



## **APAS sends out producer survey about how the drought has impacted grain contracts**

**September 23, 2021 (Regina, SK)** – The Agricultural Producers Association of Saskatchewan (APAS) created a producer survey to gain information and feedback about how the summer’s drought has impacted farmers’ and ranchers’ experience with grain companies, particularly in dealing with severe production shortfalls.

“The extreme heat and lack of rainfall throughout the summer led to yields well below long-term production averages for many farmers and ranchers throughout Saskatchewan,” APAS President Todd Lewis said. “Many producers in the province won’t be able to fulfill their grain contracts, and that could result in farmers having to pay thousands of dollars to buy out their contracts. That will cripple a lot of producers in an already challenging season.”

In more normal years, production shortfalls are more localized, so if a producer was short on their grain contract, that producer could purchase another farmer’s grain to fulfill contract obligations. The 2021 drought is widespread across Western Canada and has resulted in historically high grain market prices. Producers short on their contracts face substantial costs to buy out the contract in a rising market.

“It’s been a tough year for Saskatchewan producers, and during these unprecedented events that we really notice the flaws in the system,” Lewis said. “APAS is committed to working on behalf of producers to improve the contract system. By working together, producers, grain companies, and governments can meet at the table and find a solution that results in these contracts being fair to all parties involved.”

In August, APAS and all other provincial crop associations sent a [joint letter](#) to the Western Grain Elevator Association requesting grain companies eliminate their administration fees and penalties when producers deal with production shortfalls.

The APAS Grain Contract Survey will collect information to document the range and type of costs producers face due to contract shortfalls and disputes with grain buyers.

Improved grain contracts have been a longstanding policy issue for APAS members. APAS recently addressed contract concerns in a 2021 Canada Grain Act Review Submission and requested the Canadian Grain Commission and federal government work with producers and licensed grain companies to improve contract transparency and reciprocity in the trade.

[Click here for the link to the APAS’s grain contracts survey](#)

[Click here for more background information regarding grain contracts](#)

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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.