



TEAMALBERTA

ADVANCING ALBERTA'S CROPPING SECTOR TO 2025 AND BEYOND

The Honorable Devin Dreeshen
Minister of Agriculture and Forestry Alberta
229 Legislature Building
10800-97 Avenue
Edmonton, AB, T5K 2B6

Dear Minister Dreeshen,

In advance of the upcoming Federal Provincial Territorial Agricultural (FPT) Ministers meeting on December 17, 2019, that you will be attending with your counterparts from across the country, Team Alberta would like to appeal to your leadership in ensuring a meaningful outcome for Alberta's farmers in shaping the short-and long-term effectiveness of Business Risk Management programs in Canada.

You are well aware of the many significant challenges facing farmers between global trade uncertainty, an increase in extreme weather events, and an incoming carbon tax that will further erode already thin margins. This is underscored by the lack of responsiveness of the AgriStability program which was designed as a tool to help producers manage these very risks, beyond their control, that threaten the viability of their farms. A recent survey of Alberta farmers showed that 60% of producers who have participated in AgriStability programs were very unsatisfied, the result has been a sharp decline in participation.

The agricultural industry across Canada is fully aligned in wanting meaningful and immediate changes, specifically to AgriStability, as a bridge to a new sustainable coverage model in the new policy framework. Farmers nationally have asked to see:

- 1) The removal of the reference margin limits and;
- 2) A return to 85% AgriStability coverage.

The National Program Advisory Committee (NPAC), comprised of farmers from across Canada, recently met in Ottawa to discuss the current program near-term changes to AgriStability under consideration. After reviewing the other proposed amendments such as: aligning the reference margin with a producer's tax filing method and adjusting allowable expenses changes being proposed, NPAC farmers determined that that these changes would only play at the margins of the assistance programs, providing no systematic value to help the industry. NPAC farmers agreed that these 'tweaks' should be forgotten or only entertained once more substantive changes happen first. They fought to have removal of the reference margin limit added to the agenda and then voted

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unanimously **that the removal of the reference margin limit, as short-term measure should be added as the top priority for discussion at the FPT meeting.**

As such we must reiterate that farm organizations from all across Canada have aligned in bringing voice to farmers' calls for urgent, substantial reform. In the near term this can be achieved by removal of the reference margin limit and by raising AgriStability coverage to cover losses starting at 85% of historical reference margins.

In the longer term, the comprehensive review of the Business Risk Management programs must think beyond the current constraints of principles such as cost neutrality which is impeding the ability to entertain robust changes and innovative thinking. We were encouraged to hear Minister Bibeau's promise for increased support for BRM programs, as part of an election promise, and we hope this is held to account and translates to increased funding to allow for meaningful program changes.

Further, industry has been at the fringe of consultation as part of the current Business Risk Management review, while resources have been invested in exploring viable solutions. Going forward we would encourage the review process to be more collaborative in nature with real and meaningful consultation in order to exchange ideas.

We thank you for your time in consideration of this information and again appeal to your leadership in effecting meaningful and immediate change to Business Risk Management programming.

Sincerely,



Gary Stanford
Alberta Wheat Chair



John Guelly
Alberta Canola Chair



Dave Bishop,
Alberta Barley Chair



Don Shepert
Alberta Pulse Growers Chair

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