

October 28, 2022

Natasha Kim
Assistant Deputy Minister
Strategic Policy Branch
Agriculture and Agri-Food Canada
Via e-mail: natasha.kim@AGR.GC.CA

Liz Foster
Assistant Deputy Minister
Programs Branch
Agriculture and Agri-Food Canada
Via e-mail: elizabeth.foster@AGR.GC.CA

Re: Request to engage with FPT BRM Working Group

Dear Ms. Kim and Ms. Foster,

Representatives of Canada's national farm and livestock organizations would like to acknowledge the gains that have been made regarding the suite of Business Risk Management (BRM) programming, more specifically, changes to the AgriStability program. This includes the changes that were made under the Canadian Agricultural Partnership starting with the exclusion of private sector payments as eligible program year income and the removal of the Reference Margin Limit (RML). We appreciate that as part of the new Sustainable Canadian Agricultural Partnership (SCAP), there is a commitment to increase the AgriStability compensation rate from 70% to 80%, along with the overarching goal to enhance the agriculture sector's resiliency and its ability to respond to risks, climate change and disaster situations.

Moving forward, it is understood that Agriculture and Agri-Food Canada (AAFC) and its provincial counterparts are currently working on a new AgriStability model that attempts to address the predictability, timeliness, simplicity, and equity challenges of the program. During the July Ministers meeting there was a commitment by Ministers to work and consult with industry on the AgriStability model that aims to address the identified program challenges.

In response, the undersigned organizations are writing to formally request that the Federal-Provincial-Territorial BRM working group be given the mandate to engage directly with an industry technical BRM working group, that represents the diversity of Canadian agriculture, to provide input and feedback.

This interface with an industry technical BRM working group would complement the producer consultations that AAFC does through the National Programs Advisory Committee (NPAC) by providing more detailed expertise and consideration. Additionally, an industry technical BRM working group (represented by farmer-led organizations) would be in a better position to engage their membership and explain programming changes aimed at improving program participation. An industry technical BRM working group is ready to meet with government officials to allow for initial engagement and follow-up discussion and not interfere with the implementation timelines required by program administrators. Looking beyond AgriStability, an industry technical working group could further be used as a sounding board for new BRM approaches such as whole farm revenue or margin insurance and the potential BRM-environmental linkages.

We look forward to further engagement on the BRM program suite so that they continue to provide the necessary support to producers during severe income declines and support the sector's resiliency.

Should you have any questions, we would be pleased to meet to discuss this further.

Sincerely,



CC: Steven Jurgutis, Director General, Policy, Planning and Integration Directorate, AAFC
Francesco Del Bianco, Director General, Business Risk Management Programs Directorate, AAFC