
News Release

Federal-Provincial-Territorial

Canada's Ministers of Agriculture focus on important support measures for farmers and processors at their annual conference

November 27, 2020 – Ottawa, Ontario – Agriculture and Agri-Food Canada

Today, Canada's federal, provincial, and territorial (FPT) Ministers of Agriculture wrapped up their two-day virtual conference with important discussions on the future of Business Risk Management programs, a discussion on balance in the retail supplier relationship, and a look ahead to the design and development of key priorities for the next agricultural policy framework.

Ministers discussed options for short-term improvements to AgriStability. The federal government tabled a proposal that will be considered in more detail by provinces and territories. While no consensus was reached, efforts will continue on a common path forward.

FPT governments are listening to farmers and stakeholder groups, who have been asking for meaningful changes and alternatives to the current risk management approach.

Ministers agreed that programs need to improve to better target emerging risks that threaten the viability of the farm, which may include options based on insurance principles.

Moreover, programs should be simple, predictable, and respond quickly for producers, while treating farms fairly and equitably. To address these objectives, Ministers requested that analysis on alternative designs be completed to inform discussions on longer-term risk management reform at their next meeting in July 2021.

Ministers also took the opportunity to look further ahead as they launched discussions for the design and development of the next agricultural policy framework to follow the Canadian Agricultural Partnership, which will come into force on April 1, 2023. Ministers look forward to launching an initial engagement with industry this coming year to consult and collaborate on priority areas for development of the new framework, to be articulated in the policy statement that will be tabled in Guelph next summer. They noted the importance of recognizing regional differences and shared national objectives within that policy statement. Ministers also reviewed the lessons learned from a number of one-time initiatives to support producers and processors throughout the COVID-19 pandemic.

Ministers discussed the concerns of processors, producers and independent grocers regarding increased retailer fees on suppliers and the need for balance in the supplier-retailer relationship, while also ensuring that Canadians continue to have access to a reliable food supply at affordable prices. FPT governments agree that collaborative action is the best approach.

As such, an FPT working group will be created and will consult with experts and industry members to clarify the impact of the announced fees. The objective is to target potential solutions that benefit the entire food value chain. To support the working group's discussions, FPT Ministers call on industry to actively contribute to the development of solutions that will help ensure that Canada has the appropriate conditions for all supply chain partners to prosper. Ministers asked that the working group begin its work as soon as possible in order to propose concrete actions at the next Ministers meeting in July 2021.



Ministers also acknowledged the importance of essential front-line food workers.

The Ministers agreed to build on the progress made at this conference by continuing to meet regularly to advance immediate and long-term issues on behalf of the agriculture and agri-food sector as they lead up to their next Annual Conference in Guelph, in July 2021. Today's meeting was their 21st ministerial discussion since the pandemic began in March.

Quotes

"The Government of Canada is ready to support our producers as they continue to feed us. I am determined to continue working with my provincial and territorial colleagues to find common ground and make meaningful improvements to the financial safety net."

- *The Honourable Marie-Claude Bibeau, federal Minister of Agriculture and Agri-Food*

"The FPT agriculture ministers met this year during a unique and difficult period for the agri-food sector and for the networks that provide families with the supply of safe and nutritious food that they rely on. I appreciate the work we did collectively to make progress on important matters, such as building the next agricultural policy framework. I thank the federal government for their business risk management proposal, and look forward to working with my colleagues to review and consider it."

- *Ernie Hardeman, Minister of Agriculture, Food and Rural Affairs for Ontario*

Quick Facts

- Today's virtual meeting followed day one of discussions for the Annual Conference, which took place on November 20th, and covered topics such as labour challenges in the agriculture and agri-food sector, and the ongoing threat of African Swine Fever.
- Although COVID-19 has disrupted global supply chains, the Canadian agri-food sector remains resilient, and exports of agri-food products continue to grow, trending up eight per cent through the first eight months of 2020 compared to the previous year.
- Throughout the pandemic, federal, provincial and territorial ministers coordinated to maintain the integrity of supply chains and access to a diverse range of products. The agri-food sector demonstrated its robustness through the efforts of all entrepreneurs and workers to overcome the significant challenges caused by the pandemic.
- BRM programs, including AgriStability, serve to help producers manage risks such as natural disasters, weather events, severe loss and market volatility. Farmers are always encouraged to make use of the programs, which can help them cope with difficult situations.
- Improvements to BRM programs have already been announced as a response to COVID-19. These changes extended the AgriStability enrollment deadline for the 2020 program year and boosted interim payments in most jurisdictions from 50 to 75 per cent, while committing \$125 million to AgriRecovery (federal) to help beef, pork, and other producers cover up to 90 per cent of extraordinary costs related to the pandemic. The federal government also deferred repayment of up to \$177 million in loans under the Advance Payments Program to help producers manage cash flow.
- This FPT meeting builds on discussions and decisions taken at the December 2019 meeting in Ottawa, where Ministers initiated action on a number of key proposals to improve support to Canadian producers.

- Agriculture and agri-food continues to be an economic engine driving Canada's economy, contributing more than \$140 billion to GDP and responsible for 2.3 million jobs, accounting for one in eight jobs in Canada.
- The Canadian Agricultural Partnership is a five-year, \$3 billion commitment by Canada's federal, provincial and territorial governments that supports Canada's agri-food and agri-products sectors. The Partnership aims to continue to help the sector grow trade, advance innovation while maintaining and strengthening public confidence in the food system, and increase its diversity. In addition, under the Partnership, producers have access to a robust suite of business risk management programs to help them manage significant risks that threaten the viability of their farm and are beyond their capacity to manage.

Related products

- News Release: [Canadian Ministers of Agriculture better position farmers and processors for recovery and growth](#)
- Infographic: [Business Risk Management](#)
- Infographic: [Supporting farmers and food businesses to help feed Canada during COVID-19](#)

Associated links

- [Canadian Agricultural Partnership](#) (Agriculture and Agri-Food Canada)

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