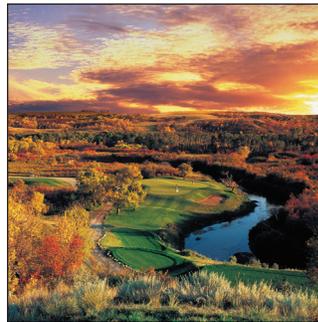


Ministry of Agriculture



Plan for 2019-20

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Statement from the Minister



*The Honourable David Marit
Minister of Agriculture*

I am pleased to present the Ministry of Agriculture's Operational Plan for 2019-20.

Government Direction and Budget for 2019-20 is focused on *The Right Balance* for Saskatchewan. We're returning to a balanced budget with sound fiscal management while keeping taxes low, supporting economic growth and ensuring quality government programs and services for people and businesses in Saskatchewan.

The 2019-20 budget for the Ministry of Agriculture is \$391.3 million, including \$71.2 million for strategic programs under the five-year, federal-provincial Canadian Agricultural Partnership agreement. This includes programs in six priority areas: Science, Research and Innovation, Environmental Sustainability and Climate Change, Risk Management, Value-Added Agriculture and Agri-Food Processing, Public Trust, and Markets and Trade.

The budget includes \$271.9 million to go toward fully funding business risk management programs, including Crop Insurance, AgriStability, AgriInvest and Western Livestock Price Insurance. Investments in strategic and business risk management programs position the agriculture industry for long-term sustainable growth.

The Ministry will report on progress towards the targets laid out in this plan, within the financial parameters provided, in the 2019-20 Annual Report.

Response to Government Direction

The Government of Saskatchewan is committed to having *The Right Balance*. We will continue to carefully manage spending and focus on government priorities, such as competitive taxes, investments in economic growth and providing programs and services that meet the needs of Saskatchewan people and businesses.

Saskatchewan's Vision

".. to be the best place in Canada – to live, to work, to start a business, to get an education, to raise a family and to build a life."

Sustaining growth and opportunities for Saskatchewan people

Meeting the challenges of growth

Securing a better quality of life for all Saskatchewan people

Delivering responsive and responsible government

Saskatchewan's Vision and goals provide the framework for ministries, agencies and partners to align their programs and services and meet the needs of Saskatchewan's residents.

All ministries and agencies will report on progress in their 2019-20 annual reports.

Operational Plan

Mandate Statement

The Ministry helps the industry manage risk and enables a globally competitive, thriving and sustainable agriculture and food sector by supporting farmers, ranchers and agri-businesses.

Mission Statement

The Ministry enables a prosperous, market-driven agricultural industry through a supportive legislative framework, policies, programs and services.

Government Goals



Sustaining growth and opportunities for Saskatchewan people.

Ministry Goal

Growth in the primary agriculture sector.

Strategy

Enhance the business environment to attract investment and support growth.

Key Actions

- Implement programming and services to ensure successful completion of irrigation asset transfer.
- Work with industry stakeholders, ministry partners, and other governments to identify and address barriers to growth in the primary sector.
- Work with industry to enhance opportunities for developing livestock operations in the province.

Strategy

Advance research, innovation and knowledge transfer to improve productivity and sector competitiveness.

Key Actions

- Strengthen partnerships to improve competitiveness and increase primary production.
- Encourage adoption of new technology and practices.
- Ensure extension efforts are effective through monitoring and reporting.
- Continue to implement the Strategic Research Initiative and Strategic Field Program.
- Align research investments with Protein Industries Canada.



Strategy

Influence federal trade policy to reflect Saskatchewan priorities.

Key Actions

- Advocate for Saskatchewan trade interests in partnership with Intergovernmental Affairs and the Ministry of Trade and Export Development.
- Improve engagement with provinces and industry by the federal government on all agricultural trade matters.

Strategy

Expand product and market development opportunities.

Key Actions

- Partner with Saskatchewan Trade and Export Partnership to increase exports.
- Increase the Ministry's market intelligence capacity to better support industry.
- Participate in trade missions to promote Saskatchewan interests in key markets.

Performance Measures

Annual Crop Production

A key goal of the *Saskatchewan Plan for Growth* is to increase crop production by 10 million tonnes to 36.6 million tonnes by 2020. Driven by advances in technology and best practices, Saskatchewan farmers are well on their way and harvested 35.4 million tonnes in 2018 despite limited moisture in much of the grain belt. While there are many variables that go into producing a successful crop, including weather, the Ministry will continue to emphasize the importance of adopting beneficial crop management, production and protection practices to ensure that profitable crop production continues to increase in Saskatchewan.

Annual Livestock Sector Revenue

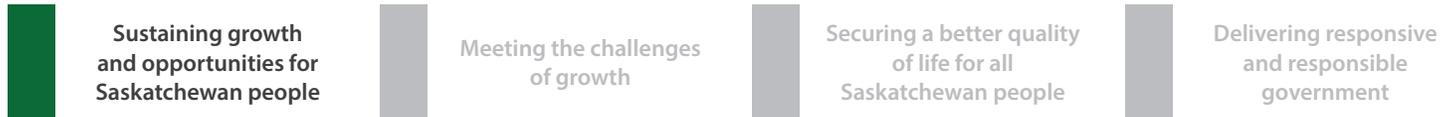
The Ministry has set a target of increasing annual farm livestock cash receipts above \$2 billion by 2020. The initial target has already been met, as higher market prices led to the industry achieving \$2 billion in farm cash receipts in 2017 and an estimated \$2.3 billion in 2018. Significant global population growth is anticipated over the next 30 years, which is expected to drive the continued growth of the sector. Saskatchewan has 19.93 million acres of pasture and forage land well-suited for livestock production, providing an excellent opportunity for Saskatchewan to supply this growing demand. The Ministry will continue to emphasize the importance of adopting the best livestock management, production and biosecurity practices to achieve increased livestock production in Saskatchewan.

Value of Agri-Food Exports

Under the *Saskatchewan Plan for Growth*, the province's agri-food exports target is \$15 billion by 2020. This target was exceeded in 2015, as agri-food exports reached a record-high of \$15.3 billion. Due to market access issues, agri-food exports are down to \$13.4 billion in 2018; however, the five year average remains strong at \$14.2 billion. With the forecast growth in world populations and income levels, global demand for food and agricultural-related goods is anticipated to increase. The Ministry will continue to support the sector to take advantage of these emerging opportunities by expanding market presence, influencing federal trade negotiations and collaborating with industry.



Government Goals



Sustaining growth and opportunities for Saskatchewan people.

Ministry Goal

Growth in the value-added sector.

Strategy

Improve the competitiveness of the industry to improve profitability, growth, investment and attraction.

Key Actions

- Work to influence industry in strategic infrastructure investments.
- Leverage partnerships with other ministries and organizations to address sector level constraints and impediments.

Strategy

Improve efficiency of value-added processing.

Key Actions

- Deliver effective programming and services including the Food Safety Program, Saskatchewan Lean Improvements in Manufacturing (SLIM) and Agriculture Development Fund (ADF).
- Work with individual companies to help address processor challenges related to regulatory barriers and infrastructure constraints.

Performance Measures

Annual Value Added Revenue

Saskatchewan's agri-food exports are largely driven by the sale of raw commodities; however, the timing is right to continue expansion of our agriculture value-added (processing) sector and take advantage of an increasing demand for food, feed, fuel and fibre.

Saskatchewan has set an ambitious target to grow Saskatchewan's value-added sector to \$6* billion in revenue by 2020. The Ministry is forecasting value added revenue to be \$5 billion in 2018, representing strong growth in the industry. In order to achieve this target, the Ministry is implementing an Agriculture Value-Added Strategy. This Strategy focuses on capturing economic value beyond primary production through increased investment, infrastructure development and innovative technologies. The value-added sector has significant growth opportunities and will be an important contributor to the success of Saskatchewan's *Plan for Growth*.

* The Growth Plan target was \$6.0 billion, but the revisions by Statistics Canada resulted in readjusting the starting value-added baseline: as such, the Ministry would project value-added revenue to reach \$5.2 billion by 2020.



Government Goals

Sustaining growth and opportunities for Saskatchewan people

Meeting the challenges of growth

Securing a better quality of life for all Saskatchewan people

Delivering responsive and responsible government

Meeting the challenges of growth.

Ministry Goal

Improve the agriculture sector's long-term resiliency and competitiveness.

Strategy

Develop and implement effective evidence-based assurance systems.

Key Actions

- Work with stakeholders to improve monitoring and surveillance efforts, including anti-microbial resistance in livestock and improving crop and livestock disease surveillance.
- Implement a provincial clubroot management plan.
- Implement crop surveys and collaborate to deliver a comprehensive study of plant pests.
- Participate in the Federal Regulatory Modernization initiative to advance Saskatchewan's interests.
- Implement on-farm assurance systems through the Canadian Agricultural Partnership.

Strategy

Continue to improve on Ministry's programs and services.

Key Actions

- Implement the agricultural components of Prairie Resilience: A Made in Saskatchewan Climate Change Strategy.
- Fund research to understand how management practices impact the environment.
- Collaborate with the Federal, Provincial/Territorial Governments and National Program Advisory Committee to ensure the Business Risk Management review meets Saskatchewan's needs.
- Increase Indigenous participation in the agriculture sector.
- Improve public access to Ministry of Agriculture services.
- Sell Crown land where there is no higher ecological, environmental, heritage or economic benefit to the public to farmers and ranchers who can continue to steward the land and realize the benefits of ownership.
- Transfer Crown land with no agricultural potential to other ministries and agencies.
- Strengthen emergency preparedness through improved monitoring and prevention of animal diseases.



Performance Measures

In 2017, the Government of Saskatchewan released *Prairie Resilience: A Made in Saskatchewan Climate Change Strategy*. Part of this strategy includes new, agriculture related measures and targets intended to strengthen Saskatchewan's ability to adapt, and even thrive within a changing climate.

Natural Land

Maintaining the total area of natural land (native prairie, pastures and hay) sequesters carbon, retains soil moisture and increases resiliency to offset flood and drought events. The Ministry targets maintaining the total area of natural land at the 2016 level of 19.93 million acres.

Sequestration of Organic Matter

The release of greenhouse gas emissions can also be reduced through agricultural practices such as zero-tillage seeding that sequester the amount of organic matter in cultivated land. The target for this measure is the current five-year average of 5.6 million tonnes per year.

Nutrient Stewardship

The 4R's of nutrient stewardship are the "right source, right rate, right time and right place" and 4R Nutrient Stewardship Plans provide a framework to achieve cropping goals and improve environmental outcomes through the precise application of agricultural fertilizers. The target for total farmland managed using a 4R Nutrient Stewardship Plan is 25 per cent by 2025.

Economic Resiliency

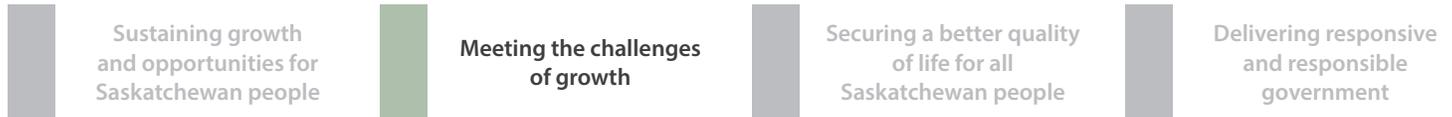
A key economic resiliency measure is the volatility in net farm income over time, as it represents the ability of farmers to maintain production and profit regardless of the impacts of climate change. The Ministry is targeting no greater than 50 per cent decrease in realized net farm income from the previous five-year average.

Crop Diversification

Finally, the diversification of crop species contributes to economic resiliency and positive environmental outcomes such as enhanced soil health and the management of pest and diseases. The target is for no one crop type (cereals, oilseeds, pulses/soybeans and summer fallow) to rise above 50 per cent of the cultivated area in Saskatchewan.



Government Goals



Meeting the challenges of growth.

Ministry Goal

Public trust in the agriculture sector.

Strategy

Encourage and support industry to adopt best practices.

Key Actions

- Work with Fertilizer Canada to advance uptake of 4R practices in Saskatchewan, including finalization of the terms of reference and action plan.
- Develop a targeted approach to environmental programming to address risks to recreational waterbodies.
- Partner with the Ministry of Environment to monitor and respond to Chronic Wasting Disease.

Strategy

Protect food safety, animal health and the environment.

Key Actions

- Align environmental farm plans to facilitate producer participation in market-driven sustainability initiatives.
- Partner to develop policies and programming on critical habitat and species at risk.
- Provide range management expertise for public and private lands.
- Modernize animal health regulations through the proclamation and implementation of a new Animal Health Act.
- Assist the Water Security Agency in implementing the Agricultural Water Management Strategy.

Strategy

Partner to build awareness about modern agriculture.

Key Actions

- Encourage industry engagement in building public trust and collaborative, strategic, industry-led agriculture awareness initiatives.
- Develop a communications plan to build confidence in the regulatory framework.
- Support the implementation of the Next Gen Mentorship Program, as well as other initiatives to develop industry leadership and build organizational capacity.
- Work with federal stakeholders to develop a consistent framework to measure public perception and the effectiveness of government public trust programming.



Performance Measures

Public understanding of agriculture as measured by the percentage of Saskatchewan residents with a positive perception of agriculture.

The Ministry's goal is to maintain public trust in agriculture, with at least 85 per cent of Saskatchewan residents having a positive perception of agriculture. According to results from an Insignitrix Research Inc. omnibus survey, 89 per cent of Saskatchewan residents had a positive perception of agriculture in 2018. Furthermore, Canadian's perception of agriculture is only 55 per cent positive according to the Canadian Centre for Food Integrity. These perceptions have the potential to limit farmers, ranchers and agribusinesses continued access to the tools, technologies and markets they need to be competitive and sustainable.

The Ministry will continue to provide leadership and foster accountability to build public trust in agriculture by encouraging industry to do the right thing, ensuring an effective assurance system and building awareness and engagement. The Ministry is committed to evidence-based policy, and will work collaboratively with industry to earn the trust of the public by practicing transparency and seeking continuous improvement.

Highlights

The following are key announcements being made in the 2019-20 Budget:

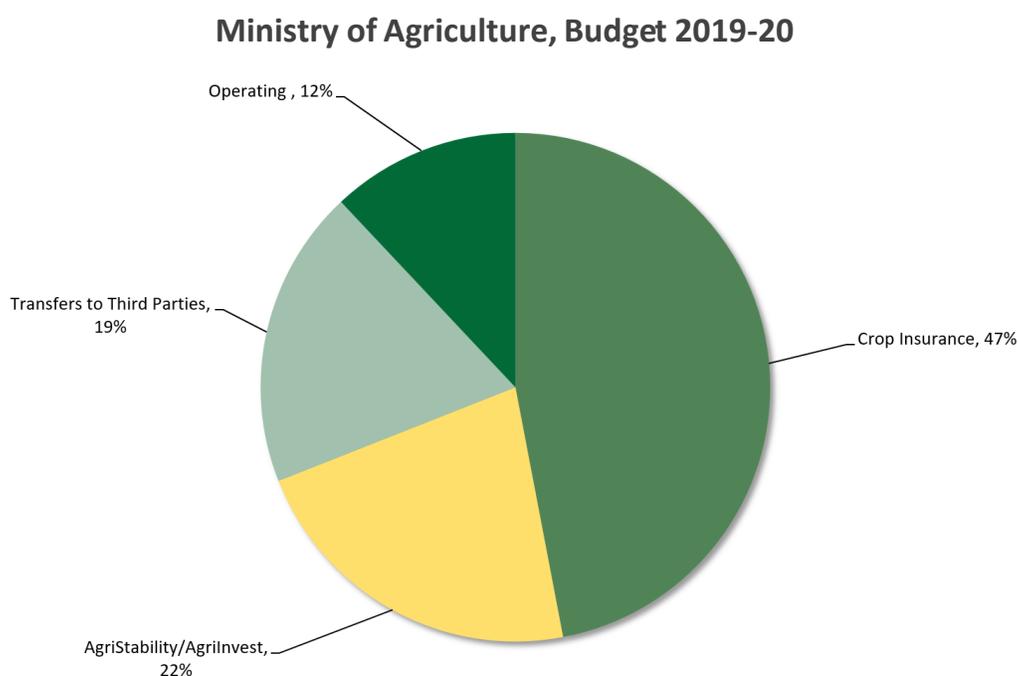
- \$71.2 million for strategic programs under the five-year, federal-provincial Canadian Agricultural Partnership agreement for the areas of:
 - Science, Research and Innovation;
 - Environmental Sustainability and Climate Change;
 - Risk Management;
 - Value-Added Agriculture and Agri-Food Processing;
 - Public Trust; and
 - Markets and Trade.

- \$271.9 million to fully fund business risk management programs, including:
 - Crop Insurance;
 - AgriStability;
 - AgriInvest; and
 - Western Livestock Price Insurance.

Financial Summary

2019-20 Estimates	(in thousands of dollars)
Central Management and Services	11,297
Industry Assistance	3,864
Land Management	6,586
Policy, Trade and Value Added	5,348
Research and Technology	31,943
Regional Services	32,181
Programs	26,652
Business Risk Management	271,871
Ministry Operations Appropriation	389,742
Non-Appropriated Expense Adjustment	1,571
Total Expense	391,313

For more information, see the Budget Estimates at: <http://www.saskatchewan.ca/budget>



For More Information

Please visit the Ministry's website at <http://www.saskatchewan.ca/government/government-structure/ministries/agriculture>