

March 20, 2020

The Honorable Marie-Claude Bibeau, P.C, M.P.  
Minister of Agriculture and Agri-Food  
1341 Baseline Road  
Ottawa, Ontario K1A 0C5

Via e-mail: [aafc.minister-ministre.aac@canada.ca](mailto:aafc.minister-ministre.aac@canada.ca)

**RE: COVID-19 Response**

Dear Minister Bibeau:

The Canadian Canola Growers Association (CCGA) appreciates the opportunity to provide comments on how the federal government can best support farmers during the COVID-19 pandemic. CCGA represents 43,000 canola farmers from Ontario to British Columbia on national and international issues, policies, and programs that impact farm profitability. Canola is one of the largest sources of farm cash receipts, and as a sector contributes \$26.7 billion to the Canadian economy annually while supporting 250,000 jobs across the country.

With ever fluctuating markets and time-sensitive requirements such as fertilizer and crop inputs for seeding, farmers face unique needs that COVID-19 is threatening. Unique, tailored solutions then are required to support farmers in their essential role in keeping food supply flowing. CCGA recommends the following in response:

**Business Risk Management Reform**

In these rapidly evolving circumstances, CCGA again calls on the federal government to **restore AgriStability coverage immediately to cover losses starting at 85 per cent of historical reference margins with no Reference Margin Limits**. As you are aware, Canada's AgriStability program is a core pillar of Canada's business risk management (BRM) suite, representing the only tool currently available to all farmers to manage both production and market risks. Yet participation in the program has declined precipitously since cuts were made to the program in 2013, reducing the level of support available to farmers facing losses. As a result, approximately two-thirds of farmers are opting out of the program – leaving them exposed to immense risk.

COVID-19 is exasperating existing market uncertainty and volatility for canola farmers and is yet another risk out of farmers' control. In addition to Covid-19, farmers are managing trade disruptions, rail challenges and 2019 extreme weather events all effecting the financial vitality of their farm operations. Reform to AgriStability is required to properly manage these risks beyond farmers' control.

**AgriInvest as a short-term bridge**

In the short term to address current farmer needs while BRM programs are being restored, we request AAFC leverage the existing AgriInvest program to quickly flow funds to producers to protect food security and support the rural economy.

Specifically, we support an immediate injection of 5% of last year's Allowable Net Sales (ANS) into AgrilInvest accounts; that the matching contribution portion be waived; and, that AAFC consider tax deferrals for producers that need to make withdrawals from AgrilInvest.

### **Export supply chains and corridors need to remain open**

Ultimately, canola farmers need Canada's borders to remain open to trade. Specifically, it is imperative that our borders remain open to outgoing and incoming goods, that supply chains are not disrupted, and that the U.S.-Canada integrated market is maintained. With 90% of canola exported, trade drives the market/price opportunities available to farmers and our sector's competitiveness. On the import side, seeding is around the corner. Farmers need access to crop inputs (i.e. fertilizer, crop protection products, fuel, machinery/parts, labour), and any delays have the potential to push back an already tight growing season. Trade-related services at port and at the border, such as Canadian Grain Commission outward inspection and weighing, Canadian Food Inspection Agency phytosanitary services, port logistics and border personnel should be prioritized to minimize the impact on trade.

As a longer-term measure, the Canada-United States-Mexico agreement (CUSMA) should be implemented as soon as possible, to help with market confidence and ensure a continued strong foundation for uninterrupted trade with our largest trading partners.

Thank you for the opportunity to provide comments on the federal government's response to COVID-19. Canola farmers want to continue to produce the best quality canola and help feed the world in these uncertain times.

Sincerely,

Rick White  
President & CEO  
Canadian Canola Growers Association