

December 15, 2020

Honourable Devin Dreeshen
Minister of Agriculture and Forestry
229 Legislature Building
10800-97 Avenue
Edmonton, AB, T5K 2B6
Via email: AF.minister@gov.ab.ca

RE: Agriculture and Agri-Food Canada Business Risk Management Offer

Dear Minister Dreeshen,

We are writing to encourage you to bring federal dollars to Alberta producers. Please consider the recent Business Risk Management (BRM) changes proposed by the federal government. These updates to AgriStability would support Alberta agriculture in the short-term, while work continues to modernize the business risk management suite for 2023.

Our organizations have communicated our support of the removal of the Reference Margin Limit from the current AgriStability program. This change has the potential to benefit farmers across all sectors and incentivises more farmers to access the program. We recognize that a delayed payment typically, but not always, results from an AgriStability claim, however it would be prudent to allow farmers increased confidence in the program in the short term. A forthcoming payment still benefits a farmer's current financial position.

We also support the increase in AgriStability payouts. These changes can help producers to weather some of the instability that portions of the agriculture sector have seen over the past year. However, a significant opportunity was missed with no action taken to increase the trigger returning to 85%, like it had been prior to 2013.

New money from the federal government for BRM programs is rare. No action on these changes would leave funding of nearly \$25 million lost. This money could benefit Alberta's agriculture sectors in the short term as farmers continue to contribute to the economy and work hard to escape from the pandemic challenges taking a toll on the provincial economy. Even more compelling is that losing the new money may hinder the ability to make future enhancements to the program suite. Taking supportive action on this offer may keep this funding in the negotiation.

On behalf of the signed organizations to this letter, we request that you consider the offer the federal government has outlined for the current AgriStability program. In addition, we encourage you to work with our sectors to modernize the BRM suite and plan for the next agriculture policy framework in 2023 providing the appropriate risk coverage to keep farming a sustainable and thriving driver of the Alberta economy.

Sincerely,



cc:

Honourable Jason Kenney, Premier of Alberta

Honourable Travis Toews, Minister of Treasury Board and Finance

Honourable Doug Schweitzer, Minister of Jobs, Economy and Innovation