

# Administrator's Report to AAFC

## 2021-22 Advance Payments Program

### Introduction

Canadian Canola Growers Association (CCGA) has been an administrator of the Advance Payments Program (APP) since 1984, providing cash advances to help Western Canadian farmers better market their farm commodities and supporting the working capital needs of their operations. The APP is a federal loan program administered by CCGA. It offers Canadian farmers marketing flexibility through interest-free and low-interest cash advances.

### Delivering the 2021-22 Program

With nearly 40 years of experience Helping Farmers Succeed, CCGA strives to make the cash advance program as easy as possible, offering a one-stop service for farm cash advances on more than 50 conventional and organic commodities.

More and more, farmers are taking a second look at a cash advance to:

- 1) balance the highs and lows of seasonal cash flow,
- 2) realize grain marketing objectives by better timing their commodity sales, and
- 3) reduce borrowing costs of their short-term financing needs.

The 2021 program at CCGA offered up to \$100,000 interest-free and up to an additional \$900,000 at CIBC prime rate less 0.75%. By taking a cash advance, farmers could see significant savings in interest costs, ranging from \$3,500 in savings for a smaller interest-free advance, up to nearly \$20,000 in savings.

During 2021-22, CCGA released several innovations that streamlined cash advance processes and enhanced value for farmers. These included:

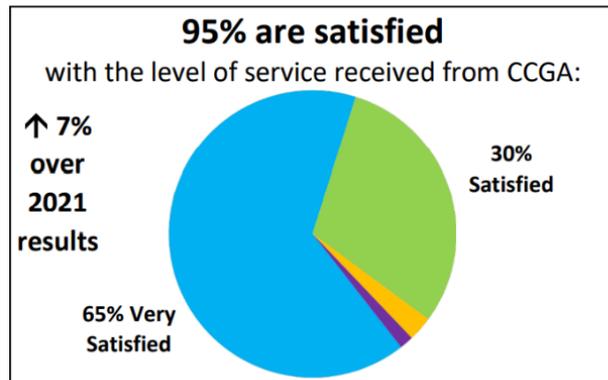
- To help spread out the farm workload, CCGA launched 2021 advance program applications earlier than ever before. On the first day of the 2021 program, CCGA issued 1,500 advances to farmers, injecting over \$200 million into Western Canadian farm operations as they prepared to plant the 2021 crop. [CCGA issues 1,500 cash advances to farmers on first day of 2021 APP](#)
- CCGA reduced administrative burdens by automating submission of supporting documents for existing customers through their online account.
- Added an application status tracker which allows customers with an online account to follow the processing of their advance once it has been submitted to CCGA.
- More effective targeting of our email messages with valuable information that farmers need to know about their cash advances.
- CCGA released cash advance [educational videos](#), with one of the most popular being, "What are the top 3 benefits of a cash advance?". Each video provides important introductory information about the cash advance program in less than 1-minute.

We have thousands of interactions with farmers, which helps us better understand the challenges farmers face throughout the year. This connection allows us to adapt and implement changes that improve farmers' experience with the cash advance program. It also provides important information that CCGA uses to when making recommendations to Government on improvements that will make the program more relevant and easier for farmers to use.

- Dave Gallant, Director, Finance & Operations

## DID YOU KNOW?

Each year, CCGA connects with thousands of Western Canadian farmers to ask for their feedback about how we are doing in providing APP cash advance services. The annual customer satisfaction survey provides CCGA with benchmark data and provides valuable feedback on ways to improve our services. CCGA also shares relevant feedback with Agriculture and Agri-Food Canada (AAFC), since many comments are often about the rules of the program, which are set by AAFC.



For 2021, CCGA received high marks for its customer service levels, with a record-high 95.7% of respondents reporting that they were satisfied or highly satisfied with the level of service they received from CCGA.

## APP Fund Summary of Operations

For year ended March 31	2022
APP Revenues	13,450,336
APP Expenses	16,155,506
Other Income	32,182
<b>APP Net Operating Income</b>	<b>(2,672,988)</b>
APP Contingency Fund	(12,758,771)

## To Learn More

- To read more about CCGA and the Advance Payments Program, visit the [Cash Advance](#) section of our website.
- Read our cash advance [press releases](#) or our cash advance [blog posts](#) from our website.