



## INTRODUCTION

The important work of farmers and ranchers is supported by programs administered and delivered by various levels of government. Business risk management (BRM) programs are tools that provide agricultural producers with protection against income and production losses, helping to manage risks to the financial viability of farms and ranches. On-farm programs offer a variety of resources to enhance the efficiency, growth, or societal benefit of farmland operations.

## THE ISSUE

B.C. has long been the province that invests the least in its agriculture sector as a percentage of agriculture's Gross Domestic Product (GDP). In 2016-2017, B.C. invested only 5.3% of the provincial agriculture GDP in all agriculture-related programs, compared to a national average of about 12%. This low level of investment is inconsistent with the provincial government's interest in ensuring resilient food systems, ensuring access to safe and affordable food for all British Columbians.

Farmers and ranchers have also found the application process for BRM programs increasingly difficult to navigate. It is important that those who have been impacted by adverse climate events, trade disruptions, and other developments beyond their control receive support when it is most needed. This will help to ensure the financial viability of farmland operations and encourage new farmers and ranchers.

## BACKGROUND

Agriculture is a shared responsibility between the federal, provincial, and territorial governments. To better coordinate programs and payments, governments agreed to create a five-year Agriculture Policy Framework (APF). This began with the 2003-2008 APF agreement, was renewed with Growing Forward I and II, and we are now in the Canadian Agriculture Partnership (CAP) from 2018 to 2023. These frameworks set out the priorities that Canada and the provinces have agreed to work on during the agreement and detail how spending will be shared. Discussions are ongoing for the Next Agricultural Policy Framework (NPF), which will extend from 2023 to 2028.

BRM includes such programs as AgriStability, AgriRecovery, AgriInvest, AgriInsurance, and the Advance Payments Program. On-farm programs include a variety of supports for the implementation of on-farm solutions, such as the Environmental Farm Plan program, which is funded through CAP and helps farmers reduce the environmental impact of their operations.

## KEY POINTS

- In agriculture, there are good years and bad years. Farmers and ranchers recognize this. Support is needed through responsive BRM programs when the financial viability of a farmland operation is threatened by events beyond the control of the farmer and rancher.
- The B.C. agriculture industry is diverse, and it is important that program design and implementation reflect the differing needs of B.C. farmers and sectors.
- Farmers and ranchers recognize that climate change is a serious threat to agriculture in B.C. and are already innovating with the support of on-farm programs.
- The imposition of carbon pricing on goods and equipment essential to farmland operations risks increasing food costs and limiting the competitiveness of B.C. farmers in Canadian and international markets.

## THE SOLUTION

The agriculture sector is seeking investment from all levels of government that better reflects the contribution farmers and ranchers make to the economic vitality of B.C. and which more closely matches the national average of funding. Furthermore, program design requires close consultation with farmers and ranchers to ensure programs are responsive to their needs and to the current realities of agriculture production in the province.

B.C. should pursue closer parity with the national average of investment in agriculture, increasing from 5.3% to approximately 12% of the sector's contribution to provincial GDP.

## WHAT COULD GOVERNMENTS DO?

- Consult closely with BCAC and its Member Associations in the development of the NPF and associated future programs.
- Ensure predictable funding for BRMs and a streamlined, responsive application process, so that farmers and ranchers know they can depend on support from these programs when needed.
- Actively promote programs and supports available to farmers, as well as report publicly on the levels of funding allocated to each program.
- Support targeted research and testing that can improve the competitiveness of B.C. farmers and ranchers in Canadian and international markets.

## WHAT IS BCAC DOING?

- Working with the Government of B.C., Canadian Federation of Agriculture, and other stakeholders to ensure the NPF includes adequate funding and responsive programs for B.C. farmers and ranchers.
- BCAC and the provincial government operate the Risk Management Advisory Committee, which helps government evaluate program design and performance with feedback directly from farmers and ranchers.
- Collaborating with CAP delivery agents to review ongoing programs and consider new on-farm programs which provide the best possible benefit to farmers and the broader industry.
- Establishing a Farm Business Committee to facilitate industry input on current and future programs.