Supporting Agriculture in the Region

Results and Next Steps of Simcoe, Grey and Bruce Agriculture and Agri-Food Study

November 2018

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Agenda

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- What was the Agriculture & Agri-Food Survey?
- Who Participated in the Survey?
- Overview of Results from the Survey
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Why We Are Here

Since 2014, Counties of Simcoe, Grey and Bruce along with our "Food-E" partners (City of Barrie, City of Orillia, Georgian College and local business support agencies) have provided training and networking opportunities for the agri-food sector (to date 800 potential or existing food entrepreneurs have received training).

In 2016-2017, “Food-E” noticed a decline in participants, even though new training/networking opportunities were based on feedback from participants at previous events. In the summer of 2017, "Food-E" members had anecdotal reasons as to why numbers had dropped (e.g. training needs have been met) but no comprehensive research on which to base next steps for regional sector development. A BR&E was recognized as the best way to gather that research.

What was the Agriculture & Agri-Food Survey or BR&E

A BR&E Study is an analysis of the current business climate in an area or sector based on standardized interviews with businesses. Survey results are compiled and analyzed to look for trends, opportunities, challenges and provide baseline information. The goal is to then use the results of the BR&E to develop Action Plans to address the identified opportunities and challenges.

This BR&E Study specifically looked at the agriculture and agri-food value chain within the Simcoe, Grey and Bruce region. Over 270 participants provided comments during in-person interviews that took between 1.5 to 3+ hours to complete.

Who Participated in the Survey?

Sub-Sector	Number of Interviews	Percentage
Agricultural Input & Services	18	6.5%
Primary Producers	165	60%
Agri-Food Processors	21	7.5%
Distributors/Wholesalers	8	3%
Retailers	21	7.5%
Consumption	43	15.5%
Total	**276**	**100%**

Please note: Percentages above were based on numbers of businesses identified in the 2016 Federal Census. If a business had multi-revenue sources, the dominant revenue generator was used to classify their agri-food sub-sector.

Who Participated in the Survey? (Continued)

- 63% of survey participants had been in business over 10 years; 35% over for 25 years.
- 88% indicated their primary market was local and/or regional.
- 97% reported the owner was involved in the day-to-day operations of the business.
- 95% said the owner lived within Simcoe, Grey or Bruce Counties.
- 55% said the current owner has been operating the business for over 10 years.
- 69% of businesses participating own their properties and/or facilities.

Overview of Survey Results

- 83% of respondents had a good or excellent overall impression of doing business in their local municipality;
- Business owners are very positive about doing business, living and working in the region.
- 59% said their industry and/or sub-sector was growing;
- Businesses identified location (proximity to GTA, cottage country), quality of life, lower costs (labour, housing), land quality, and opportunity to grow as the benefits for doing business in the area.
- Businesses identified cost of electricity, internet service, inadequate housing, and municipal property taxes as hurdles of doing businesses within the region.

Overview of Survey Results (Continued)

- Respondents had good overall impressions of garbage/recycling services, snow removal, fire service, police services and recreation facilities within their communities.
- Participants want to see improvements in planning, public transit and the building permit process.
- Participants indicated they would like to see supports for innovation.
- Businesses are looking for new and emerging niche market opportunities.
- Survey participants are looking for both skilled and non-skilled labour.

Overview of Survey Results (Continued)

- 40% of businesses participating rated their use of technology as high or very high.
- The majority of respondents reported having IT barriers including:
  - Availability to access high speed internet;
  - Cost of high speed internet; and
  - Overall speed of the internet.

Overview of Survey Results (Continued)

- 53% of businesses surveyed were looking to expand in some way within the next 18 months. Of those looking to expand, 58% indicated there were currently experiencing some difficulty with their plans, including:
  - Lack of labour;
  - Regulatory barriers (planning, Building Code, conservation authority, engineering requirements);
  - Lack of infrastructure (internet, municipal services); and
  - Lack of capital.
- Only 13% of retailers interviewed are considering relocation and 10% of consumption providers (restaurants) were looking to sell.

Overview of Survey Results (Continued)

- 61% of businesses that participated in the survey said they had a business plan:
  - Only 57% of primary producers had business plans compared to 79% of retailers.
- 65% were interested in the development of a directory style toolkit that would help start or expand an agriculture and/or food related business.
- 82% indicated they would like innovation supports for their sub-sector.
- 57% were interested in joint venture opportunities of some type.

Overview of Survey Results (Continued)

- Participants indicated the following business supports as the most beneficial:
  - e-marketing/social media;
  - business networking sessions;
  - access to capital workshops;
  - overall business planning;
  - employee training/attraction;
  - succession planning; and
  - joint advertising & marketing.
- 51% of all respondents said their workforce had stayed the same in the last 3 years.
- 41% said their workforce had increased in the last 3 years.

Overview of Survey Results (Continued)

- 53% of participants said they had difficulties hiring;
- Businesses in the retail and consumption sub-sectors had the most difficulty in hiring staff;
- The two (2) top difficulties for hiring were: too few applicants and the lack of appropriate skills/training.
- Over two-thirds of the businesses said they ***did not*** have issues retaining employees once hired. The one-third of businesses that had difficulties in retaining mentioned the seasonality of their business has the main issue to retention.
- 65% of businesses said they were not experiencing any employee training barriers.

Overview of Survey Results (Continued)

- Participants noted high school and/or university co-operative/experiential learning programs were used more than any other program for attracting new employees. Over 51% of respondents have used the program at the high school or post-secondary level.

Sub-sector Specific Overview: Primary Producers

- 70% of primary producers are interested in niche markets, or already serving them.
- Primary producers rated distance to nearest abattoir as problem factor or weakness in their community.
- 48% of primary producers are selling meat directly to the consumer, and many drive over 100 kilometres to access an abattoir.
  - 36% have to book at least 6 months in advance for a timeslot.
- 73.6% of the primary producers selling meat directly to the consumer are not using speciality abattoirs (e.g. organic). 57% said they had no interest in raising speciality meats if a specialty abattoir was available, and cited return on investment as a factor.

Sub-sector Specific Overview: Primary Producers (Continued)

- 58% of primary producers offer some form on farm gate sales. 44% said there were barriers in the community to expanding this aspect of their business (including signage, labour, and planning regulations).
- When asked what assets or infrastructure could be developed to support the primary producer sub-sector, the following were mentioned by different respondents:
  - Abattoirs;
  - Storage and distribution;
  - Year-round market space;
  - Access to rail; and
  - Broadband internet.

Sub-sector Specific Overview: Local Food

- Over 75% of participants said they would be interested in supplying local markets if the distribution and management systems were in place; these businesses have the capacity to increase production if new opportunities are identified.
- 77% said they process their products in some format before selling it to the consumer (e.g. milling grain, bagging carrots, butchering meat, etc.).
- 37.6% of participants utilized a commercial kitchen to prepare their goods and over three-quarters of these respondents had their own commercial kitchen facility.
- 50% of primary producers had a commercial kitchen on their property.

Sub-sector Specific Overview: Local Food (Continued)

- 83% of consumption, wholesalers/distributors, retailers and processors were interested in buying locally if distribution and management systems were in place.
- Those participants that sell products at weekly farmers' markets say they get value there from building customer relationships and access to new customers.
- Participants were asked what the greatest barriers to growing economic activities around local food were. The top barriers were:
  - Lack of local processing/cost of production;
  - Lack of capital/cost of labour; and
  - Lack of distribution.

Sub-sector Specific Overview: Local Food (Continued)

- Participants were asked what the greatest opportunities to growing economic activities around local food were. The top opportunities were:
  - Tourism;
  - Educated consumers (wanting to eat local foods); and
  - Increase in local population/proximity to GTA.
- How could local/regional organizations help assist the local food economy, top 3 answers:
  - Promote “Buy Local” Campaigns;
  - Connect producers to processors, retailers, etc.; and
  - Develop networking and communication.

Sub-sector Specific Overview: Agri-Food Processors

- 60% of agri-food (and beverage) processors were introducing or had just introduced a new product to the marketplace.
- Agri-food processors noted challenges to introducing a new products included getting into retail locations (including LCBO and The Beer Store), customer reception and labelling/packaging requirements.
- 80% of agri-food processors had invested in new equipment within the last 0-2 years. Most agri-food processors also noted their facilities were at or near capacity.

Sub-sector Specific Overview: Tourism

- 84% of respondents did not see themselves has part of the tourism sector.
  - Note: Several sub-sectors interviewed do not interact with tourism in any way, e.g. agricultural input providers, distributors and wholesalers, and commodity producers
- 16% of respondents who considered themselves part of the tourism sector were primary producers with on-farm retail outlets, retailers, B&Bs and consumption providers.
- When asked what local organizations could do to support agri-tourism the top responses were:
  - FAM workshops/tours; directional signage/parking regulations; downtown revitalizations; and promotional activities (maps/activity guides).

Sub-sector Specific Overview: Tourism (Continued)

- 79% of the businesses involved in tourism are open year round. The remaining businesses did not see the potential to expand into the winter season.
- Businesses noted shoulder seasons, liability insurance, lack of signage and labour costs as barriers to full participation in tourism sector.
- Businesses are happy with the tourism facilities available in the area. The one area where businesses would like to see improvement is public washrooms, both their availability and cleanliness.
- Respondents said their main promotion methods were thorough word-of-mouth/networking and social media.

Key Themes That Came Out Through the Survey

1. Business Supports
2. Municipal Planning & Processes
3. Agri-Tourism
4. Infrastructure
5. Workforce

Business Supports – Regional Work Plan

Based on the results of the survey, the following projects are proposed:

- Directory Style Toolkit(s)
- Business Development Supports
  - Scaling up, innovation and diversification
- Succession Planning Supports
- Eat Local and Respect for Agriculture

Business Supports – County Work Plan

Based on the results of the survey, the following projects are proposed:

- Commercial Kitchen Inventory
- Business Development Supports:
  - Supporting Pre-existing Business Development Programming;
  - Support Pre-existing Succession Planning Programming;
- Support Joint Venture/Partnership Opportunities
- Support Consumer Awareness Campaigns

Municipal Planning & Processes – Regional Work Plan

Based on the results of the survey, the following projects are proposed:

- Red Tape Reduction and Clarification
- Harmonizing Agricultural Related Planning
- Transportation:
    - Signage and Design

Municipal Planning & Processes – County Work Plan

Based on the results of the survey, the following projects are proposed:

- Harmonizing or Improve Agricultural Related Planning:
  - Forestry;
  - Planning/Zoning;
  - Transportation; and
  - Signage
- 911 Signage

Agri-Tourism – Regional Work Plan

Based on the results of the survey, the following projects are proposed:

- Identify New Agri-Tourism Products
- Expand Pre-existing Trails/Partnerships
- Agri-Tourism Signage Improvements
- Promote Visitor Experience/Engagement

Agri-Tourism – County Work Plan

Based on the results of the survey, the following projects are proposed:

- Agri-Tourism Working Group
  - Local Municipalities and Destination Marketing Organizations
- Agri-Culinary Map and Social Media
- Agri-Tourism Experience Development
- Simcoe County Barn Quilt Trail
- Tap into Maple & Maple Weekends
- Promote Farmers' Markets to Visitors/Cottagers
- Bees & Honey Trail
- Resources Information for Tourism Funding

Infrastructure
- Regional Work Plan

Based on the results of the survey, the following projects are proposed:

- Assist in development and/or advocate for:
  - Abattoirs;
  - Improved Distribution;
  - High Speed Internet:
  - 3-Phase Hydro;
  - Natural Gas; and
  - Road Maintenance.

Infrastructure
- County Work Plan

Based on the results of the survey, the following projects are proposed:

- Assist in development and/or advocate for:
  - Bale/Skid Wrap
  - Organic Recycling
  - County Roadways/Drainage
  - High Speed Internet
  - Natural Gas
  - 3-Phase Hydro

Workforce
- Regional Work Plan

Based on the results of the survey, the following projects are proposed:

- Foreign Workers Program
- Local Agriculture Educational Programming
- Transportation/Housing for Regional Workforce

Workforce
- County Work Plan

Based on the results of the survey, the following projects are proposed:

- Ontario Youth Apprenticeship Program
- High/Post-Secondary School Co-operative Learning

Next Steps

- Meeting with stakeholder groups
- Map out actions
- Determining who is going to take a leadership role in specific actions
- Finalizing a regional and county work plan.

Questions:

- Who should we be meeting with?
- Who could help take on specific actions?

Thank You to Our Partners and Funders

We would like to thank the Province of Ontario for providing funding for this project through their Rural Economic Development Fund.

We would like to thank all of partners for their support of this project.

Thank you

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