

**Written Submission for the Pre-Budget
Consultations in Advance of the 2019 Budget**

By: Land Over Landings

- **Recommendation 1:** That the government end the wasteful spending of millions of taxpayers' dollars annually on a decades-old initiative that has long outlived its purpose; namely, the retention of the Pickering Lands for a potential airport.

- **Recommendation #2:** That the government work to realize the full potential of the Canadian agricultural sector, as outlined in the "Barton Report," by transferring the Lands to an appropriate federal entity under the protection of a public custodian who will oversee their transformation into, and ensure their sustainability as, an innovative and successful food hub providing food security to Canada's largest population centre.

The Pickering Federal Lands

46 Years of Economic Uncertainty and Devastation

In 1972, the federal government announced the expropriation of 18,600 acres (7,500 hectares) of prime farmland for a new Pickering facility to displace Malton (now Pearson) as Toronto's major international airport. The public was told that Pickering airport had to open within 7 years, when Malton, according to forecasts, would reach "capacity." By 1975, Ontario's due diligence concluded that the rationale for the Pickering airport was based on outmoded, incorrect thinking, and that a new airport was not needed. The province told Ottawa that it would not fund the roads, sewers, or other infrastructure to support the airport. Transport Canada was forced to shelve construction but held onto the expropriated site, insisting that Malton would eventually reach capacity and a new airport would be needed.

The department has publicly used passenger numbers when referring to airport capacity limits, but the aviation industry defines airport capacity not in passenger numbers but in the number of aircraft movements an airport's runways can safely handle. By this measure, Toronto Pearson has never had a capacity issue and does not face one now. In Pearson's 2017-2037 Master Plan, its operator, the Greater Toronto Airports Authority, states that the facility's five existing runways have sufficient aircraft handling capacity for the current planning horizon, and that an approved sixth runway can still be added, if needed, after 2037. As business grows, Pearson intends to expand its air passenger and cargo terminals "just in time."

Based on the GTAA's own assessment, Pearson is unlikely to reach a constraint in its runway capacity within the next three decades – and justifiably well beyond then, if ever. Why do we say this? Because Pearson is working within a network of 10 other regional airports (including Oshawa, 20 km from the Pickering site) to meet southern Ontario's aviation needs over the next three decades. Because most of these smaller airports have the capacity to substantially expand operations to accommodate growth in the general aviation, corporate jet, and ultra-low-cost airline businesses during that time. Because Canada, to meet its 2015 Paris Agreement commitments, will be reducing its carbon emissions to 80% below 2005 levels. And because the fossil-fuel-dependent aviation sector will not be immune to market-based measures to curtail growth to meet the global requirement for net carbon-neutral emissions in the latter half of the century.

The impact of the 1970s land expropriation in north Pickering was devastating for the residents of 126 working farms and two villages. Expropriation also significantly damaged the

surrounding communities: many small businesses failed and the area's social fabric was destroyed. Unlike at Mirabel, where 92,000 acres (37,000 hectares) of surplus land were eventually sold back to farmers, the federal government retained ownership of the entire Pickering site, perpetually promoting the idea that an airport would soon be built. Over more than four decades, tenants have leased the properties on one-year leases. With such a short planning horizon and no lease-renewal guarantees, farmers did not invest in maintaining farm infrastructure, and diversified farming disappeared, replaced by corn, soybeans, and wheat cash-cropping. Federal property maintenance was chronically underfunded, causing the site to decline into a rural slum of dilapidated buildings, most of which have now been demolished. It is estimated that over 80% of the houses have been destroyed, resulting in a corresponding drop in consumer spending in the community. Constant uncertainty, the nemesis of investment, has resulted in permanent economic chill: local business development and job creation in what was once a prosperous area are now virtually non-existent.

Two recent federal actions have injected hope of renewed economic growth into part of these lands. In two tranches, in 2015 and 2017, Transport Canada completed the transfer of some 50% of the expropriated farmland to Parks Canada, which plans to protect the land for agriculture in perpetuity within Rouge National Urban Park.

Towards a Future of Economic Growth and Job Creation

Economic depression and uncertainty continue to reign on the remaining Lands – those 9,600 acres (3,900 hectares) still reserved for a potential airport. The past 46 years have seen the completion of dozens of federal reports, surveys, analyses, plans, and studies about building a Pickering airport, but a convincing business case has yet to be made.

Last year, in an attempt to end the debilitating limbo, **Land Over Landings, a citizens' organization intent on saving this large tract of prime farmland for food production for the Greater Toronto Area**, commissioned the first-ever economic study of the benefits such an alternative plan could deliver. The consultants began their work by determining the current level of economic depression on the Lands. During the decades of federal government ownership, the economic impact within Ontario from farming activity on these Lands dropped by half, from \$13.9 million in 1971 to \$7.0 million in 2016, while the number of jobs within Ontario related to farming activity on the Lands decreased by two-thirds, from 161 in 1971 to 55 today.

From that base, the consultants developed a detailed, **practical, viable, sustainable vision** and roadmap – a pathway to prosperity – for the Lands if permanently dedicated, under the

stewardship of a public custodian, to agriculture and agri-tourism, serving Canada's largest conurbation. They found that agriculture and agri-tourism, supported by research and innovation/incubation centres and the value of carbon sequestration on the Lands, could bring about an astonishing economic recovery within a generation.

"A Future for the Lands" anticipates that, with implementation of the economic vision:

- Ontario-wide economic impact would increase **34-fold** to \$237.9 million, and jobs numbers would increase **39-fold** to 2,151.
- one-time investment expenditure of \$58 million would be triggered during the upgrading/rebuilding of neglected/destroyed/missing infrastructure, resulting in the creation of 1,180 jobs, expenditures on wages and salaries of \$47 million, and an overall temporary boost to provincial economic activity of \$136.3 million.

"A Future for the Lands" also outlines economic growth opportunities consistent with current federal policies and initiatives, notably with regard to climate change adaptation and access to farmland for entrant farmers. Among the recommendations:

- establishment of a Research and Innovation Centre on the Lands to study climate-change adaptation of fruit and vegetable agriculture, including research into optimal production practices and carbon sequestration. Preserving the Lands' farmland and natural habitat would continue to deliver an annual contribution of over \$6 million in carbon sequestration and ecological benefits.
- establishment of an Incubation Centre on the Lands, involving experienced farmers helping new entrants build a career in agriculture. New entrants would include young farmers and immigrants who were involved in farming before coming to Canada. The Lands, Canada's largest contiguous block of productive farmland available for lease, would provide unique opportunities to young and new farmers unable to afford the purchase price of farmland in the Greater Toronto Area. Leasing would allow them to focus their capital on building their businesses, creating wealth, and adding local jobs. The study recommends long-term, renewable, 30-year leases, making innovation and investment possible and engendering "as if owned" behaviour on the part of farm tenants. Farmers would once again live on the Lands and become involved in and help revitalize the local community. Such a plan would go some distance towards easing concerns articulated in last December's "Report of the Standing Committee on Agriculture and Agri-Food," in which the Committee highlighted its belief that our new national food policy should also take into account "the next generation of farmers, access to farmland and farm labour."

Alignment with the Barton Report on Agriculture

The second set of recommendations of the Finance Minister's Advisory Council on Economic Growth ("Barton Report") identified Canadian agriculture's huge potential for growth and export improvement throughout the 21st century. Canada is globally renowned as a trusted supplier of safe, nutritious food and has the opportunity to become the second-largest food exporter in the world, supplying an expanding global population, helping to meet a rising protein demand in Asia, and aiding countries suffering from increasingly extreme weather events that destroy crops.

The Barton Report identifies Canadian economic sectors with "strong endowment, untapped potential, and significant global growth prospects." Two sectors specifically mentioned are tourism and agriculture and food. The report notes that, by 2050, global food demand is expected to have risen by 70%.

Potential for Alignment: Land Over Landings' economic study found that permanent use of the Lands for both food production and agri-tourism would result in a spectacular revival in economic output as well as job creation for the local community, with positive spin-off impacts across the province.

The Barton Report notes that many middle-class consumers "want proof that their food has been produced in a safe and environmentally sustainable way."

Potential for Alignment: Fresh foods grown sustainably on the Lands and subject to Canada's food safety regulations would provide such assurance. Imported foods come with no guarantee that they have been grown under the same safety regulations and environmentally sustainable conditions expected by Canadian consumers.

The Barton Report recommends that government, in collaboration with the private sector, undertake bold moves to develop agricultural-economic-growth pilot projects, such as the creation of several food processing hubs across Canada. It notes that Canada's "sophisticated, ethnically diverse consumer base stimulates processed product development that can find appeal around the world."

Potential for Alignment: The Research and Innovation Centre on the Lands could become a world-leading centre of excellence and innovation in food processing development for ethno-cultural fruits and vegetables. In a recent study, Dr Glen Filson, University of Guelph, found a high demand by new Canadians for fresh, locally grown ethno-cultural foods. Annual demand amounts to over \$700 million in the Greater

Toronto Area alone. Ontario's farm soils and climate are suitable for growing many of these "world foods," but Ontario farmers are just starting to learn how to grow for this lucrative market. Dr Filson concluded that more research is needed to determine which foods are most viable for our farmers to grow and which food-growing and food-processing techniques are best. Such work could be carried out as a collaborative effort by the Lands' Research and Innovation Centre scientists and local, entrepreneurial farmers and food processors.

Summation

The current situation on the Pickering Federal Lands contributes virtually nothing to the country's economy. The site is, in fact, a prime example of an underperforming public asset. There is little or no hope of change until the federal government stops funding this project on perpetual hold. No additional airport will be needed in southern Ontario for at least 30 more years, and efforts to deal with the effects of climate change may well negate the very idea of aviation expansion as we near mid-century. On the other hand, the alternative land-use plan, for agriculture and agri-tourism, capitalizes on the Lands' unique assets and could be implemented now, at far less cost to taxpayers than the *status quo* and with far greater potential benefits, including significant, sustainable economic growth and new job opportunities for entrant farmers, scientists, and a wide range of entrepreneurs.

The Lands, under the protective stewardship of a public custodian, offer an unparalleled opportunity for Canada to achieve the many objectives mentioned above – with the federal government working beside local, entrepreneurial farmers to increase our country's food security and competitiveness by creating a north Pickering food hub dedicated to supplying safe food, both fresh and processed, to Toronto and the world.