



## **APAS calls on businesses to recognize the needs of producers faced with a devastating drought**

**July 26, 2021 (Regina, SK)** – The Agricultural Producers Association of Saskatchewan (APAS) is calling on businesses in the agricultural value chain to recognize the challenges faced by Saskatchewan producers as they face a devastating drought and significant financial burdens.

“Right now, producers are facing serious challenges and difficult business decisions,” said APAS President Todd Lewis. “Many Saskatchewan producers have not seen a significant rainfall since early June. Their crops are not recovering even if the sky opens today. We need financial institutions, cash advance administrators, suppliers, and buyers to recognize these conditions and assist producers. With expected yields well below average and higher feed costs for the livestock industry, producers may have difficulty meeting the repayment deadlines.”

Lewis recognized the recent announcement by Farm Credit Corporation of a plan to assist customers facing production and revenue challenges and recommended Canada’s financial institutions to adopt similar plans.

“Agriculture supports a lot of business activity in Canada, and 1 in 8 jobs,” Lewis said. “All of our suppliers and customers benefit when we do well, and I would hope they can recognize the need for flexibility when we are facing challenges.”

APAS is hearing concerns from producers holding forward contracts with grain companies about their ability to buy out those contracts.

“As with any other contract, it would be wise for producers to consult their lawyer in these circumstances, as we are in an unprecedented production and quality shortfall,” Lewis said.

Lewis points out that these provisions can be difficult to understand due to a lack of consistency in contract terms across the industry. For years APAS has been advocating for one standardized contract in Canada to ensure the documents are fair for all parties involved.

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**About APAS** – Founded in 2000 by farmers, APAS is Saskatchewan’s democratic, non-partisan agricultural policy and advocacy organization. APAS tackles agriculture’s most important problems and offers practical solutions to provincial and national decision makers.