

Greenbelt Foundation

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Greenbelt Foundation Backgrounder

Report Launch: Towards a Business Case for Soil Health: A Synthesis of Current Knowledge on the Economics of Soil Health Practices in Ontario

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Prepared By: Greenbelt Foundation

Overview

The Greenbelt Foundation, in collaboration with researchers from the University of Guelph, has released a new study titled <u>Towards a Business Case for Soil Health: A Synthesis of Current Knowledge on the Economics of Soil Health Practices in Ontario</u>. This report is a follow-up of key recommendations from a 2021 Greenbelt Foundation study, <u>The Power of Soil: An Agenda for Change to Benefit Farmers and Climate Resilience</u>. Our latest report details six different soil health management practices and the positive economic impact they can have on the bottom line of a farm operation.

The federal, provincial, and territorial governments are in the process of negotiating the Next Policy Framework for Agriculture (NPF) – a five-year (2023–2028) investment to strengthen and grow Canada's agriculture and agri-food sector. The NPF will replace the 2018-2023 Canadian Agricultural Partnership (CAP). CAP invested \$3 billion in the sector. \$2 billion went into cost-shared programs between the federal and provincial/territorial governments with the federal government contributing 60 per cent of the costs of the program and the provincial/territorial government contributing 40 per cent. \$1 billion was available through federal activities and programs. This funding is in addition to the average of \$1.6 billion annually for demand-driven Business Risk Management programs to assist producers in managing significant risks that threaten the viability of their farm and are beyond their capacity to manage.

The federal, provincial, and territorial agricultural ministers issued a <u>statement outlining the priorities</u> <u>for the NPF in October 2021</u>. Improving soil health, mitigating and adapting to climate change, and supporting sustainable economic growth are all priorities.

As programs are designed to implement the NPF, *Towards a Business Case for Soil Health* is the type of evidence-based research that is critical to informing the structure and levels of funding made available to support beneficial management practices.

Background

The health of soil is essential to the sustainability of farming and agriculture and can help farms become more resilient to climate change. Many agricultural areas in Ontario, Canada and across the Greenbelt are at high risk of soil erosion and may cause a net loss of CO_2e into the atmosphere. Improving agricultural soil health will provide many benefits but it requires thousands of farmers to choose to change soil management practices.

The six soil health management practices detailed in the report are:



Possibility grows here.

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- 1. Cover Crops
- 2. Tillage Intensity
- 3. Crop Rotation
- 4. Nutrient Management
- 5. Organic Amendments
- 6. Rotational Grazing

Using the data collected in this study, researchers have determined a range of net returns for adopting each of the six techniques. Ultimately, these six soil health practices can have a positive economic impact on a farm, but implementation is key to success. Many of the practices appear to be economically beneficial to farms in the long run, but short-term costs could be a barrier for improving soil health on farms across the province. The report also makes several recommendations on the future of soil health practices in Ontario that will help many more farmers adopt beneficial management practices by reducing their risks and maximizing profits.

The report recommends further expanded research on the topic of soil health for other commodities and across the country. There is also a recommendation to study non-economic factors that may be influencing soil health practices in Ontario, such as social factors, famer knowledge, or education.

This report will be used to develop Soil Health Fact Sheets for farmers and agronomists with Soils at Guelph. The Fact Sheets will summarize the key findings for each practice and include tips from producers about how to get the best result from using the new approach. These will be released throughout the year.

Full recommendations can be read in the full report **HERE**.

About Greenbelt Foundation:

Greenbelt Foundation is a charitable organization, solely dedicated to ensuring the Greenbelt remains permanent, protected and prosperous. We make the right investments in its interconnected natural, agricultural, and economic systems, to ensure a working, thriving Greenbelt for all. Ontario's Greenbelt is the world's largest, with over two million acres of farmland, forests, wetlands and rivers working together to provide clean air, fresh water, and a reliable local food source.

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