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April 11, 2024

The Honourable Lawrence MacAulay, P.C., M.P. Minister of Agriculture and Agri-Food House of Commons Ottawa, ON K1A 0A6

Sent via Email: <u>lawrence.macaulay@agr.gc.ca</u>

## Subject: Follow-up from Ministerial Visit to British Columbia

Dear Minister,

Thank you for your recent visit to our beautiful province of British Columbia and for taking the time to meet with me on April 2, 2024, together with other representatives of BC Agriculture Council (BCAC). We appreciated the opportunity to connect with you again so soon, especially in the wake of an unprecedented cold snap that has devastated grape and tree fruit production in the Okanagan region and other areas of the province.

As discussed in our meeting, BCAC welcomes the news that the interest-free limit under the Advance Payments Program (APP) will be increased to \$250,000 for the 2024-25 fiscal year. Your advocacy in support of this increase was appreciated by producers in B.C. who rely upon this program. However, we ask that you consider pursuing a further increase of the interest-free limit to \$350,000 under the APP.

In 2023, the Government of Canada recognized that increased input costs were presenting considerable challenges for farmers and so raised the interest-free limit to \$350,000. These challenges with the affordability of inputs have not gone away in the year since and largely result from disruptions to global supply chains, high interest rates, high inflation, and extreme climate events.

Increasing the interest-free limit under the APP for at least the next few years would also help growers impacted by the January 2024 cold snap ensure they have adequate cash flow to continue farming, as it will take some time for their operations to recover and return to production. Many of these growers have been deeply demoralized by this extreme climate event, and an increase to the interest-free limit to match what was provided in 2023 would be a powerful gesture that they have been heard and their government supports them.

We hope you will consider making this case to your colleagues in government. If you might need any additional information or details regarding the impact of the cold snap on agricultural production in B.C. or on any of the other topics we discussed in our meeting, your staff can contact BCAC's Executive Director, Danielle Synotte, via email at <u>dsynotte@bcac.ca</u> or via telephone at 604-854-4483.

As you will know, BCAC is the lead industry advocate for key sector-wide priorities in our province. Our mission is to grow a strong, sustainable, and competitive agriculture sector through building industry consensus and advancing public policy. We achieve this by delivering a unified voice for the sector to government through the 28 unique commodity groups we

represent. In turn, the approximately 20,000 farm families who hold membership in these associations generate 96% of farm gate sales in B.C.

Thank you once again for taking the time to meet with us and for your interest in the diversity of our agriculture sector! We look forward to our next opportunity to host you in B.C. and to any future opportunities that can advance the sustainability of the sector.

Sincerely,

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Jennifer Woike President, BC Agriculture Council