

8.3.3 Other Programs

8.3.3.1 Northern Ontario Heritage Fund Corporation Agriculture Assistance

The Northern Ontario Heritage Fund Corporation (NOHFC), a Crown corporation, was established in 1988. Its purpose was to promote and stimulate economic development in Northern Ontario. Assistance for eligible projects was available through forgivable performance loans, incentive term loans and loan guarantees. With respect to agricultural projects, all assistance provided by NOHFC was in the form of forgivable performance loans. The types of agricultural projects funded included capital projects, marketing projects, and research and development projects. The loans made available for the projects were interest-free and normally forgiven after two to three years. The extent of debt forgiveness was dependent on whether the project met its target of increasing the value of farm production by an amount equal to the NOHFC contribution.

Because benefits under this program were available only in Northern Ontario, it was determined that the program was regionally specific. To calculate the total benefit to cattle producers under the program, Commerce summed the benefit calculated for the forgiven debt and the interest-free loans. On this basis, Commerce determined the total subsidy from the program to be less than 0.01%.

8.3.3.2 Ontario Livestock, Poultry and Honeybee Protection Act

This program, administered by the Ontario Ministry of Agriculture, Food and Rural Affairs, provided compensation to livestock producers whose animals were injured or killed by wolves or coyotes. Producers applied for, and received, compensation through the local municipal government. The Ministry reimbursed the municipality. Beef cattle producers were believed to derive most of the benefits from the program. Because the program was limited by law to livestock producers, poultry farmers and beekeepers, Commerce determined that it was specific. The program was found to be countervailable at a rate of 0.01%.

8.3.3.3 Ontario Rabies Indemnification Program

This program was administered by the Farm Assistance Branch of the Ontario Ministry of Agriculture, Food and Rural Affairs. It was designed to encourage farmers to report cases of rabies in livestock by compensating livestock producers for damage caused by rabies. Of the grants, 60% were funded by Ontario and 40% by the federal government. The program was found to be specific because the legislation establishing it expressly limited the grants to livestock producers. Commerce determined the countervailable subsidy to be less than 0.01%.