



News Release

For immediate release

Government of Canada Implements New Regulations to Enhance Advance Payments Program

June 3, 2019 – Ottawa, Ontario – Agriculture and Agri-Food Canada

Today, Agriculture and Agri-Food Minister Marie-Claude Bibeau announced that the Government of Canada has implemented the new regulations necessary to strengthen the Advance Payments Program, as announced on May 1st.

These changes will provide farmers with more cash flow, providing them flexibility to manage their farm operations, adjust their marketing plans and explore new market opportunities. Strong and stable markets for our high-quality Canadian canola means more money in the pockets of our farmers and supports good, middle-class jobs for Canadian farm families.

The amendments made to the Agricultural Marketing Programs Regulations increase loan limits from \$400,000 to \$1 million for all producers on a permanent basis, and increase the interest-free portion of loans on canola advances from \$100,000 to \$500,000 in the 2019 program year under the APP. Producers of all other commodities can continue to receive up to \$100,000 interest-free.

With the regulations now in place, government officials are working with the 36 program administrators to revise contracts, operating procedures and to ensure system changes are properly implemented, and are working as efficiently and effectively as possible. Producers will be able to apply for the new amounts as early as June 10 and new advances above \$400,000 will be issued as of June 26.

Producers are encouraged to contact their APP administrator regarding application details and processing timelines. In the meantime, the Government continues to provide producers access to the current advance limit of \$400,000, which effective immediately, is interest-free for all canola advances.

These changes will help farmers manage their cash flow, giving them more flexibility during a time of market uncertainty.

Quotes

"Our Government stands behind our farmers and is taking numerous concrete actions to help them manage the current market disruption challenges. These measures will help ensure our hardworking Canadian producers have the flexibility they need to manage their cash flow."

- *Marie-Claude Bibeau, Minister of Agriculture and Agri-Food*

"Stronger cash advances, with a larger interest-free portion for canola, as requested by western producers, will help support farm incomes while we work on all possible fronts to overcome current market distortions and impediments."

- *Ralph Goodale, Minister of Public Safety and Emergency Preparedness and Member of Parliament for Regina-Wascana*



“We thank Minister Bibeau for her efforts to bring the regulations into force on May 29, and for having the increased limits under the APP available to farmers beginning June 26, 2019,” says Bernie McClean, President of Canadian Canola Growers Association (CCGA). “Time is of the essence, with uncertainty over markets and farm cash flow being such a big concern for farmers this year.”

- *Bernie McClean, President, Canadian Canola Growers Association*

Quick Facts

- The APP is a federal loan guarantee program which provides agricultural producers with access to low-interest cash advances to help provide marketing flexibility to allow producers to sell their commodity at the most opportune time. Advances are available on over 500 crop and livestock products across Canada.
- As of May 29, canola advances are eligible for up to \$400,000 in interest-free loans.
- On April 1, 2019, Agriculture and Agri-Food Canada announced the formation of the [Government of Canada Canola Working Group](#), made up of representatives from both industry, and provincial and federal governments.
- The working group was created after China suspended the licenses of two Canadian companies to export their canola seed to China, citing non-compliance with their plant health requirements. At the same time, China strengthened their inspection measures on all Canadian canola seed shipments.
- On May 1, 2019, the Government of Canada announced its intention to amend the Agricultural Marketing Programs Regulations to increase loan limits under the APP. The Government also announced a two-month extension to the AgriStability enrollment deadline for the 2019 program year without penalty, from April 30 to July 2, 2019, allowing farmers more time to sign up and benefit from the program. This exceptional step agreed to by FPT governments will enable the program to help more farmers manage the impact of current market disruptions and production challenges facing many farm operations.

Associated links

- [Advance Payments Program](#)
- [Government of Canada Taking Action for Canada's Canola Sector](#)
- [Governments Extend 2019 AgriStability Enrollment Deadline](#)
- [Government-Industry Canola Working Group](#)
- [Business risk management programs](#)
- [Diversifying Canada's trade and investment opportunities](#)

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