

Minister  
of Agriculture and  
Agri-Food



Ministre  
de l'Agriculture et de  
l'Agroalimentaire

Ottawa, Canada K1A 0C5

Quote: 280542

11/24/2023

Mr. Brian Thomas  
President  
British Columbia Cattlemen's Association  
4-10145 Dallas Drive  
Kamloops BC V2C 6T4

Dear Mr. Thomas:

I would like to extend my sincerest gratitude to you for your kind words on my reappointment to the Agriculture and Agri-Food portfolio. It is a tremendous honour to be entrusted with ensuring the needs of all Canadians from farm to fork are met. I regret the delay in this response.

I am aware of the challenges and uncertainty that British Columbia producers are facing due to extreme weather events and their impact on production and property, and I appreciate the commitment and efforts of farmers during these difficult times. The Government of Canada is determined to ensure programs are adequately responding to the situation.

Federal, provincial and territorial governments offer a suite of business risk management (BRM) programs to help farmers manage severe risks to their farm income. These programs include AgriStability, AgriInvest and AgriInsurance.

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Governments agree that producers should proactively manage their risks by taking full advantage of the support available through these programs, and I encourage producers across Canada to participate.

Support is available to impacted producers through the AgriStability program, which protects Canadian producers against large declines in farming income for reasons such as production loss, market conditions and increased costs. Producers enrolled in AgriStability will receive support when their production margin in the current year falls below their historical reference margin by more than 30 percent. Under the new Sustainable Canadian Agricultural Partnership, the AgriStability compensation rate has been raised from 70 to 80 percent.

The governments of British Columbia and Canada have agreed to offer late participation for the 2023 program year. Producers who did not enroll in the program before the deadline can still access support by sending in their late participation forms before June 30, 2024.

Producers who are looking for earlier payments should contact provincial administrators to discuss an AgriStability interim payment, which could be issued quickly and can help provide cash flow to cover necessary expenses, including the increased cost of feed and hay. For 2023, interim payments can be up to 75 percent of the expected final AgriStability payment. Some cattle producers may also be eligible for an AgriStability targeted advance payment and should discuss this option further with provincial administrators.

AgriInvest is a government-matched savings account intended to cover small income declines. Producers can deposit up to 100 percent of their allowable net sales in an account and receive a matching government contribution on 1 percent of this total, to a maximum of \$10,000 per year. These funds are available to participants at any time and can be used for various reasons, including to meet short-term cash-flow needs.

AgriInsurance, commonly referred to as crop insurance, is considered to be the first line of defence in Canada's BRM suite, particularly for producers facing drought. The federal and provincial governments contribute to the cost of the insurance premiums, which ensures that producers have access to an affordable and effective insurance program that minimizes the economic impacts of production losses caused by adverse weather such as drought and other insured perils (insects, disease, etc.). Producers who enroll in crop insurance plans are guaranteed a level of production based on their individual yield history and corresponding level of coverage and are provided with timely and predictable assistance when experiencing production losses.

Agriculture and Agri-Food Canada is aware that the main forage supply areas in British Columbia are experiencing significant impacts from drought and wildfires. On July 25, in response to drought conditions, the British Columbia Business Risk Management Branch announced measures that will assist British Columbia cattle farmers. Specifically, crop producers participating in the AgriInsurance program will be allowed early harvesting of acres with low-yielding crops to be diverted for feed. The crops include barley, canola, fall rye, field peas, oats and wheat. This measure benefits both growers and cattle producers by giving growers the opportunity to salvage crops before crops deteriorate to the point of being worthless and by developing a local, affordable feed source. Federal and provincial officials will continue to monitor crop conditions and consider program responses to ensure producers have the tools they need to manage their challenges.

Additionally, AgriRecovery is a federal-provincial-territorial disaster relief framework intended to work together with the core BRM programs to help agricultural producers recover from natural disasters. AgriRecovery cannot duplicate or replace the assistance provided by these programs; rather, it focuses on extraordinary costs producers face in order to recover from disasters in excess of the available core BRM program supports.

On October 20, 2023, our government announced a contribution of \$219 million to support farmers and ranchers in British Columbia, Alberta and Saskatchewan who are dealing with extraordinary costs due to drought conditions and wildfires. This funding will help them recover and ensure they have the tools they need to continue to be resilient in the face of natural disasters and extreme weather events. Federal, provincial and territorial governments are committing a total of \$365 million to affected areas under the AgriRecovery framework.

The Livestock Tax Deferral provision is an important tool for farmers who must sell breeding livestock due to drought. I would like to assure you that the federal government is committed to ensuring producers have the tools they need to manage the risks they face and that regions designated for the Livestock Tax Deferral provision are announced as early as possible each year to allow producers to make timely herd management decisions.

On August 21, 2023, I announced the initial list of designated regions in British Columbia, as well as in Alberta, Saskatchewan and Manitoba. The list can be viewed on Agriculture and Agri-Food Canada's [2023 Livestock Tax Deferral](#) webpage. The Department's agroclimate specialists will continue to monitor conditions relative to the Livestock Tax Deferral criteria throughout the growing season and additional designated regions will be added if they meet the criteria.

I trust that this information will be of assistance to you. Again, thank you for writing to me on this matter.

Sincerely,

A handwritten signature in cursive script that reads "Lawrence MacAulay".

Lawrence MacAulay, PC, MP