of local agricultural products;	- Increased demand on farm and community services
- Additional revenue for local business and services used by tourists;	- Increased change of environmental and social impacts that cannot be controlled by local community
- Promotion of inter-regional partnership, communication and understanding	

Source: Adapted from Government of British Columbia: Ministry of Agriculture & Lands, Agritourism Chapter 1: 2000

A wide range of innovative services and products associated with agri-tourism have emerged in Ontario including guided agri-tours e.g. walking tours, visits to museums, restaurants, and venues related to the production of agricultural produce. Initially, the province stimulated the growth of agri-tourism through the Ontario Ministry of Tourism, Culture and Recreation with the development of the Rural Visitation Program in 1993. Since then, the province continually reviews and refines policies influencing the industry. Targeted support programs have also been created by the province to further develop agri-tourism in Ontario, for example: the Ontario Rural Routes; Farmers’ Markets Ontario and the Ontario Farm Fresh Marketing Association.¹²

2.2.6 Aging Farming Population

One of the more serious considerations for the future of farming in Ontario and by extension the County of Elgin is the aging of the farm operators. The average age of a farm operator in Ontario in 2006 aligns with the national average at 52.6¹³ years compared to 51 years in 2001. This raises questions about the future of farming, the need for succession planning for farming operations and the long term sustainability of agriculture production across the country.

2.3 Agriculture in Elgin

With a fertile soil base and a plentiful growing season, the County of Elgin has been at the centre of Ontario’s agricultural heartland for almost two centuries. Elgin’s long history of agriculture can be traced back beyond 1860, when wheat farming dominated the area. The emergence of mixed farming within the County began shortly after, as Elgin farmers pursued a more diverse range of crops.¹⁴ During this time, wheat farming production was on the decline and the rise of fruit and livestock farming contributed to the County’s transition into a strong agricultural community diversifying itself into a number of crops, produce and livestock farming options. The County’s agricultural sector continues to evolve, with the transitioning and repositioning of farms and businesses within the tobacco growing region of Norfolk County and eastern Elgin County to niche crop markets such as soybean, other animal products and organic farming.

¹² Government of British Columbia: Ministry of Agriculture & Lands, Agritourism Chapter 1: 2000

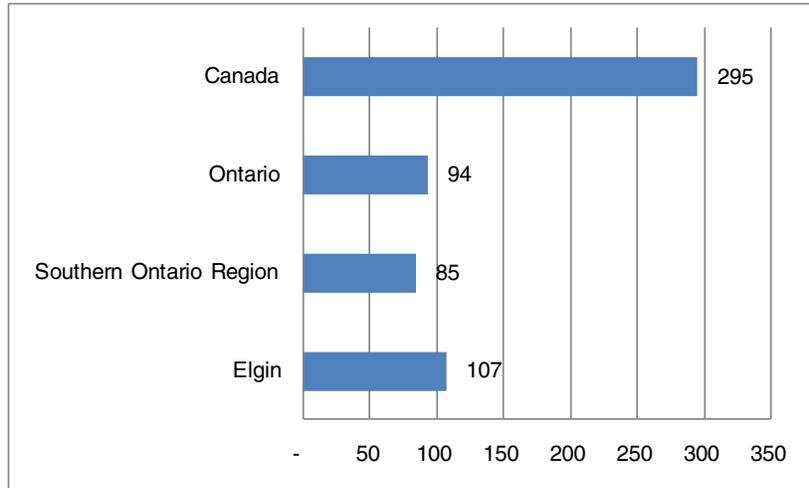
¹³ *ibid.*

¹⁴ Hall, D. (1971). Economic Development in Elgin County 1850 -1880. University of Guelph, MA Thesis.

2.3.1 Operational Profile

Currently, Elgin County has a total farm area of 159,282 hectares, approximately 10 percent of southern Ontario’s agricultural land base and approximately 2.96% of Ontario’s farm land. While the average farm size in Ontario is approximately 94 hectares, farms in Elgin County are approximately 107 hectares (figure 9).

Figure 10 – Average Area of Farms (hectares), 2006



Source: Statistics Canada, Census of Agriculture, 2006

Figure 10 provides a current breakdown of farming operations in Elgin as compared to the Southern Ontario Region¹⁵ and Ontario as a whole. Based on recent agricultural census information, Elgin County’s largest proportion of farms operate in oilseed and grain farming (43.7%) followed by cattle ranching and farming (13.2%), other animal production (11.6%), and other crop farming (10.6%).

Most notably, vegetable and melon farming in the County accounts for 10.9% all production in the Southern Ontario Region, while other animal production accounts for 10.2% of all activity.¹⁶

¹⁵ The 2006 Agricultural Census defines the Southern Ontario Region Hamilton, Niagara, Haldimand-Norfolk, Brant, Oxford, Elgin, Chatham-Kent, Essex Lambton and Middlesex Counties.

¹⁶ Other animal production comprises establishments primarily engaged in raising animals such as bees, horse and other equines, rabbits and other fur-bearing animals, llamas, etc.

Figure 11 – Farms classified by Industry (North American Industry Classification System), Census of Agriculture: 2006

	Elgin		Southern Ontario Region		Ontario		Canada	
	#	%	#	%	#	%	#	%
Total farms	1,489	100	18,665	100	57,211	100	229,373	100
Oilseed and grain farming	650	43.7%	7,691	41.2%	13,056	22.8%	61,667	26.9%
Cattle ranching and farming	197	13.2%	2,270	12.2%	15,989	27.9%	75,598	33.0%
Other animal production	173	11.6%	1,689	9.0%	7,573	13.2%	26,779	11.7%
Other crop farming	158	10.6%	1,854	9.9%	8,823	15.4%	28,574	12.5%
Vegetable and melon farming	99	6.6%	903	4.8%	1,769	3.1%	5,239	2.3%
Greenhouse, nursery and floriculture	52	3.5%	1,244	6.7%	2,822	4.9%	8,754	3.8%
Hog and pig farming	49	3.3%	823	4.4%	2,222	3.9%	6,040	2.6%
Fruit and tree-nut farming	47	3.2%	1,225	6.6%	1,892	3.3%	8,329	3.6%
Poultry and egg production	41	2.8%	677	3.6%	1,700	3.0%	4,578	2.0%
Sheep and goat farming	23	1.5%	289	1.5%	1,365	2.4%	3,815	1.7%

Source: Statistics Canada, Census of Agriculture, 2006

When consideration is given to the concentration of farming activity by major farm type we see that farming activity is concentrated in Soybean Farming (18.1%), Other Grain Farming (14.5%) and Corn Farming (8.0%).

These findings are relatively consistent with southern Ontario’s farm industry profile that suggests farming activity by major farm type is concentrated in Soybean Farming (21.8%), Other Grain Farming (10.9%), and Beef and Cattle Ranching & Farming (7.2%).

Field crops are the most prominent type of farming operation throughout Canada’s agricultural sector and Elgin County is no exception. While these types of crops do not represent a large proportion of gross receipts, less than 2% of them reported gross receipts of \$1 million or more, the operations accounted for just under 40% of all farms in 2006.

Interestingly, while hog and pig farming did not demonstrate a large total farm percentage in Elgin (3.3%) or the other comparison areas, it was noted by Statistics Canada that while hog farms accounted for only 2.6% of all farm operations in Canada, nearly 18% of them reported gross receipts of \$1 million or more, the highest proportion of any farm type in 2006. In addition, poultry and egg operations represented 2.0% of all farm operations in Canada as of 2006; about 15% of them had receipts of \$1 million or more.

Figure 12 – Farms classified by industry (North American Industry Classification System), Census of Agriculture: 2006

	Elgin		Southern Ontario Region		Ontario		Canada	
	#	%	#	%	#	%	#	%
Total farms	1,489		18,665		57,211		229,373	
Dairy cattle and milk production	80	5.4%	929	5.0%	4,937	8.6%	14,651	6.4%
Beef cattle ranching and farming, including feedlots	117	7.9%	1,341	7.2%	11,052	19.3%	60,947	26.6%
Hog and pig farming	49	3.3%	823	4.4%	2,222	3.9%	6,040	2.6%
Chicken egg production	15	1.0%	216	1.2%	599	1.0%	1,811	0.8%
Broiler and other meat-type chicken production	17	1.1%	347	1.9%	834	1.5%	1,999	0.9%
Turkey production	5	0.3%	59	0.3%	116	0.2%	303	0.1%
Poultry hatcheries	0	0.0%	5	0.0%	15	0.0%	54	0.0%
Combination poultry and egg production	0	0.0%	14	0.1%	43	0.1%	150	0.1%
Other poultry production	4	0.3%	36	0.2%	93	0.2%	261	0.1%
Sheep farming	11	0.7%	206	1.1%	1,021	1.8%	2,837	1.2%
Goat farming	12	0.8%	83	0.4%	344	0.6%	978	0.4%
Apiculture	10	0.7%	101	0.5%	410	0.7%	1,598	0.7%
Horse and other equine production	98	6.6%	1,093	5.9%	4,297	7.5%	15,172	6.6%
Fur-bearing animal and rabbit production	2	0.1%	34	0.2%	112	0.2%	374	0.2%
Livestock combination farming	58	3.9%	407	2.2%	2,464	4.3%	7,136	3.1%
All other miscellaneous animal production	5	0.3%	54	0.3%	290	0.5%	2,499	1.1%
Soybean farming	270	18.1%	4,078	21.8%	5,812	10.2%	6,391	2.8%
Oilseed (except soybean) farming	0	0.0%	6	0.0%	25	0.0%	10,357	4.5%
Dry pea and bean farming	9	0.6%	78	0.4%	152	0.3%	1,258	0.5%
Wheat farming	36	2.4%	555	3.0%	953	1.7%	12,137	5.3%
Corn farming	119	8.0%	942	5.0%	1,694	3.0%	3,584	1.6%
Other grain farming	216	14.5%	2,032	10.9%	4,420	7.7%	27,940	12.2%
Potato farming	13	0.9%	74	0.4%	243	0.4%	1,607	0.7%
Other vegetables (except potato) and melon farming	86	5.8%	829	4.4%	1,526	2.7%	3,632	1.6%
Fruit and tree-nut farming	47	3.2%	1,225	6.6%	1,892	3.3%	8,329	3.6%
Mushroom production	1	0.1%	27	0.1%	68	0.1%	154	0.1%
Other food crops grown under cover	10	0.7%	241	1.3%	312	0.5%	945	0.4%
Nursery and tree production	30	2.0%	496	2.7%	1,474	2.6%	4,956	2.2%
Floriculture production	11	0.7%	480	2.6%	968	1.7%	2,699	1.2%
Tobacco farming	70	4.7%	559	3.0%	560	1.0%	565	0.2%
Hay farming	45	3.0%	677	3.6%	5,917	10.3%	18,084	7.9%
Fruit and vegetable combination farming	5	0.3%	56	0.3%	167	0.3%	571	0.2%
All other miscellaneous crop farming	38	2.6%	562	3.0%	2,179	3.8%	9,354	4.1%

Source: Statistics Canada, Census of Agriculture, 2006

The one area where Elgin lags behind the rest of the Southern Ontario region is in greenhouse operations. While Southern Ontario accounts for 83% of all of the area under greenhouse in Ontario, Elgin only accounts only 1.1% of the area and less than 1% of all greenhouse area in Ontario. Despite growing conditions that are similar to other parts of Southern Ontario, Essex (46.7% of Ontario) and Niagara (18.0%) have considerably more area under greenhouse than Elgin.

Figure 13 – Area Under Greenhouse, Elgin, 2006

	Elgin County			Southern Ontario		Ontario
	Area (sq m)	% of S Ont	% of Ont	Area (sq m)	% of Ont	Area (sq m)
Total area under glass or plastic	105,763	1.1%	0.9%	9,770,431	83.1%	11,760,576

Source: Statistics Canada, Census of Agriculture, 2006

In terms of organic farm operations, Elgin has seen a 116% increase in the number of certified organic farms between 2001 and 2006. However, this only represented a total of 26 farms which were certified organic, though there were another 5 transitioning to organic and a further 46 producing uncertified organic products. This represents approximately 4.4% of Ontario’s certified organic farms and over 14% of those in the Southern Ontario Region.

Figure 14 – Number of Organic Farms, 2006

	Total farms producing organic products	Certified organic products	Transitional organic products	Uncertified organic products
number of farms reporting				
Canada	15511	3555	640	11937
Ontario	3591	593	148	2989
Southern Ontario Region	737	181	55	551
Elgin	71	26	5	46

Source: Statistics Canada, Census of Agriculture, 2006

Another method for understanding the impact of farms operations in the County is through the calculation of location quotients. While typically used in a more traditional industrial application, the results suggest that Elgin may have a substantial competitive edge over other regions of Southern Ontario.

When compared to Southern Ontario, the County of Elgin has a very high concentration of farms in the following areas of production:

- *Potato Farming (2.20);*
- *Goat Farming (1.81);*
- *Livestock Combination Farming¹⁷ (1.79)*
- *Corn Farming (1.58)*

These results may suggest opportunities for value added operations, such the County has seen with the opening of the ethanol plant. There may also be opportunities to develop an artisan cheese industry that builds on the goat farming, as well as market for goat meat given the growing ethnic diversity of the province’s urban communities and a broader base demand for more ethnic foods.

¹⁷ NAICS 2002 Classification System: This Canadian industry comprises establishments primarily engaged in raising a combination of animals, classified in other industries with no one predominating. Examples: Animal specialty combination farm, Livestock and poultry combination farm, Crop and livestock farming, combination (primarily livestock) etc.

Figure 15 – Farms classified by Industry (North American Industry Classification System), Census of Agriculture: 2006: Location Quotient Classification

	Elgin	Southern Ontario Region	Location Quotient	Classification
Total farms	1,489	18,665		
Potato farming	13	74	2.20	Very High
Goat farming	12	83	1.81	Very High
Livestock combination farming	58	407	1.79	Very High
Corn farming	119	942	1.58	Very High
Tobacco farming	70	559	1.57	High
Dry pea and bean farming	9	78	1.45	High
Other poultry production	4	36	1.39	High
Other grain farming	216	2,032	1.33	High
Other vegetables (except potato) and melon farming	86	829	1.30	High
Apiculture	10	101	1.24	High
All other miscellaneous animal production	5	54	1.16	High
Horse and other equine production	98	1093	1.12	High
Fruit and vegetable combination farming	5	56	1.12	High
Beef cattle ranching and farming, including feedlots	117	1341	1.09	High
Dairy cattle and milk production	80	929	1.08	High
Turkey production	5	59	1.06	High
Chicken egg production	15	216	0.87	Medium
Hay farming	45	677	0.83	Medium
Soybean farming	270	4078	0.83	Medium
Wheat farming	36	555	0.81	Medium
Nursery and tree production	30	496	0.76	Medium
Hog and pig farming	49	823	0.75	Medium
Fur-bearing animal and rabbit production	2	34	0.74	Medium
Sheep farming	11	206	0.67	Low
Broiler and other meat-type chicken production	17	347	0.61	Low
Other food crops grown under cover	10	241	0.52	Low
Fruit and tree-nut farming	47	1225	0.48	Low
Mushroom production	1	27	0.46	Low
Floriculture production	11	480	0.29	Low

Source: Statistics Canada, Census of Agriculture, 2006

These results confirm that there is a diverse range of farm types and operations in the County of Elgin. In supporting future growth and investment in the County's agriculture and agri-business sectors, it is essential that the County have a strong understanding of the needs and opportunities associated with growth across a broad range of operations that create additional value added opportunities for the County. This could include opportunities to expand its equine and wine industries; artisan cheese manufacturing associated with local sheep and goat farms, further investment attraction efforts geared towards greenhouse operations and nursery operations. Further efforts are required to identify local development opportunities, as well as potential entrepreneurs in these and other fields. Initially, this may result in more attention being given to pursuing local value added production opportunities that serve the local or regional population. As the County and its producers build their brand and reputation, the export market for local products expands.

2.3.2 Food Based Manufacturing Operations

In addition to a strong agricultural sector, the County of Elgin also demonstrates some capacity for food based manufacturing and production facilities. While the scale of the operations is not known, figure 15 provides an understanding of the range of operations currently present in the County.

Figure 16 – Food Based Manufacturing and Production by Number of Businesses, County of Elgin: June 2008

EMPLOYEE SIZE RANGE	
NATIONAL INDUSTRIES	Elgin
Total Manufacturing Industries	137
311511 - Fluid Milk Manufacturing	5
312130 - Wineries	2
311811 - Retail Bakeries	3
311119 - Other Animal Food Manufacturing	2
311611 - Animal (except Poultry) Slaughtering	2
312110 - Soft Drink and Ice Manufacturing	1
311420 - Fruit and Vegetable Canning, Pickling and Drying	1
311520 - Ice Cream and Frozen Dessert Manufacturing	1
311614 - Rendering and Meat Processing from Carcasses	1
311814 - Commercial Bakeries and Frozen Bakery Product Manufacturing	1
311990 - All Other Food Manufacturing	1

Source: Statistics Canada, Canadian Business Patterns Data, June 2008

* Total number of buinesses include businesses with employees and those that are self employed

There are a total of 137 businesses classified as manufacturing in the County of Elgin, with 20 of these are related to the processing of food products. The greatest numbers of operations are concentrated in fluid milk manufacturing, wineries and retail bakeries. Given the crop production characteristics of the County, the opportunities associated with wine making, cleaning and bagging grain, pasta, processing, organic agriculture, and ready-to-eat convenience meals has the ability to enhance Elgin’s conventional farming abilities and provide its farmers with additional farm income.

2.3.3 Farm Operator Characteristics

Currently in Elgin there are 2,215 farm operators which represent 2.6% of the County’s population. This is substantially higher than the proportion for Ontario as a whole which equates to 0.6% of the population. This concentration of farm operators further illustrates the importance of agriculture on the County’s economy.

Figure 17 – Agricultural Profile, Census of Agriculture: 2006

	Elgin	Southern Ontario Region	Ontario	Canada
Farm and farm operator statistics				
Total population in 2006	49,241	2,405,526	12,160,282	31,511,587
Total number of operators	2,215	26,970	82,410	327,060
Average age of operators	53.1	53.1	52.6	52.0
Total male operators	1,580	19,470	58,875	236,220
Total female operators	640	7,490	23,530	90,840
Total number of farms	1,489	18,665	57,211	229,373
Land area (km ²)	1,881	21,520	907,574	5,469,898
Total area of farms (hectares)	159,282	1,592,343	5,386,453	67,586,739
Average area of farms (hectares)	107	85	94	295

Source: Statistics Canada, Census of Agriculture, 2006

A review of the age structure of the farm operator population in 2006 reveals little variation between the County and the regional, provincial and national trends. Figure 2 indicates that the majority of farm operators are male, with 71.3% of the Elgin farm operator population being male and only 28.9% of the operators being female. This trend is consistent on the regional, provincial and national level with values of 72.2%, 71.4% and 72.2% respectively that are male operators and 27.8%, 28.6% and 27.8% are female farm operators.

Figure 18 – Characteristics of Farm Operators, Census of Agriculture: 2006

	Elgin		Southern Ontario Region		Ontario		Canada	
	#	%	#	%	#	%	#	%
Total	2,215		26,970		82,410		327,060	
Sex								
Male	1,580	71.3%	19,470	72.2%	58,875	71.4%	236,220	72.2%
Female	640	28.9%	7,490	27.8%	23,530	28.6%	90,840	27.8%
Age								
Under 35 years	170	7.6%	2,075	7.7%	7,070	8.6%	29,920	9.1%
35 to 54 years	1,095	49.1%	13,285	49.2%	40,280	48.9%	164,160	50.2%
55 years and over	965	43.3%	11,615	43.1%	35,065	42.5%	132,975	40.7%
Average age of operators	53.1		53.1		52.6		52.0	

Source: Statistics Canada, Census of Agriculture, 2006

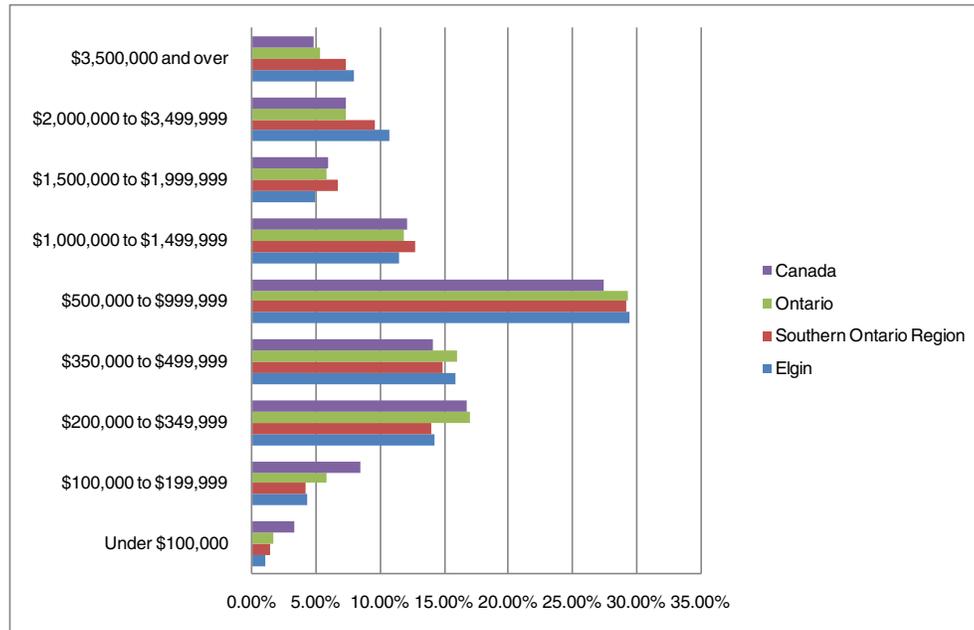
The age structure also reveals that a high proportion of the farming population is between the ages of 35 and 54 years of age (49.1%) which is slightly above the provincial average of 48.9% and slightly below the national average of 50.2%. However the average age of farm operators in Elgin is 53.1 years of age, and while consistent with the Southern Ontario Region average it does bring into question concerns for succession planning and the long term sustainability of farming in the County.

The aging of the agricultural industry's population is a national trend. Statistics Canada's publication *Agriculture-Population Linkage Data for the 2006 Census* identified 40.7% of all farm operators were aged 55 and over. A review of all occupations in Canada reveals that farmers and farm managers had the highest median age (51.0 years), while the median age for the total labour force was 41.2 years.

2.3.4 Farm Capital

The graph below provides an indication of current (2006) farm capital levels from the County as a whole. According to 2006 Agricultural Census data, there are 1,489 reporting farms with a collective market value of \$1,987,339,254. The majority of farms in Elgin operate with a capital budget of between \$500,000 to \$900,000 (29.5%), which is consistent with farms in the Southern Ontario Region (29.2%), the province (29.4%) and Canada (27.5%).

Figure 19 – Farms Classified by Total Farm Capital, 2006



Source: Statistics Canada, Census of Agriculture, 2006

It should be noted however, that there is a significant percentage of farms in the County of Elgin with capital levels in excess of \$2,000,000, with 10.7% of farmers reporting farm capital between \$2,000,000 and \$3,499,999 and 8.0% of farmers with capital of 3,500,000 and greater. The average farm capital for the Province of Ontario within these categories was 7.3% and 5.4%, respectively.

Figure 20 – Total Gross Farm Receipts (excluding forest products sold)

	Elgin	Southern Ontario Region	Ontario	Canada
Farms reporting	1,489	18,665	57,211	229,373
Amount in current dollars	\$ 311,175,680	\$ 4,672,359,547	\$10,342,031,229	\$42,191,981,171

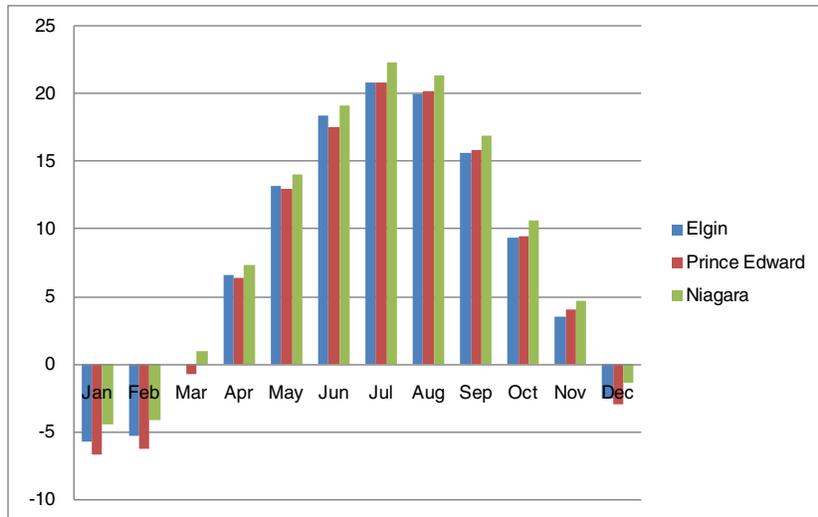
Source: Statistics Canada, Census of Agriculture, 2006

The County of Elgin’s total gross farm receipts in current dollars as reported in the 2006 agricultural census was \$311,175,680. This represents an average per farm of approximately \$209,000, which is above both the Provincial and national averages (\$181,000 and \$184,000 respectively), but below that of the Southern Ontario Region (\$250,000). A further detailed breakdown of census data that illustrates the gross farm receipts in the County of Elgin is unavailable.

2.3.5 Climate Conditions

One of the primary attributes that has contributed to the County of Elgin’s success as an agriculture and agri-business centre has been its climate. While the region enjoys a climate typically of Southern Ontario, when compared to other major Ontario agricultural regions (the Niagara Region and Prince Edward County) some variations are evident. The daily average temperature tends to be lower than the Niagara region, a major soft fruit production area, but the region is warmer on average than the more easterly Prince Edward County particularly through spring and early summer. The region enjoys a long growing season that averages 208 to 214 days¹⁸ and between 2,900 and 3,100 heat units annually.¹⁹

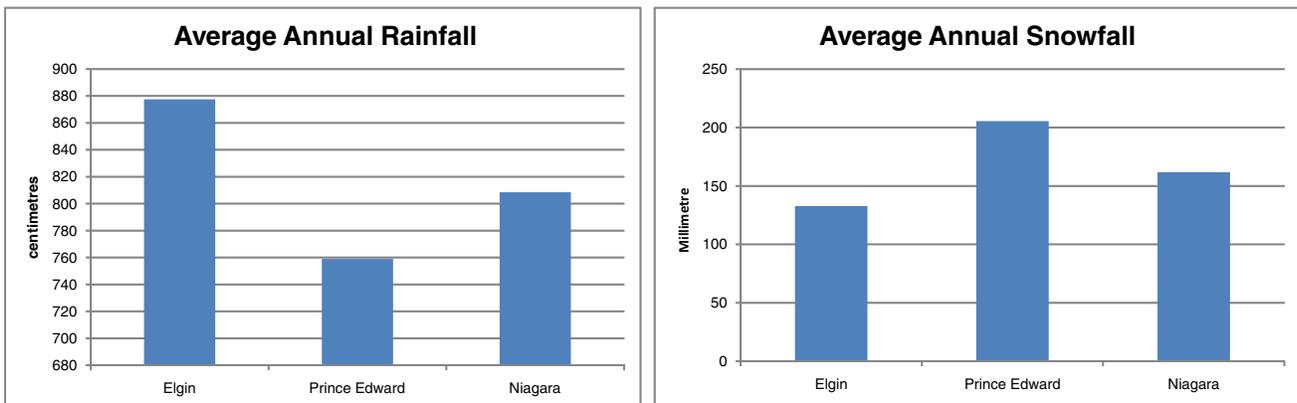
Figure 21 – Daily Average Temperature



Source: Environment Canada, 2008 (<http://www.climate.weatheroffice.ec.gc.ca/>)

Precipitation is also an important factor. Elgin tends to be wetter than either the Niagara region and Prince Edward County, receiving an annual average rainfall of almost 880 cm, compared to approximately 805 cm. in Niagara and under 760 cm. in Prince Edward County. This, however, is reversed when looking at average annual snowfall, where Elgin receives much less than either Prince Edward County or the Niagara Region.

Figure 22 – Annual Average Rainfall & Snowfall for County of Elgin, Prince Edward County and the Niagara Region



Source: Environment Canada, 2008 (<http://www.climate.weatheroffice.ec.gc.ca/>)

¹⁸ Start of season April 8 to April 12 - End of season Nov. 5 to Nov. 12

¹⁹ Source: Ontario Ministry of Agriculture & Food, The Soils of Elgin County: 1992

2.3.6 Soil Characteristics

A generalized soil profile for the County of Elgin is provided in a report distributed by the Ontario Ministry of Agriculture Food and Rural Affairs (OMAFRA), entitled “The Soils of Elgin.” The report describes the capability of the soils to sustain common field crops and the suitability of the soil for speciality crops. Common field crops that are grown in Elgin range from corn, wheat, oats, barley, and forage crops. Speciality crops include potatoes, cucumbers, peppers, strawberries, and tobacco as well as less commonly grown field crops such as spring canola and winter rapeseed. The increasing range of speciality crops that are being grown in Elgin suggests the potential to diversify the County’s agriculture base and further development value added opportunities for the Agriculture + Agri-Business sector.

2.3.7 Elgin’s Agri-tourism Sector

The County continues to promote the concept of agri-tourism by supporting a range of businesses. For example, Benner Farms Limited (also known as, Heritage Line Herbs) is one of Elgin’s successful agri-tourism businesses. Deb Benner of Benner Farms Limited undertook the task of converting her tobacco farm to an herb operation, while doing so she decided to partake in agri-tourism.²⁰ She is able to attract a consumer base to her farm through the incorporation of innovative technology including: greenhouse feature in-floor radiant heating systems, floor heat pads and a corn furnace; the former bulk kilns and bunk house have become a kitchen. Benner also constructed a store and washrooms; and an outdoor tea room to attract interested visitors to her farm. Her success as an agri-tourism business has been widely celebrated with accolades such as, the Premier’s Award for Agri-Food Innovation Excellence.

2.3.8 Summary of Key Findings

- While most food moves from the farm gate to the consumer through a process that provides the farmer with only a fraction of the retail food price, there is growing number of farmers that have increased the value of their agricultural product by the direct marketing of their food or farm product and by involving themselves and their farm operation in the growing popularity of agri-tourism.
- Having a wealth of agricultural product is not a competitive advantage unless they can be brought to market in a manner that is sustainable for the producing farm. The motivation and financial means to covert raw material into value added products requires that local producer have an element of control over the opportunity. This requires an entrepreneurial culture and the capital to make it happen.
- The type of farming activity present in the County broadly reflects that of the rest of Southern Ontario with an emphasis on oilseed and grain faming. Elgin lags behind the region in greenhouse operations; hog and pig farming; and fruit and tree-nut farming, all areas of growth which represent an opportunity for farming within Elgin County.
- Bio-products represent a growing market provincially, nationally and internationally. Elgin already product large quantities of bio-crops and bio-mass which will be in high demand as this sector grows. Competition within this new sector is likely to be very high as agricultural regions worldwide attempt to find a foothold in this emerging sector. Neighbouring Southern Ontario regions are already starting to place themselves at the forefront of this sector suggesting a partnership opportunities for the County of Elgin.

²⁰ Ministry of Agriculture Food & Rural Affairs, <http://www.omafra.gov.on.ca/english/infores/releases/2007/033007.htm>

- Though Elgin has experienced above average population growth, the number of farm operators has declined by twice the provincial average between 2001 and 2006. In keeping with national and provincial trends the average age of famers within Elgin County is 53.1 years. Without a plan for attracting new entrepreneurs and farmers to the County the long-term sustainability and diversification of the sector is jeopardized.
- Farms in Elgin tend to be larger than those in the rest of Ontario, reflecting the national trend. This has contributed to a greater level of profitability in some subsectors. This is reflected in the average farm receipts for the County which exceed both the national and provincial averages.
- Elgin's long agricultural history has shown great adaptability to shifting markets, consumer preferences and technological change. This fact should be a cornerstone to the marketing and promotional efforts of the County as it strives to attract new investment and entrepreneurs.

3 Local Opportunities and SWOT Assessment

A local / regional SWOT Analysis (strengths, weaknesses, opportunities and threats) was undertaken to examine Elgin’s ability to support business attraction and investment in its Agriculture + Agri-business sector. This was accomplished through discussions with representatives of local industry – both those involved in local agricultural production, as well as representatives from government ministries and agencies involved in select aspects of the industry.

In addition to the insight provided by stakeholders, there are a number of strategic initiatives that should feature prominently in the County of Elgin’s marketing and investment attraction efforts for the Agriculture + Agribusiness sector. They serve to reinforce the “progressive by nature” brand that has recently been developed and also allows the County to demonstrate its strong entrepreneurial spirit.

3.1 Strengths

3.1.1 Good Transportation Connections

The County has excellent transportation connectivity to other parts of Southern Ontario and the GTA. Highway 401, the province’s main east-west transportation route, highways along with 402 and 403 are all within easy access of the County. The main national rail lines, Canadian National Railway (CN) and Canadian Pacific (CP) Railway, also bisect the County, and are served by the Norfolk & Southern, and the Trillium Railway Corporation. To the south is Port Stanley, which has the potential to be developed as the only deep water port on the north shore of Lake Erie to accommodate additional cargo capacity. The County also has a Regional Airport which can accommodate the movement of personnel and products. London International Airport, has also become a major hub for airfreight bound for South Western Ontario.

3.1.2 Strong and Diverse Agricultural Community

Elgin has a strong and diverse agricultural community that includes traditional farm operations, a Mennonite community, greenhouse operators, as well as organic farmers and wineries. These communities work together through a wide range of not-for-profit groups, associations, and networks that represent almost all commodities/foods produced in the County.

Elgin is also seen as a community at the forefront of agriculture in Ontario. Regional stakeholders agreed that “if it is being done in Ontario, it is being done in Elgin”, a testament to the success of the region’s agricultural sector. The strength of the region’s networks needs to be used to promote local agricultural opportunities and attract innovative and forward thinking farmers and agri-businesses.

3.1.3 Eat Fresh, Buy Local Elgin

The Eat Fresh, Buy Local campaign in Elgin County encourages both residents and visitors to the area to enjoy eating fresh from a variety of Elgin County farms. The program is marketed on the Elgin County website with links to a map of the participating area and the growing number of markets, farms and wineries from the “Eat Fresh! Buy Local! brochure. While the program is capitalizing on the consumers desire to know where their food comes from and the success of such initiatives as the “100-mile diet”, there is also opportunity for County to partner and participate with the Ontario Rural Council to further develop this initiative. For instance, OMAFRA and the Ontario Rural Council recently hosted two food forums that attracted more 200 participants. Stemming from these forums, were eight recommendations to encourage the consumption of locally-grown food. Suggestions included identifying products with a locally-grown label/brand and helping local farmers find new markets to reach with their product.



3.1.4 Fresh Foods Elgin

A fresh food production facility has been conceptualized for the County of Elgin, referred to as Fresh Foods Elgin. The purpose of this initiative is to produce premium quality fresh food products, as a replacement to the quantities of food that are currently being imported to Elgin. The County is revered as a strong candidate for the pilot project, as there is strong motivation by the area to mitigate the impact of the declining tobacco industry. Elgin holds a number of strengths such as ideal climate, demographic, labour force and market access conditions.

While this project is still in the conceptual stage, it would provide Elgin with the opportunity to host the first project of its kind in North America. The primary objective of the project is to be a vertically integrated fresh food production facility, while using fixed energy costs. By doing so, the facility will have the ability to control the supply, freshness, quality and costs of each food product.

3.1.5 Taste Trail Proposal

Elgin County is proposing to develop a “Taste Trail” which will allow visitors to follow a “trail” to a variety of culinary destinations throughout the region, inviting them to wine and dine their way across the County. The proposal is intended to bring the consumer directly to the producer and create a lasting connection between them. The program would incorporate intelligence about local markets, farms and wineries and encourage visitors to experience the local product. It will also incorporate information on bed and breakfast or farm-based accommodation that will allow visitors to sample the regions fine foods, and extend their stay in the County.

3.1.6 Improved Broadband Access

The Province has provided funding to County of Elgin under the Ontario Municipal Rural Broadband Partnership Program to offset the infrastructure costs and outreach to promote the uptake and use of the

new infrastructure by residents and the business community. The program has been well received and the quality of the County's telecommunication infrastructure has improved considerably as result to the point where it is seen as well developed for a rural community. The presence of a quality telecommunication system is essential to the development of the County's agri-business and agri-tourism industries, particularly if the County is trying to enable local businesses a broader exposure to a wider national and global marketplace and more effective marketing of local products and services.

3.1.7 IGPC Ethanol Production Facility

Integrated Grain Processors Co-operative (IGPC) Ethanol Inc. is Canada's first farmer and community owned ethanol production facility. IGPC Ethanol Inc. is a subsidiary of Integrated Grain Processors Cooperative Inc. The Co-operative was lead by a group of south western Ontario corn producers for the purpose of developing an ethanol plant, which would add value to local producers' corn and create jobs and economic growth in south-western Ontario. Located within Aylmer's municipally-owned business park, the new plant celebrated its grand opening in mid-December 2008 with the completed construction of a \$140 million ethanol plant. In an exclusive agreement with Cargill Limited, IGPC has constructed an operation capable of producing approximately 150 million litres of denatured fuel-grade ethanol annually. The plant is also expected to produce approximately 120,000 tonnes of Dried Distillers Grains with Solubles (DDGS).²¹

While the plant started production in early October, it has just recently reached full production capacity. The new plant has created 37 jobs and a number of spinoff jobs have been created at companies transporting and supplying materials to the plant. The presence of the new production plant will not only benefit Aylmer, but the entire agricultural sector of Elgin. Local producers and farmers, such as corn farmers, grain elevators, trucking companies and livestock producers are also benefiting from the operation.

3.1.8 International Plowing Match

In September of 2010, the County of Elgin will host the International Plowing Match and Rural Exposition (IPM); which is held in a different county or region across the province of Ontario on an annual basis. The five-day event brings together 160 competitors, 600-700 exhibitors and attracts more than 80,000 visitors from across Ontario, Quebec, and the U.S. Collaboration between the Ontario's Plowmen's Association, the local IPM organizing committee, Elgin County Plowmen's Association and the support of Elgin County Council will aid in the promotion of the event.

By hosting an IPM event, the County is able to promote business development through the purchase of local goods and services. Recent surveys conducted by the Ministry of Tourism suggest the economic gains of hosting an IPM is over \$20 million to the area. As highlighted in the 2003 IPM festival in Lanark County, the area benefitted from \$6,323,000 in new spending. The County also estimated each visitor spent an average of \$152 during the weeklong event. Besides the direct economic impacts, it also provides the County of Elgin opportunities to showcase the area as a leader in agriculture + agribusiness opportunities through the use of informative displays and allows the County to draw attention to its rural lifestyle and quality of place for its residents.

3.1.9 Cross over Opportunities with Energy and Environment Sector

The importance of the bio-products sector in Ontario, including bio-energy, has already been highlighted in this report. The growth of this sector and the linkages to the County's agriculture sector provides a unique opportunity to advance the region's Energy and Environment Sector. There are opportunities for

²¹ Canada Newswire Ltd, IGPC Ethanol Plant in Ontario Celebrates Grand Opening, December 2008

Elgin to develop its own bio-energy sector, whether that is through the introduction anaerobic digesters, the development of wind and solar farms, or geothermal projects. Looking beyond the County's regional borders, there are opportunities for Elgin farmers to supply bio-mass to Tillsonburg's cogen facility as well as Nanticoke in Lambton.

3.2 Weaknesses

3.2.1 One Post Secondary Institution

Fanshawe College St. Thomas/ Elgin campus has been present in the community since 1969. While the College advertises itself as a major driver of Elgin's economic growth, the educational facility is limited to the areas of technology, trades, health care, computers and business. The College is a vital resource to linking the community's local businesses and industries with an educated workforce; however it does not provide programming that ties into the advancement of the County's agriculture + agri-business sector e.g. culinary skills, culinary management, food safety, bio-food technician etc..

3.2.2 No Existing Cluster of Food Processors

The global marketplace is becoming increasingly competitive. As consumers are expecting safer, healthier products, a need to produce and process food, locally is rising. Currently, the County of Elgin has twenty-six food related manufacturers ranging from fluid milk manufacturing to wineries to retail bakeries. However, there is only a small cluster of food manufacturers at present that provide any value added opportunities for local producers. A stronger food processing presence, even small local and regional producers would greatly assist in advancing the development of the County's agri-business sector.

3.2.3 Lack of Interaction between County Farmers and Consumers

Strong relationships between farmers and consumers are essential to the development of Elgin's agri-business industry. This is particularly important given the current stage of the County's agri-business activity. In addition, the need for effective marketing by the farmer and the County to the consumer is essential to long term success.

3.2.4 Technological Servicing Constraints

The ability to provide high speed internet and fibre optic infrastructure to residents, businesses and future investors is essential to the promotion of the agribusiness sector. A great deal of business and commerce is now being completed through e-technology and without the readily available access to the internet the task of doing business becomes difficult. Stakeholders continue to raise concerns that high speed internet was not available to all residents of the County and that the quality of the service is still an issue for some in the County. It is important to note however, that many stakeholders felt the County had the best high speed internet access in all of south-western Ontario.

3.2.5 Farming Community Lacks Marketing Skills

Many farmers and small business entrepreneurs are finding that they do not have the skills to undertake effective marketing, sales and distribution of their products and services. As a result, they are faced with a steep learning curve to ensure their agri-business or agri-tourism operations are successful. The lack of knowledge of the local/regional supply chain to support their business is also an impediment to growth.

3.2.6 Aging Farming Population

The figures presented earlier in the report by Statistics Canada suggest an aging farm population. Only 7.6% of Elgin's farm operators are under the age of 35 years, in stark contrast to the growing age cohort of 55 years and over, which accounts for 43.3% of this demographic. Without a continued interest in

traditional and emerging agricultural opportunities the County should be concerned as to the sustainability of the sector over the longer term.

3.2.7 Agriculture Still Commodity Based

While the County is seen as having a strong agricultural base, it is heavily commodity-based with little value added production at present. The reliance on commodity based operations means that farmers are tied to a global pricing system.

3.3 Opportunities

3.3.1 Build on Success of Traditional Farming Base

The traditional base of farming operations in Elgin represents a significant opportunity to further develop and transition the region's agriculture and agribusiness operations. In many instances local farmers own the land they farm, as well as farm assets such as machinery and buildings. They are also knowledgeable with respect to the shifts in market demand as evidenced by the growing number of experienced dairymen in Elgin that have shifted milk production to include goat and sheep milking. This will have the effect of developing a critical mass of product far faster than a region without dairy farming capacity. Besides contributing to the development of a viable agricultural industry, these same farms can also enable the attraction of value added cheese production operations to Elgin.

3.3.2 Attracting Entrepreneurial Residents

The future success of agriculture and agri-business in Elgin will depend on attracting and developing entrepreneurial residents to the County. The lifestyle and cost of living in Elgin will make this an attractive proposition to potential new residents, but more need to be done to encourage and support these individuals. By promoting the existing base of innovative and entrepreneurial businesses, Elgin can illustrate that the County is a successful place to start and develop a new agriculture or agri-business venture.

3.3.3 Enhanced Support to Entrepreneurs

Agriculture and Agri-business should be viewed as a business or industry sector in the same way that manufacturing or transportation and logistics are viewed. The County needs to consider how it can better support its base of entrepreneurs, including how they can attract and assist in developing new business opportunities. This should include businesses support services which assist entrepreneurs with testing, developing, financing and running their business as well as partnerships with academic institutions, such as the University of Guelph's campus at Ridgetown and Fanshawe College, the Elgin Business Centre and a network of mentors drawn from the local community.

3.3.4 Strong Tourism Industry

Elgin needs to take a holistic approach to the development and marketing of its tourism product and services and better leverage the opportunities associated with its agricultural and agri-business sector. Visitors to the County are coming for a variety of reasons: the beaches, camping, birding, hiking, and cycling. The County needs to better integrate agri-tourism into these points of entry for visitors.

3.3.5 Emergence of Agri-Tourism

There has been an increase demand by the general public for specialized vacation experiences, which has stimulated growth for tourism and recreational activity in rural settings. A focused interest in agri-tourism has been driven by predominately urban populations with a desire to experience the natural environment, a chance to engage in inexpensive rural recreation and to gain knowledge about the farming industry and lifestyle.

Elgin's proximity to the urban areas of Chatham-Kent, London and the Western GTA has contributed to growing number of agri-tourism experiences associated with existing farm operations including the lavender farms, bee-keeping, fruit and vegetable farming and livestock.



3.3.6 Emergence of Bio-Products Industry

There is a great opportunity for Elgin to participate in the growth of the province's bio-products industry. Communities all across Ontario are pursuing opportunities to participate in this emerging global market. Elgin's agricultural base was instrumental in securing the development of the IGPC Ethanol plant, as well as the introduction of anaerobic digesters with local farm operations. Switch grass is also emerging as an alternative to corn in the manufacture of ethanol and research is underway at the University of Guelph into the use of tobacco in the production of bio-products. There may also be opportunities to supply the Tillsonburg cogen facility or Nanticoke in Lambton with larger shipments of corn. Elgin is particularly attractive to Nanticoke given its access to the deep water port at Port Stanley.

3.3.7 Organic Farming

The rate of growth in organic farming in Ontario represents significant opportunity for the County of Elgin in the attraction of new ventures and entrepreneurs. Organic farming has become more profitable in recent years as consumers begin to understand the importance of buying local, and knowing where your food comes from. Elgin currently has 26 certified organic farms with a further 5 in transition and 46 producing uncertified organic products.

3.4 Threats

3.4.1 Higher energy and agricultural commodity prices have affected sector

Farmers in Ontario feel the prices paid to farmers for commodities are in stark contrast with the prices consumers pay for the final product. Due to a sharp increase in global commodity prices (i.e. crude oil, wheat and rice), there has been a shift in the supply and demand conditions across the globe. Increased levels of energy consumption in developing countries have caused world energy consumption to increase by 63 percent from 1980 to 2005.²² Higher energy costs are expected to have adverse affects on the prices of major agricultural inputs (i.e. fertilizer), which can increase costs to Elgin farmers.

3.4.2 Lack of Alternative Viable Agricultural Crops

The County of Elgin has engaged in traditional agricultural production for an extended period of time. However, as food, beverage and tobacco outputs are slowing the need to diversify the County's farming portfolio is becoming increasingly important. At the current time, Elgin's farming is concentrated in the following three sectors: Soybean Farming (18.1%), Other Grain Farming (14.5%) and Corn Farming (8.0%). The County needs to advance a dialogue on diversification opportunities e.g. niche crops, functional foods, nutraceuticals, vineyards, etc.

3.4.3 Small Farms Dependent on Non-farm Income

Farmers across the County of Elgin acknowledge that the small family owned farm is disappearing. This is a trend that is playing out across the province and Canada. Due to low, negative and net market income; smaller farms are increasingly relying on non-farm income and program payments to sustain their families. Farmers need to find an effective way to market agricultural products that allow farmers and consumers to benefit from a fair price.

²² Agriculture and Agri-Food Canada, An Overview of the Canadian Agriculture and Agri-Food System, 2008

4 Case Studies

In positioning the County of Elgin for new business and investment in its Agriculture + Agri-business sector, consideration has been given to the approach taken by two other regions of Ontario in advancing their agricultural sectors. Prince Edward County is widely touted as having a strong and growing agricultural and agri-business community having built a brand around its local entrepreneurs and creative rural economy. Chatham-Kent while having a strong agricultural community has also seen its fortunes rise and fall with the demise of the North American auto industry.

The following discussion provides an understanding of the opportunities that have been pursued by each community to advance its agriculture sector

4.1 Prince Edward County

4.1.1 Background

In the fall of 2000, at the request of the Federation of Agriculture, a study was conducted to identify the economic importance of agriculture within the County of Prince Edward.²³ The report contained information on Prince Edward County (PEC), which assessed the direct/indirect economic impact of agriculture to the region and identified the challenges and barriers and the opportunities associated with the presence of a vibrant agricultural community to the County. A second phase of the study included an implementation plan that incorporated the findings of the economic assessment into future strategic plans for the County.

Following the first report, a market readiness assessment and strategic economic development plan²⁴ was created to identify the County's initial economic development successes and to expand the current economic development base of the County. At the top of the County's successes in economic growth was **agriculture**. The County identified five key opportunities:

- Traditional agriculture
- Foreign investment in traditional or niche farming
- Organic farming
- Niche or speciality farming and;
- Viticulture

The report concluded that the County was not market ready for large scale industry attraction and development, but should capitalize on a different approach based on the County's unique climate and growing conditions.

PEC then undertook an Agri-Food and Tourism Market Study in 2007. The report provides considerable discussion on the three major components of its food industry, which ranged from producers and processors of agricultural and animal products, and the commercial businesses and residents who purchase local produce at various County farm gates. Based on the results of five separate surveys, the report found that PEC's agri-food industry is made up of small, young independent businesses that

²³ Prince Edward County Economic of Agriculture Study, Planscape, 2001

²⁴ Market Readiness Assessment and Strategic Economic Development Plan, The County of Prince Edward, WCM Consulting Inc, 2004

operate with sales volumes of less than \$250,000 annually and have been operating for less than ten years.²⁵

4.1.2 Key Sector Strengths

PEC has aggressively pursued the attraction of agri-food producers, by capitalizing on its earlier success as a vibrant agricultural industry. It is now a region with a reputation of producing high quality agri-food products from farm gate products, to wineries, and cheese manufacturing. While the County's economic development department is continually looking to support the agri-food industry in order to establish a flourishing regional economy the region also benefits from high levels of tourist traffic and a conducive climate.

Agriculture is celebrated in PEC both in its preservation of traditional agriculture practices and its integration of the latest technology and trends to bring family operations into the future. Traditional agriculture in cash crops, dairy and beef, niche crops and organic operations are considered a growth industry in the County of Prince Edward. PEC's wants to be seen as "Creative County", with innovative product developers and niche merchandisers that think creatively when cultivating food. This has included: organic barley, wild boar sausage and artisan cheese. PEC's efforts to promote and market its small scale food processors, artisan cheese makers and organic farmers has benefited many of these operations in terms of high returns on their investments and the broader distribution of their products to urban markets.

4.1.3 Promotion of Agribusiness by Prince Edward County

PEC's agriculture sector built its success through the entrepreneurial spirit of its residents – new and old. The concept of enterprise and creativity is promoted the County's website portal: **People, Enterprise, Creativity**. PEC's agribusiness community is promoted through personal testimonials and company profiles located within the web portal. Most notably referred to as, Farm Faces, unique characters such as Fish Lake Garlic Man are featured on the website to encourage consumers to know who and where their food is coming from. While the web portal is not exclusive to the agribusiness sector (Creative Industries, Commerce & Industry, Tourism Business and Access to Funds are also highlighted), the interactive page highlights key agricultural and artisan producers in the farming, artisan cheese and food processing subsectors.

The County also highlights various accolades it recently received within the agribusiness community. For instance, the County was crowned in 2007 by the Vintner's Quality Alliance as the province's newest designated viticulture area and has become the unofficial Slow Food capital of Canada. A number of marketing tools are used by PEC to promote its agribusiness community to the region and beyond through web links such as a business directory, the beginnings of a job fair webpage that is both available online, as well as in-person, with 24/7 access for job seekers and employers.

4.2 Municipality of Chatham-Kent

4.2.1 Background

In 2001, a variety of agencies and organizations across Chatham-Kent collaborated to conduct a study on the economic impact of agriculture in the municipality. The report dissected the sector into various components, which analyzed physical/socio-economic profile and the socio-economic benefits of incorporating a healthy, active agricultural community in the study area. In real terms, the overall purpose of the study was to quantify economic activity or output and employment generated by the agricultural community within Chatham-Kent.

²⁵ Prince Edward County: Agri-food Markets, Ted Rogers School of Hospitality and Tourism Management, 2007

4.2.2 Key Sector Strengths

The broader region, in which Chatham-Kent resides, benefits from a wider range of agricultural production than any other region within the province. Products produced in the area supply both local consumers and international markets. Agricultural production within the Municipality of Chatham-Kent is extremely diverse ranging from field crops to livestock production to intensively farmed greenhouse vegetables. Chatham-Kent has a favourable climate in terms of heat units and rainfall, as well as excellent soil types (94.3% of land inventory classified as 1, 2 or 3). The region's soil and climate have contributed to its ability to produce specialty crops of tomatoes, seed corn, tobacco and vegetables. Chatham-Kent's agricultural industry also includes Grape growers, Greenhouse Production, Mushroom Production, Seed Corn and Black Tobacco, Fruit and Vegetable Crops.

The challenges facing Chatham-Kent's agriculture sector are industry consolidation driven by competitiveness resulting in fewer, larger farms and agri-business firms; availability of skilled labour given that the increased educational requirements for many agri-business operations; and operating in a business environment that is often influenced by factors beyond the borders of Chatham-Kent. Examples of some of these external factors include Canada/U.S. exchange rates, ability to identify changing international market opportunities, and foreign government policies that include trade barriers and differences in subsidy rates. The central issue facing primary production operations within Chatham-Kent is the heavy reliance on commodity field crop production (i.e. corn, soybeans and wheat).

4.2.3 Promotion of Agribusiness by the Municipality of Chatham-Kent

Chatham-Kent has implemented a series of marketing tools to promote the successful identification and integration of agriculture and specifically, agri-business into the community. The municipality's website includes a series of tabs ranging from resources, workshops and sources of funding, specifically identified focused to farmers. The Municipality offers a directory that outlines resources from rural organizations and agricultural societies. Chatham-Kent also provides a detailed list of workshops geared to the agribusiness sector, with topics varying from farm financials to agriculture health and safety. The workshops are reasonably priced and are accessible to all as they are located at the Chatham-Kent Chamber Office. For interested investors, the Municipality has also developed an Industrial & Agricultural Business Directory. While the directory is not interactive in nature, it does offer information on employee size per business, major employers, firm and employee distribution by industry sector, NAICS cross reference etc...

Chatham-Kent also highlights its outstanding agricultural producers through the erection of an honour gallery in 1998, which is located in the County Municipal Building. Honourees are inducted into the *Kent Agricultural Hall of Fame*, on the basis that an individual must have demonstrated success within the realm of agriculture and service to the rural community in and around Chatham-Kent.

In addition to these efforts the Municipality's Economic development Services has struck a unique partnership with the University of Guelph's Ridgetown Campus whereby they will actively promote and develop agricultural business and rural economic opportunities.

Currently the Ag Business Centre provides support to:

- Fresh Vegetable Growers of Ontario
- Kent Federation of Agriculture
- Southwest Ag Conference
- Southwest Agri Development
- St Clair Region SCIA – Regional Communications Coordinator
- Administrative Support for CARES (Centre for Agricultural Renewable Energy and Sustainability) Working Group; in partnership with SOBIN and

- Harvest Days (project of Lambton-Kent Agriculture in the Classroom Action Committee)

Their expertise also includes: agricultural conference planning, service to rural organizations, agricultural education geared to elementary schools, and targeted training programs geared to the agricultural community.

Having completed an update to the Municipality's Economic Development Strategy in 2007, Chatham Kent is now moving ahead with the development of a bio-auto study that will examine opportunities for new crops, make suggestions for automotive manufacturers to expand their product lines to use more biomaterials, enhancing the efforts of local research partners, such as the University of Guelph, Ridgetown Campus. Proximity to bio-product supplies will also be examined to see if they factor into the attraction of new investment to the community. The work is due to be completed in the first quarter of 2009.

5 Key Messaging + Recommendations

The following recommendations are intended to assist the County of Elgin and its municipal partners in their economic development efforts to firmly establish the region as a centre for agriculture and agri-business investment and innovation.

1. Promote Elgin's proximity to highway infrastructure, and access to major urban markets such as London, Chatham-Kent, Kitchener-Waterloo and the Western GTA in tandem with the experience of country roads and scenic landscapes that will appeal to customers and visitors. Other key factors in the attraction of new investment are the availability and reliability of hard infrastructure such as water, natural gas, and telecommunication.
2. Promote the quality and extent of broadband services throughout the County from the perspective of operating home-based and e-business opportunities and staying connected to both markets, consumers and would-be visitors to the region
3. Maintain a portfolio of business profiles and photos that demonstrate the range of innovative and niche farm and agri-business operations that are present or emerging in the County. These should include the recent winner's of the Premier's Award for Agri-Food Innovation Excellence in conjunction with the business profiles of local agriculture + agri-business operations.
 - a. **Weniger Farms (award winner)**
 - b. **Benner Farms + Heritage Line Herbs (award winner)**
 - c. **Brooymans Farms (award winner)**
 - d. **Clovermead Bees and Honey (award winner)**
4. Develop a "Growing Elgin" section on the County's economic development website. Include
 - a. Recipes that allow for local produce;
 - b. A "what's in season" to promote 4 season interest in local agricultural/agri-business operations;
 - c. Promote local farm and agri-business entrepreneurs through the use of business profiles ("our innovators");
 - d. Provide key statistics on the nature of agriculture and agribusiness operations in Elgin, climate and growing season, local resources and associations etc.;
 - e. Provide more comprehensive mapping of agri-tourism operations that combines organic farms, farmgate opportunities, agri-tourism operations.
5. Investigate opportunities to conduct website retailing for farmers using the County of Elgin progressive by nature website.

6. Consider hosting an annual recipe contest that features/integrates local produce. Produce a cookbook that tells the reader where they can purchase locally grown produce. Enable the recipes to be downloaded from the County website.
7. Develop e-news stories on local farm operations and entrepreneurs – award winners, innovative approaches to farming etc.
8. Work with the City of St. Thomas and the Downtown Development Board to enhance and promote Horton's farmers market. Explore ways to create a year round farmers market with local products and produce.
9. Improve the level of integration between agri-tourism operators and experiences with the more traditional forms of tourism e.g. camping, beaches, festivals, culture and heritage. Consider a well targeted consumer marketing effort that links regional food directly with tourism when promoting Elgin County.
10. Investigate options for a value-added food study that gives consideration to the growth prospects for organic food, niche crops, vineyards, slow food industry, small and medium scale food processing, and value-added food production and processing operations.
11. Conduct a survey of primary producers in the County of Elgin in an effort to develop a detailed profile of local farming operations. The survey should look to determine:
 - a. the number of farm operations that are engaged in or interested in agri-tourism opportunities,
 - b. issues of succession planning
 - c. training needs, especially as it relates to effective marketing of farm products
 - d. business resource requirements
 - e. what innovative products and processes are being developed
 - f. products from the County that could be more effectively developed and marketed
 - g. what products they are able to buy locally vs. outside of the County with a mind to identifying import replacement opportunities that could be attracted to the County
12. Pursue partnership opportunities with the Elgin Business Centre (CFDC) and the Elgin Federation of Agriculture with respect to:
 - a. Creating a local angel investment network that would support new agri-business/agri-tourism business investment opportunities in the County and bring next generation farming entrepreneurs to the table;
 - b. Hosting agri-business/agri-tourism workshops to help inform and educate the farming community on the opportunities associated agri-tourism;
 - c. Hosting a symposium that connects local entrepreneurs on a business to business and business to consumer level and provides opportunities for networking and mentoring;
 - d. Hosting a rural energy conference that would inform and educate the County's agricultural community on the opportunities and issues associated with alternative/bio-energy options in

- rural Ontario. Include speakers that can address the planning and infrastructure requirements, the use of biogas to fuel farm operations. NIMBYism etc.
13. Provide links to key resources for starting and running your own small business in the County (e.g. www.canadabusiness.com (online small business workshops on marketing, financing, planning, e-business), as well as Organic food and farming Certification, Canadian Organic Growers, Ecological Farmers Association of Ontario, Direct Farmers Association, Ontario Farm Fresh etc.
 14. Pursue opportunities for partnerships with Ridgeway College – University of Guelph as it relates to on farm apprenticeship programs, mentoring, and research programs
 15. Develop a classroom program in conjunction with the local school boards to promote the County's agriculture history, culinary experiences, explore farms around the County, hear from local farmers, and promote importance of sourcing and buying local food.
 16. Pursue discussions with key business retention and expansion targets e.g. greenhouse development, food processors.
 17. Promote the establishment of relationships between growers/suppliers and customers in Elgin, St. Thomas, London and Western GTA
 - a. Approach University of Western Ontario with notion of supplying “fresh food” to university campus restaurants.
 18. Undertake a highest and best use analysis for each of the Sterling Truck facility and the Imperial Tobacco property with consideration given the re-use of the properties for food based manufacturing and production.
 19. Pursue discussions with representatives of OMAFRA and the Ontario Federation of Agriculture as to the opportunities to supply the Tillsonburg cogeneration facility with bio-product. Discuss plans to refit Nanticoke in Lambton to burn corn and other bio-products. Elgin should be positioned as a key location for grain shipments given its access to the deep water port at Port Stanley and ability to service the facility by ship.

Appendix I

County of Elgin Agriculture + Agri-Business Profiles

McSmiths Organic Farm

Gary Smith and Cathy McGregor-Smith are living their calling have been fulltime organic farmers since 1984. The farm, which is located north of the City of St. Thomas in the County of Elgin, grows most organic vegetables both outside and in their 6 versions of hoopouses and greenhouses and their large acreage and equipment allows them to grow soybeans, spring grains for their livestock and poultry operation. They have 1000 certified organic laying hens and sell the eggs to the OntarBio Farmers Co-op.

“Our customers rave about our pastured beef and our pork” says Cathy McGregor Smith.

They also supply their customers with McSmiths Organic Chicken and their chicken is on the menu at Garlic's London and Lotus Thai restaurant in St Thomas and Express Organics Delivery Company from London carries their meats and other products. They operate an on-farm market during the growing season or you can find them at the Horton Street Farmers Market in St. Thomas.

Visit them at www.mcsmithsorganicfarm.com

Heritage Line Herbs//Benner Farms Limited

Heritage Line Herbs is located 30 minutes southeast of London, Ontario, halfway between Aylmer and Tillsonburg, just off of Highway 3 in the County of Elgin. Specializing in potted herbs and a line of dried herbs and herb blends they pride themselves on ensuring each customer's experience is a pleasant one. Deb and Tom Benner are also committed to supporting the region's local farms to ensure a supply of high-quality, safe and environmentally responsible food for the consumer.

Winner of a Premier's Award for Agri-Food Innovation Excellence in 2007, for the Benners, one innovation just wasn't enough. In the process of converting their tobacco farm to an herb operation with an emphasis on agri-tourism, they introduced eight innovative practices. The potting shed and greenhouse features in-floor radiant heating systems, floor heat pads and they burn pelletized oatmeal waste that would otherwise have ended up in a landfill. The former bulk kilns and bunk house has become a kitchen, a store and washrooms; and an outdoor tea room that features locally grown and locally made food is now open. Benner is also pursuing organic certification for the herb operation and has plans to produce essential oils on the farm, for sale as part of the proposed expansion of agri-tourism activities at Heritage Line Herbs. They are also supplying a growing number of restaurants and chefs with live plants to allow them to harvest straight from the plant.

Their retail store focuses on locally produced and natural products including their herb blends, mustards, jellies, oils, vinegars and teas. From fair-trade coffee to soy candles, from “tree-free” greeting cards to delectable food items, from natural products to custom-made gift baskets, they have a wide variety of Items for men and women alike.

Visit them at www.heritagelineherbs.com

Quai Du Vin Estate Winery

Located 1 km north of the historic village of Sparta, Quai Du Vin Estate Winery is Elgin County's oldest estate winery. With the vineyards first planted in 1970, Father and son, Redi and Roberto Quai drew on their European heritage to create a scenic country estate that combined an established winemaking and retail operation. Roberto and his wife, Lisa, opened the doors of the winery in 1990 providing customers with an opportunity to taste the flavours and bounty of Lake Erie's pastoral north shore.

Today Quai du Vin has 22 acres of grapes production resulting in over 90,000 bottles of wine a year. The vineyard passed its "Millionth Bottle" in July, 2002. Marketing and distribution are direct from the farm gate to the customer, anywhere in Canada. Customers are invited to visit year round to taste the latest vintage, tour the vineyards or just relax with a glass on the Wine Press Terrace.

With his son now involved as a winemaker, Roberto has set his sights on the ever expanding local and regional opportunities associated with special event hosting including music festivals, corporate events and weddings. This has included investing in cooking facilities to accommodate catering operations as well as a developing a range of venues on the winery for wedding ceremonies.

Visit them at www.quaiduvin.com

Orchard Hill Farm

Located on a ridge northwest of the village of Sparta, near the north shore of Lake Erie, Orchard Hill Farm is an 80 acre organic farm powered by Suffolk Punch draft horses. Established in 1979 by Ken and Martha Laing, the farm is blessed with excellent soils and a spectacular view. The farm is tended by Ken and Martha along with three seasonal apprentices who come to learn skills related to organic farming and gardening, and how to work with and drive horses. Martha is the sixth generation of her family to steward this land.

Currently, the farm produces vegetables and small fruits for 160 families in a Community Supported Agriculture (CSA) Garden, as well as grain and hay for 8 Suffolks. **"More farmers could earn a good living using the CSA process, given Elgin's proximity to a strong consumer market"** says Kim Laing. Ken and Martha also raise and train Suffolk horses to sell and offer three day Draft Horse Workshops to teach people about working with horses. They aim to reduce the use of petroleum or nitrate fertilizers by using draft horses on the farm.

Orchard Hill Farm is also part of the "Collaborative Regional Alliance for Farmer Training (or CRAFT)" network of farms across Southern Ontario. Each farm takes on a number of apprentices and gives them the opportunity to learn some of the many skills needed to grow fruits, vegetables, field crops, and livestock organically. The apprentices work on the farm in return for room and board, and are given instruction and practice in organic farming. At Orchard Hill Farm, there is also the unique chance for apprentices to learn to drive and work with the horses.

Visit them at www.orchardhillfarm.ca

Oegema Turkey Farms

Oegema Turkey Farm and its retail operation The Turkey Shoppe is located about 1 km north of Highway 3 in Talbotville, Ontario. The farming operation was started in 1958 by Sikko Oegema, who emigrated from Holland in 1957. Today the company is run by Sikko's sons Heiko and Tom Oegema, and today consists of more than 1,200 acres of crops and the raising of over 55,000 turkeys per year.

Heiko's oldest son, Mike, came on board in 1987 after receiving a business Degree from Redeemer College in Ancaster, Ontario. In 1992, Mike was put in charge of a new facet of the business - The Turkey Shoppe. The old workshop was converted to a store and further renovations were completed in 1996. Open year round, the store specializes in many different turkey products, the majority of which are produced right in the store.

At Christmas and Thanksgiving the store is a beehive of activity with customers picking up fresh and frozen turkeys, turkey breasts and turkey roasts. During the summer months, burgers, sausages, marinated turkey breast portions, and bacon wrapped turkey medallions are also very popular with their customers. During the cooler winter months the turkey schnitzel, turkey pies and turkey roasts are just popular.

Visit them at www.turkeyshoppe.com

Clovermead Bees and Honey

Wild Blueberry Honey, Sweet Clover Honey, Goldenrod Honey....they've got all these at Clovermead Bees and Honey. Located just north of Aylmer in the County of Elgin, Clovermead's bees produce 36,000 pounds of honey annually.

Winner of Premier's Award for Agri-Food Innovation Excellence in 2007, Clovermead Bees and Honey knows how to create a buzz. And that's just what they did with an innovative marketing strategy to create additional value from the honey they produce. It has raised public awareness of the importance of honeybees in Ontario food production by educating and entertaining farm guests about the fascinating world of honeybees. **"Our business changed when we joined the Direct Farmers Association and learned about the importance of giving our customers an experience, as part of their visit to the farm" says Chris Hiemstra.**

Today they specialize in supplying the food industry with large quantities of dry and fresh frozen bee pollen. During the summer Clovermead collects pollen daily from their beehives, immediately freezing it. They clean it while it is frozen and ship it frozen, ensuring that it is the freshest possible, and maintained at the highest quality. During the summer they also move hives into fields for the pollination of blueberries, raspberries, strawberries, cucumbers, and melons.

In addition, the operation produces value-added honey spreads and offers a variety of interactive farm displays and tours for school groups and visitors. They have the Bee Discovery Station (old railway station) with displays for learning about bees and their hive products. There is a gigantic glass observation hive where you can watch the bees working hard and a screened outdoor observation deck where you can safely watch bees. Chris and Christy Hiemstra were recently awarded the 2008 Canada's Outstanding Young Farmer for Ontario.

Visit them at www.clovermead.com