

Reinvest in Agricultural Risk Management

Ongoing trade wars, droughts, and escalating production costs have increased business risk for Canadian producers, and the government's share of programs to manage these risks have not kept up.

AgriStability was intended to protect farmers against severe revenue drops during turbulent market conditions. Unfortunately, thousands of producers have left the program due to inadequate coverage levels and frustration with AgriStability's administration. A recent APAS estimate of AgriStability coverage for price-risk suggested that a Saskatchewan farm with average yields, prices and expenses over the past 5 years would not qualify for coverage even if the price of canola fell to **\$7.16 per bushel**. A price drop of this magnitude is well below the cost of production and would be a disaster for our farm and provincial economy.

Market disruptions and rising costs have created an environment of serious uncertainty for Canadian producers, so in this federal election APAS wants to see real commitments to fix AgriStability:

- Remove AgriStability coverage limits that are based on a farmer's allowable expenses from the previous year.
- Restore AgriStability coverage to 85% of a producer's historical margin.
- Make AgriStability payments to farmers faster and more predictable.

Protecting producers from trade injury

Saskatchewan's producers expect the Government of Canada to maintain productive diplomatic and trade relationships with other countries because our business depends on access to global markets. Canadian agricultural exports are currently being impacted by foreign governments, who chose to hurt farmers as an easy way to send political messages to federal politicians in Ottawa.

Trade wars have caused serious income problems for Saskatchewan farmers and existing federal insurance programs weren't built to handle the economic fallout from price drops due to trade disruptions. Meanwhile, governments in other jurisdictions are stepping in to protect their domestic farmers from trade injury. Market loss compensation rates are as high as \$57 per acre in some counties in North Dakota.

In this federal election, APAS wants to see commitments to create a new "Trade injury Support Program:"

- Federally funded program to compensate farmers for lost export sales due to trade disputes.
- Support offered for the duration of trade disputes, or until Canada's existing risk management programs are changed to provide coverage for trade-related income drops.
- Compliant with Canada's obligations to international trade organizations.

Improving rail infrastructure and performance

Having an efficient and reliable transportation network for moving grain exports to global markets is critically important to Saskatchewan's agricultural producers.

Canada's rail transportation system has struggled in recent years to meet the demands of increasing grain exports and this has caused costly delays for farmers, plus damage to Saskatchewan's credibility in export markets. Over the past 20 years, the average time a vessel sits in a Canadian port waiting to load grain has more than doubled from 4.3 days on average in 1999/2000 to an average of 10 days in 2017/18.

In this federal election, APAS wants to see a commitment from the federal parties to improve transportation infrastructure for grain exports:

- Investment into rail infrastructure programs to increase export capacity at a rate commensurate with forecasted production trends.
- Improve federal regulations to provide better enforcement of reciprocal service agreements between railways, grain shipping companies, and producers.
- Improve the transparency and oversight of overall rail network performance.
- Investment to support shortline rail development in Western Canada.

Fighting climate change through recognition and resilience

A carbon tax is clearly bad for Saskatchewan's agricultural producers. As price-takers in global markets, farmers are unable to pass along the added costs of a carbon tax and it only harms their businesses without reducing carbon emissions.

Saskatchewan's cropland and prairie grasslands are critical assets in the global effort to fight climate change because of the carbon sequestration benefits these lands provide, and farmers are the owners and managers of these important environmental protection resources.

In this federal election, APAS wants a commitment to developing a federal carbon offset program that:

- Provides meaningful recognition of current agricultural activities that offset carbon emissions.
- Provides financial support to maintain existing carbon sinks such as wetlands and grasslands.
- Provides fair compensation to producers for voluntary sequestration or emission reductions.

As an additional step towards reducing carbon emissions, APAS supports the development of a national mandate to allow 10 percent ethanol content in gasoline and 5 percent biodiesel content in diesel.

Producers also need effective programming to help us adapt to extreme weather events, such as drought and flooding. These include funding to improve water supplies and planning to manage extreme rainfall.

Producers also need assistance to develop new carbon sinks through agro-forestry and seeding and managing grasslands and forage.

Improving rural quality of life

Despite its importance to the provincial and national economy, rural Saskatchewan faces significant labour and infrastructure challenges. We need additional federal leadership and investment to ensure that rural areas have the necessary services and infrastructure to attract and retain people and investment. In this federal election APAS calls for commitments to:

- Increase federal investment into rural internet and cellular coverage, including clear timelines for achieving meaningful improvements.
- Change the Income Tax Act to encourage intergenerational transfers of farms and reduce the tax burden on retiring producers.
- Make it easier for beginning farmers to access federal capital programs like the Advance Payments Program and the Canadian Agricultural Loans Act.