

## NEWS RELEASE

# Ontario Investing \$25 Million to Increase Food Processing Capacity

Province to launch Strategic Agri-Food Processing Fund

March 16, 2022

[Agriculture, Food and Rural Affairs](#)

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NORTH GOWER — The Ontario government is investing up to \$25 million over two years to build up the province’s food processing capacity. The new Strategic Agri-Food Processing Fund Program, which was announced in the [2021 Fall Economic Statement](#), to increase the province’s food processing capacity, strengthen its food security and position the agri-food sector for economic growth, will launch on April 1, 2022.

Ontario’s food processing sector faces challenges to their ability to process more of the food that is grown in the province, including aging technology and facilities. Many aging food processing plants are limited in their capacities to expand and compete by outdated equipment and inadequate operational space to add new, efficient production lines.

The Strategic Agri-Food Processing Fund will support industry investment in projects that address the processing capacity shortage and increase the sector's competitiveness and resilience against future disruptions. Agri-food businesses are eligible for up to \$3 million in cost-share funding to either build new processing facilities, expand or modernize existing facilities and adopt new innovative technologies to improve current operations.

"This strategic investment will boost competitiveness and create new opportunities for the Ontario food processing sector and the entire supply chain," said Lisa Thompson, Minister of Agriculture, Food and Rural Affairs. "By enabling more private-sector investments that increase local food production, we're ensuring Ontario has a safe and stable food supply made right here at home while driving economic growth and creating good local jobs."

In an effort to increase local food production across Ontario, rural, northern and Indigenous businesses will receive an additional five per cent in cost-share funding to build critical processing capacity in underserved areas.

"This is great news for Ontario's agri-food sector here in Ottawa," said Goldie Ghamari, MPP for Carleton. "Farmers and processors across Carleton and Ontario will be able to benefit from this funding to help grow their operations, and support Ontario's food supply chain."

The application intake for the Strategic Agri-Food Processing Fund opens on April 1, 2022.

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## Quick Facts

- In 2020, there were 4,527 food and beverage business locations in Ontario.
- Since 2018, the Ontario Government has supported the Province's agri-food processing sector with approximately \$94 million in funding, through the Canadian Agricultural Partnership, the Agri-Tech Innovation Program, and the Strategic Agri-Food Processing Capacity Fund.

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## Quotes

"Beef Farmers of Ontario appreciate the Government of Ontario's continued focus to help strengthen and invest in the meat processing sector in Ontario. Investing in our processors is an investment in Ontario's food security, an issue

that has grown in importance with the increased frequency and severity of market price volatility, adverse weather events, and global instability. We thank the Province for their continued leadership in helping to address the lack of sufficient processing in Ontario."

**- Jack Chaffe**  
**President of Beef Farmers of Ontario**

"Ontario Pork applauds the Government of Ontario for its recognition of the need for increased livestock processing capacity in the province and the challenges faced by our family farms. We appreciate today's announcement as a first step in facilitating the growth of processing capacity here in Ontario, which will help strengthen the provincial pork industry."

**- John de Bruyn**  
**Chair of Ontario Pork**

"The announcement of a Strategic Processing Fund to support our processing sector is welcome news. We appreciate the responsiveness of government to addressing key issues identified by our sector and brought to government through the Livestock Processing Capacity Working Group. This fund directly addresses a number of the challenges and opportunities brought forward by both farmers and the processing sector."

**- Peggy Brekveld**  
**President of the Ontario Federation of Agriculture**

"Thank you to Minister Thompson and the Province for hearing the concerns of our sector and recognizing the need for investment in agri-food processing. Investing \$25 million over three years will help launch initiatives that increase processing capacity and promote food security. Ontario's 3,400-plus dairy producers believe in innovation on farm and in the food supply chain. We look forward to working closely with dairy and beef processors to strengthen our system."

**- Murray Sherk**  
**Chair of Dairy Farmers of Ontario**

"Thank you to the Government of Ontario and the Ontario Ministry of Agriculture, Food and Rural Affairs for recognizing the importance of food and beverage processing businesses to jobs, the economy and the well being of Ontarians. Food and Beverage Ontario has worked closely with the Government of Ontario on these issues and they have listened. To advance as an industry, employers need to grow their workforce and evolve their manufacturing practices, and the Strategic Agri-Food Processing Fund will do exactly that. The

Strategic Agri-Food Processing Fund will make it possible for employers to kickstart business growth — we thank the Government of Ontario and the Ontario Ministry of Agriculture, Food and Rural Affairs for recognizing and supporting the needs of the sector."

**- Chris Conway**  
**CEO of Food and Beverage Ontario**

"Grain farming in Ontario continues to drive innovation and economic opportunity for the province. The investments by the Ontario government, championed by Minister of Agriculture, Food and Rural Affairs Lisa Thompson, in processing supports local food economies and sustainable food systems, shows great foresight in creating jobs and economic value for the province, and supports the farmers who feed us all. We are excited about the potential that this announcement creates for Ontario grain and beyond."

**- Brendan Byrne**  
**Chair of Grain Farmers of Ontario**