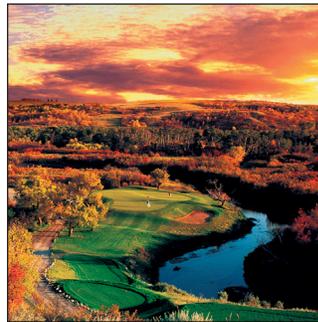


Ministry of Agriculture



Annual Report for 2018-19

Table of Contents

Letters of Transmittal 2

Introduction 3

Ministry Overview 4

Progress in 2018-19 5

2018-19 Financial Overview 16

For More Information 20

Letters of Transmittal



*The Honourable David Marit
Minister of Agriculture*

June 29, 2019

His Honour, the Honourable W. Thomas Molloy,
Lieutenant Governor of Saskatchewan

May it Please Your Honour:

I respectfully submit the Annual Report of the Ministry of Agriculture for the fiscal year ending March 31, 2019.

Respectfully submitted,

A handwritten signature in black ink that reads "David Marit". The signature is written in a cursive, flowing style.

David Marit
Minister of Agriculture



*Rick Burton
Deputy Minister of Agriculture*

June 29, 2019

The Honourable David Marit
Minister of Agriculture

Dear Minister:

I have the honour of submitting the Annual Report of the Ministry of Agriculture for the fiscal year ending March 31, 2019.

Respectfully submitted,

A handwritten signature in black ink that reads "Rick Burton". The signature is written in a cursive, flowing style.

Rick Burton
Deputy Minister of Agriculture

Introduction

This annual report for the Ministry of Agriculture presents the organization's results for the fiscal year ending March 31, 2019. It provides results of publicly committed strategies, key actions and performance measures identified in the *Ministry of Agriculture Plan for 2018-19*. It also reflects progress toward commitments from the Government Direction for 2018-19, the *Saskatchewan Plan for Growth – Vision 2020 and Beyond*, throne speeches and the Ministry.

The annual report demonstrates the Ministry's commitment to effective public performance reporting, transparency and accountability to the public.

Alignment with Government's Direction

The Ministry's activities in 2018-19 align with Saskatchewan's vision and four goals:

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

Together, all organizations support the achievement of Saskatchewan's four goals and work towards a secure and prosperous Saskatchewan.

Ministry Overview

The Ministry's mandate is to help the industry manage risk and enable a globally competitive, thriving and sustainable agriculture and food sector by supporting farmers, ranchers and agri-businesses. Our mission is to enable a prosperous, market-driven agricultural industry through a supportive legislative framework, policies, programs and services. We fulfill this mission by providing a broad range of agriculture-related programs, insurance and economic development opportunities to grow the industry.

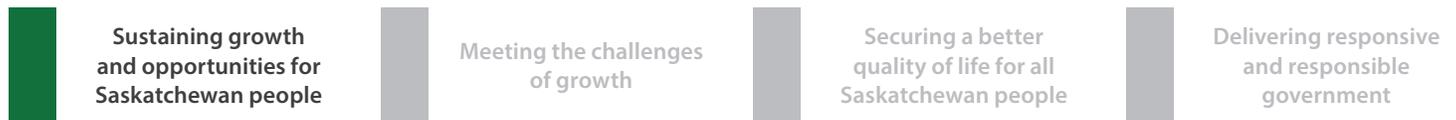
The Ministry of Agriculture's employees are committed to providing excellent service to the farmers, ranchers and agri-businesses of the province. Just like our clients, agriculture is our way of life and, together, we face the challenges, obstacles and opportunities associated with this thriving industry. Agriculture is reflected in the history of Saskatchewan and we are proud to continue that tradition through working partnerships with our clients. Ministry employees reflect professional values and a passion for their work, including innovation, teamwork, integrity, service excellence and leadership at all levels.

We have 10 Regional Offices, including the Agriculture Knowledge Centre, staffed with specialists who work directly with farmers and ranchers on everything from technology transfer, to crop and livestock management, to environmental planning. We partner with the federal government to provide a range of programs through the Canadian Agricultural Partnership (CAP) agreement, providing producers and processors with the tools and resources they need to innovate and capitalize on emerging market opportunities.

We also work to increase the public's knowledge of the sustainable farming practices that help drive our economy. We proactively engage with industry and other governments to secure market access and increase the demand for Saskatchewan food products in countries around the world. We maintain legislation and regulations to ensure public safety and protect the environment. We support agricultural research and ensure our farmers and ranchers have access to the latest technology that helps them grow. We provide a range of business risk management (BRM) programs so farmers can responsibly manage the risks associated with a market-driven industry. We support the continued expansion of provincial irrigation infrastructure so farmers can capitalize on higher value crops. We manage thousands of acres of agricultural Crown land for the benefit of all Saskatchewan citizens. Finally, we work to attract investment to increase value-added production in the province.

Progress in 2018-19

Government Goals



Enhanced Long-Term Growth, Competitiveness and Sustainability of the Industry

Ministry Goal – Promote competitiveness and sustainable growth in the agricultural sector.

Strategy

- ⇒ Drive research, innovation and the transfer of knowledge through targeted investment of resources.

Key Actions

Maintain investment in research infrastructure and science capacity to meet current and future needs.

- ⇒ Invested \$8.1 million in the following organizations, which are part of the internationally recognized science and innovation cluster to ensure scientists and technical staff have well-supported facilities with long-term funding arrangements to conduct research and disseminate information:
 - ⇒ Crop Development Centre, Livestock and Forage Centre of Excellence, Prairie Agricultural Machinery Institute, Ag-West Bio Inc., Saskatchewan Food Industry Development Centre, Prairie Swine Centre, Vaccine and Infectious Disease Organization, Global Institute for Food Security.
- ⇒ Invested nearly \$4.5 million in the Strategic Research Program to attract and retain highly qualified scientists and researchers and ensure that Saskatchewan has the capacity to develop new agricultural knowledge and technologies relevant to our climatic conditions.
- ⇒ Collaborated with industry stakeholders on a total of 16 research and demonstration projects throughout the province, including weed management, corn variety testing and winter cereals.
- ⇒ Implemented the Strategic Field Program in partnership with the University of Saskatchewan, the Livestock and Forage Centre of Excellence and the Roy Romanow Provincial Lab with a focus on the effects of sulphates in water, beef cattle performance and feed intake.

Collaborate with industry on research and development and technology transfer initiatives.

- ⇒ Organized over 208 events and delivered more than 448 presentations reaching 39,855 people across the province on a wide range of agriculture-related topics.
- ⇒ Facilitated a three-day Ranch Management Forum in Prince Albert with 80 producers to discuss cattle marketing, succession planning, beef cattle nutrition, water quality and cattle handling facilities.
- ⇒ Offered extension information through webinars on herbicide resistance, clubroot, animal protection, antimicrobial stewardship and Crops Insurance forage programming.

Invest in effective research, development and commercialization activities.

- ⇒ Committed \$15 million to agriculture research through the Agriculture Development Fund to support innovative livestock and forage, crops, value-added and agri-environmental projects. These research investments have attracted businesses and top scientists to Saskatchewan, led to a 9:1 return on investment and developed new technologies and practices to drive industry development and competitiveness.
- ⇒ Approved 14 projects totalling \$6.5 million under the Saskatchewan Lean Improvements in Manufacturing program to improve value added manufacturing efficiency.
- ⇒ Approved 11 projects totalling \$181,000 under the Product2Market program to promote the development and expansion of small to medium-sized enterprises by supporting agri-business product development and marketing.

Strategy

- ⇒ **Create a business climate that attracts investment and supports growth.**

Key Actions

Implement the first year of programs under CAP.

- ⇒ Provided over \$2.4 million to support more than 700 applications to the Farm and Ranch Water Infrastructure Program to help producers become more resilient by developing rural water infrastructure.
- ⇒ Contributed to environmental resiliency through the Farm Stewardship Program by approving more than 77 per cent of applications to support the transition of marginal crop land back into naturally occurring grass varieties to protect the soil against erosion and salinity.
- ⇒ Committed over \$5 million to improve the efficiency and productivity of the province's agricultural value-added sector.

Assist with the development of infrastructure and labour needed to support industry.

- ⇒ Participated in the federal, provincial and territorial Labour Task Team to undertake analysis and develop recommendations to address key labour gaps in the agriculture sector.

Advocate benefits of value-added processing in Saskatchewan and promote the province as a trusted supplier of safe, high quality products.

- ⇒ Conducted outreach meetings with Rural Municipality administrators and councillors to identify potential future sites for value-added development.
- ⇒ Represented the interests of the agricultural processing industry during the review of the Statements of Provincial Interest during the two-day conference hosted by the Ministry of Government Relations.
- ⇒ Developed an online value-added services provider map to assist prospective companies seeking assistance in site location and identifying service providers.

Continue to work on the transfer of government-owned irrigation assets to five irrigation districts, with the goal to create a sustainable, high-value irrigated crop sector.

- ⇒ Successfully transferred government-owned irrigation assets to the four major irrigation districts to strengthen the long-term growth potential of irrigation across the province.

Support the patrons of the Saskatchewan Pastures Program (SPP) during the transition to non-publically managed operations.

- ⇒ Worked with former SPP patron groups to form entities to manage pastures through long-term leases, similar to the transitioned federal pastures.
- ⇒ Successfully transitioned 13 pastures to association management for the 2018 grazing season. As of March 31, 2019, two of 19 pastures scheduled to transition in year two of the SPP Transition project have signed leases.
- ⇒ Organized workshops with Crown land pasture patrons across the province to discuss range health assessments, management practices and related CAP programming.

Represent the interest of the Province and stakeholders in the review of business risk management programs.

- ⇒ Continued to participate in the ongoing review of Business Risk Management programming, which resulted in the presentation of recommendations to federal, provincial and territorial Ministers at their annual conference.
- ⇒ Consulted with provincial stakeholders through the National Program Advisory Committee to ensure that Saskatchewan's interests are represented in the ongoing BRM review.

Strategy

- ⇒ **Provide safeguards and assurance systems to protect the public, producers, productive capacity and environment.**

Key Actions

Promote awareness and understanding of environmental risks and encourage the adoption of beneficial management practices through effective programming, policy and extension.

- ⇒ Responded to approximately 16,000 inquiries to the Agriculture Knowledge Centre providing farmers and ranchers with information on a broad range of issues.
- ⇒ Implemented social media-based Crop Walks and Corral Talks to address programming options and best agricultural practices.
- ⇒ Initiated the Proactive Stewardship Program pilot to help drive measurable water quality improvements through targeted Best Management Practices implementation on select water bodies.

Mitigate the impact of production-limiting diseases by increasing awareness of biosecurity practices, appropriate antimicrobial usage and pest resistance.

- ⇒ Continued disease surveillance activities and supported the strong commitment of producers to biosecurity practices to ensure diseases such as the porcine epidemic diarrhea virus do not enter the province.
- ⇒ Implemented Assurance Programs under the CAP agreement to assist producers in purchasing equipment to improve animal care and biosecurity on farms and ranches.
- ⇒ Helped producers establish or strengthen a veterinary-client-patient relationship, which is a requirement under federal regulations for producers to purchase antimicrobials.

Promote producer enrollment in livestock premises identification.

- ⇒ Continued to work closely with producers to encourage premises identifications, resulting in an overall registration total of 9,150 representing 52.8 per cent of livestock premises across the province. These increased enrollments will improve the Ministry's ability to respond quickly in the event of a disease outbreak.

Implement a rapid response and coordinated approach to deal with agricultural emergencies, such as animal and crop diseases.

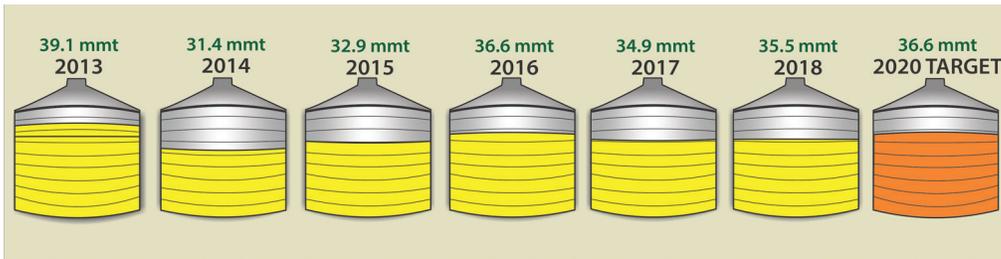
- ⇒ Continued the development of a program to dedicate emergency management resources to support pro-active agriculture emergency preparedness in Saskatchewan.
- ⇒ Continued to work collaboratively with the Provincial Emergency Operations Centre in the Ministry of Government Relations to provide assistance and manage the agricultural impacts of provincial emergencies.
- ⇒ Worked closely with industry and Ministry partners to identify contingency responses including transportation of cattle and temporary holding areas when fire in Prince Albert National Park threatened livestock in the Big River Community Pasture.

Work with industry to support and implement commitments made by the government in its Prairie Resilience climate change strategy.

- ⇒ Participated on several Prairie Resilience working groups to contribute to the development of Saskatchewan's Climate Resilience Measurement Framework, which includes five agricultural measures and targets to be included in regular reporting.

Performance Measures

CROP PRODUCTION

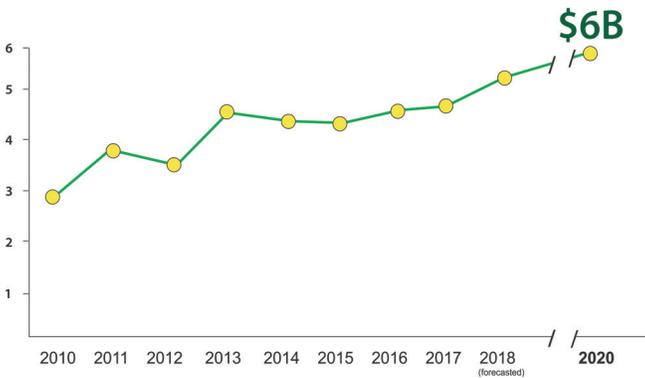


In 2018, Saskatchewan producers harvested 35.5 million tonnes, the third-largest crop in the province’s history despite below average rainfall in many parts of the province. This speaks to the resilience of the production system and the advancements in crop technology to adapt to challenging growing conditions. Over the last six years, production has averaged 35 million tonnes and producers have met or exceeded the 2020 target yield of 36.6 million tonne in two of the last six years.

Research into improving crop genetics, agronomics and agricultural technologies has resulted in cropping systems well-adapted to Saskatchewan’s variable climate. Despite the weather challenges in 2018, overall yields and quality stayed strong. Farmers adopting sustainable production practices, such as judicious pesticide use, 4R fertilizer practices (Right Source at the Right Rate, Right Time and Right Place), zero tillage and crop rotations, helped protect both yields and the environment. The Ministry completed a memorandum of collaboration with Fertilizer Canada to jointly advance the 4R fertilizer message in Saskatchewan.

The Ministry will continue to work with producers and industry to achieve and sustain crop production at, or above, the *Plan for Growth* target. The commitment to best crop management practices will result in increased profitability and crop production in Saskatchewan.

VALUE ADDED REVENUE



In 2018, Saskatchewan’s value-added revenue from food and beverage processing and biofuel manufacturing increased to an estimated \$5.2 billion. This was a 13 per cent increase over 2016 value-added revenue. Saskatchewan had the fastest growing value-added sector in Canada with a 50 per cent growth rate from 2012 to 2018. This growth was attributed to:

- ⇒ seven per cent (\$3.5 million) increase in rolled or flaked oats;
- ⇒ nine per cent (\$9.1 million) increase in malt exports;
- ⇒ 0.4 per cent (\$6.7 million) increase in vegetable oil exports;
- ⇒ three per cent (\$0.6 million) increase in honey exports; and
- ⇒ 55 per cent (\$12.7 million) increase in alfalfa meal and pellets.

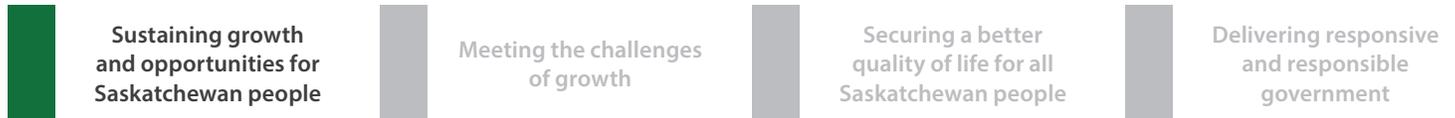
LIVESTOCK RECEIPTS



The Ministry aims to achieve significant growth in the livestock herd and expand livestock feeding, with a target to exceed \$2 billion in livestock cash receipts consistently by 2020. Annual revenue has risen dramatically from \$1.9 billion in 2013, to \$2 billion in 2016 and \$2.3 billion in 2018. Record-high cattle prices are the primary reason for the large revenue increases over the past several years.

The growth in the global population, combined with expected increases in income levels in many countries, is anticipated to continue to increase demand for meat protein. Saskatchewan's 21 million acres of pasture and forage land are well-suited for livestock production, providing an excellent opportunity to meet this growing demand. The Ministry will continue to encourage adoption of beneficial management practices to responsibly increase the herd size and profitability of Saskatchewan ranchers.

Government Goals



Expand Market Opportunities

Ministry Goal – Support industry to improve access to trade and capture trade opportunities in priority markets.

Strategy

- ⇒ **Enable industry to identify, create, access and serve new and existing markets.**

Key Actions

Collaborate with industry and other ministries on incoming and outgoing trade missions.

- ⇒ Supported Government of Saskatchewan trade missions to China, India, Israel, Sri Lanka, Singapore and the Philippines to grow exports and attract new investment into the province.
- ⇒ Met with diplomats from key markets, including China, Japan, India, United States, South Korea and European Union.
- ⇒ Supported industry missions to key international markets for Saskatchewan Trade and Export Partnership (STEP), Cereals Canada, Saskatchewan Pulse Growers and Sask Flax.

Undertake projects and deliver programs that assist industry in marketing Saskatchewan agriculture commodities and value-added products globally.

- ⇒ Engaged with the Trade Commissioner Service to build relationships with trading partners included China, Mexico, Japan, South Korea, Indonesia, Vietnam, Malaysia, Colombia and the European Union.
- ⇒ Distributed International marketing materials to key stakeholders in priority markets to build awareness of the potential benefits of the Saskatchewan market.
- ⇒ Supported the Saskatchewan Trade Office in Shanghai, China, as our top agri-food export market in 2018.
- ⇒ Provided funding to key partners including STEP and Canadian Western Agribition to promote the Saskatchewan agriculture sector globally.
- ⇒ Continued to build and develop industry export capacity through increased market intelligence.
- ⇒ Promoted the Product2Market program to assist industry associations and value-added companies with their product and market development efforts.

Strategy

- ⇒ **Influence federal trade policy to reflect Saskatchewan priorities.**

Key Actions

Work with industry and the federal government to pursue Saskatchewan's export interests on market access issues and in bilateral and multilateral trade negotiations.

- ⇒ Actively engaged the Market Access Secretariat on country-of-origin labelling for pasta and durum in Italy, fumigation restrictions in India, canola access in China and priorities for free trade agreement negotiations.
- ⇒ Consulted regularly with a number of industry organizations on market access issues and free trade negotiations ensuring provincial efforts are coordinated with those of industry.

Use international forums to engage with other government leaders in key export markets to advance Saskatchewan's interests.

- ⇒ Took a leading role in participating and organizing the Tri-National Agriculture Accord, an annual meeting of provincial agriculture ministers and U.S. and Mexican state agriculture secretaries.
- ⇒ Led efforts to organize calls with U.S. state officials to advance issues including farm programming under CAP, implementation of the Safe Food for Canadian Act, the U.S. Food Modernization Act and differences in nutritional labelling.
- ⇒ Participated in organizing the agriculture sessions for the Pacific NorthWest Economic Region (PNWER) annual meeting and the State and Agriculture Rural Leaders forum.

Performance Measures

VALUE OF AGRI-FOOD EXPORTS

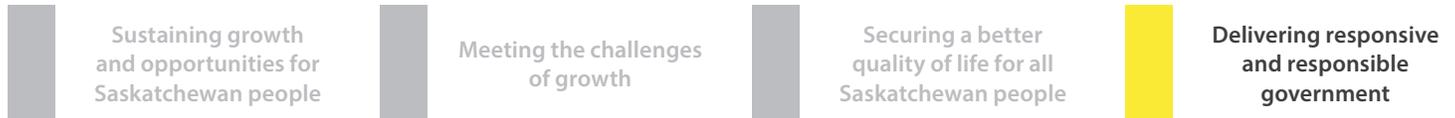


Under the Saskatchewan *Plan for Growth*, the province established a target of \$15 billion in agri-food exports by 2020. In 2018, Saskatchewan agriculture and food exports totaled \$13.4 billion, representing 20 per cent of Canada's total agri-food exports of \$66.2 billion. Saskatchewan's top agri-food exports were canola seed, non-durum wheat, canola oil, durum and peas. Top agri-food export markets were China, U.S., Japan, Mexico and Algeria.

In 2018, Saskatchewan experienced significant changes to exports, including China replacing the U.S. as Saskatchewan's top export market. Fluctuating trade tensions with the U.S. led to a 32-per-cent-increase over 2017 exports to China. Saskatchewan's global pulse exports declined almost 30 per cent compared to 2017, as pulse exports to India declined due to India's pulse tariffs and fumigation requirements. However, market diversification efforts led to significant pulse export increases to China, U.S. and Mexico.

Saskatchewan's non-durum global wheat exports grew 25 per cent in 2018. Australia, Russia and European Union's wheat production suffered from drought, reducing the overall global supply of wheat. Non-durum wheat exports increased significantly to top markets including Indonesia, U.S., China, Japan and Colombia, with a significant increase of 220 per cent to China.

Government Goals



Enhanced Client Service

Ministry Goal – Effective development and delivery of programs and services focusing on the needs of the clients.

Strategy

- ⇒ **Implement modern service delivery tools and techniques.**

Key Actions

Building a new Enterprise Crown Land Management System that will provide clients and the public with better access to Crown lands information.

- ⇒ Continued to work closely with the Ministry of Environment on the development of a government-wide Crown Land Management System, which will enhance client service by creating a single, online application point for Crown Land leases in Saskatchewan.

Implement online service delivery for Ministry programming providing clients and the public with better access to information and grant applications.

- ⇒ Initiated the integration of Ministry programming to [Saskatchewan.ca](https://www.saskatchewan.ca) Account to provide convenient online access to CAP programming, including the Farm and Ranch Water Infrastructure Program.

Implement a modernized extension model that will improve technology transfer, increase program awareness and improve public trust.

- ⇒ Realigned specialist roles to advance the current priorities of technology transfer, increasing CAP program uptake and improving public trust. New specialist roles include; Agricultural Program Specialists, Agri-Environmental Specialists, Livestock and Feed Extension Specialists, Crops Extension Specialists, Range Management Extension Specialists and the Public Trust Unit.
- ⇒ Redesigned Ministry communication tools to better meet client needs, including a new web presence at [Saskatchewan.ca/agriculture](https://www.saskatchewan.ca/agriculture), renewal of Stay Connected, re-focused quarterly Agriview magazine and a comprehensive Ministry-wide approach to sharing technical information through Sask Ag Now.

Strategy

- ⇒ **Work with clients and stakeholders to develop, evaluate and enhance programs, services and legislation.**

Key Actions

Collaborate with public and private partners to deliver pest diagnostics and surveillance services.

- ⇒ Processed 370 plant disease samples, 363 herbicide resistant weed tests, 14 weed identifications, 14 insect identifications and 304 Dutch Elm disease samples at the Provincial Crop Lab to help clients mitigate pest related risks.
- ⇒ Collaborated with public and private stakeholders to design and participate in a clubroot survey of 1,526 fields to provide information on the extent and severity of clubroot in the areas most at risk to the clubroot pathogen.
- ⇒ Collaborated on 13 disease and nine insect surveys that covered over 3,200 field sites to provide information to producers on the level of risk to some of the major crop pests in Saskatchewan.

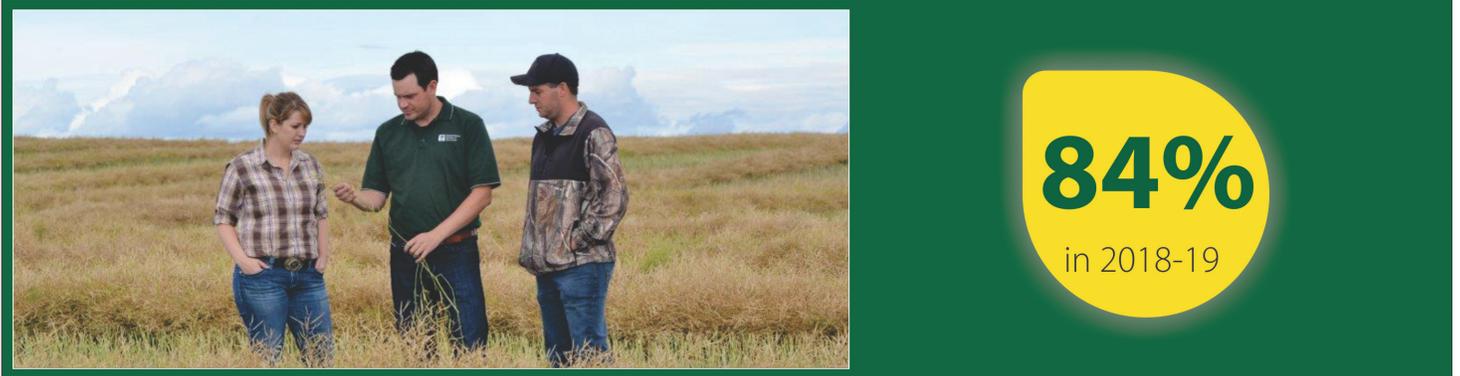
Implement and monitor service standards throughout the Ministry.

- o Initiated the review of service standards in Regional Services Branch to improve transparency and client satisfaction through enhanced service design and client relationship development.

Performance Measures

PERCENTAGE OF CLIENTS SATISFIED WITH PROGRAMS AND SERVICES

Overall satisfaction with the services received from Saskatchewan Agriculture:

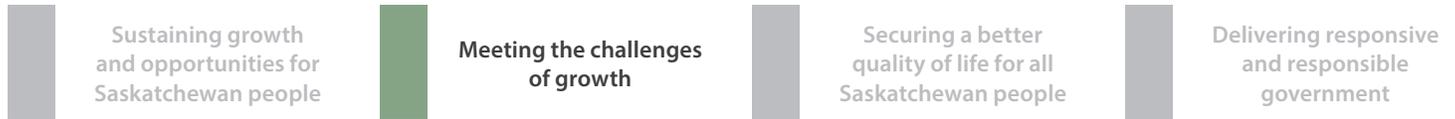


Source: Ministry Client Survey

The Ministry undertook an online survey in January 2019 to measure client satisfaction of respondents who had personally interacted with the Ministry in the previous 12 months. Eighty-four per cent of respondents ranked their overall satisfaction with the Ministry as “very satisfied” (34 per cent) or “satisfied” (50 per cent). This compares to an online survey in 2017 that found 60 per cent of respondents were satisfied with Ministry services.

In 2019, 68 per cent of respondents said they obtained the information from the Ministry they were seeking, 31 per cent said they received partial information, and one per cent said they did not receive what they were looking for. To conduct the survey, the Ministry gathered 4,440 client emails and randomly selected half to receive the survey; complete responses numbered 333.

Government Goals



Improved Public Perception of Agriculture

Ministry Goal – Improve society’s trust in, and acceptance of, modern agriculture.

Strategy

- ⇒ **Identify and address society’s concerns that have the potential to impact the growth of the Saskatchewan agriculture sector.**

Key Actions

Conduct research to understand and measure consumer perceptions.

- ⇒ Participated in omnibus surveying in the spring of 2018 to measure consumer perceptions of agriculture, which reflects that 89 per cent of Saskatchewan residents have a positive perception of agriculture.
- ⇒ Continued to support the Canadian Centre for Food Integrity which performs similar research nationally, indicating that Saskatchewan continues to exceed national averages related to trust and confidence in modern agriculture.

Partner with national and provincial stakeholders to implement a coordinated approach to building public trust and consumer awareness.

- ⇒ Signed new three-year funding agreements with Agriculture in the Classroom Saskatchewan, Farm and Food Care Saskatchewan and 4-H Saskatchewan to help connect Saskatchewan people to the food they eat and the farmers who grow it.
- ⇒ Approved seven projects under the Agriculture Awareness Initiative Program focused on building awareness of modern agriculture.
- ⇒ Provided leadership through the co-chair position on the federal, provincial and territorial Public Trust working group.
- ⇒ Partnered with industry to celebrate Agriculture Month in Saskatchewan, connecting with 321,000 people through online content, 16 regional events and a toolkit for use by industry partners.

Provide resources and co-ordination to support industry leadership in awareness efforts.

- ⇒ Launched, in partnership with Canadian Western Agribition, the Next Gen Agriculture mentorship program to pair eight mentees and mentors for an 18-month experience focused on developing key skills to take on leadership opportunities within the agriculture industry.
- ⇒ Awarded the Agriculture Student Scholarship to four young people pursuing post-secondary education related to agriculture.

Strategy

- ⇒ **Support the adoption of trusted and sustainable management practices.**

Key Actions

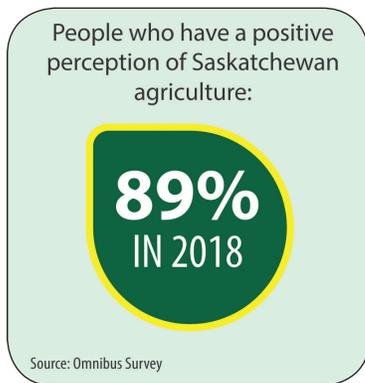
Work with industry to invest in, and extend, targeted research that improves the economic and environmental sustainability of farms.

- ⇒ Invested \$2.4 million in commercialization and technology transfer to ensure that producers have access to the results of research through extension and research programs such as the Agriculture Demonstration of Practices and Technologies (ADOPT), Strategic Field Program (SFP) and AgriARM site funding.

Provide and communicate an evidence-based regulatory framework that considers environmental impact, animal health and welfare and food safety.

- ⇒ Partnered with Irrigation Crop Diversification Corporation (ICDC) on irrigation research and development projects resulting in more efficient use of our province's water resources.
- ⇒ Included the 4Rs (Right Source, Right Rate, Right Time, Right Place) in ADOPT demonstration projects at the eight AgriArm sites across Saskatchewan to promote the responsible use of fertilizer and pesticides.
- ⇒ Promoted the development of Environmental Farm Plans to enable producers to continue to be the best stewards of the land.

Performance Measures



Since 2013, the Ministry has participated in an annual poll to capture how agriculture is viewed by Saskatchewan residents. In the 2018 poll, 89 per cent of the 800 respondents chose either “strongly agree” or “agree” when asked: “I have a positive perception of Saskatchewan agriculture.”

The 2018 survey also asked Saskatchewan residents for their opinions on agricultural technologies, including genetic modification, and found 52 per cent of respondents trust food made from genetically modified technologies. At the same time, the survey found 91 per cent of respondents agreed that society benefits from advancements in agriculture.

The survey results indicated that Saskatchewan producers continue to have the support of the public and public perception of agriculture is mostly positive. Work still needs to be done to build awareness about production practices, agriculture's relationship with the environment and Canada's robust regulatory system. Another survey will take place in 2019.

2018-19 Financial Overview

2018-19 Financial Schedules

(in thousands of dollars)					
Ministry of Agriculture Schedule of Revenue and Expenditures	2017-18 Actual	2018-19 Estimates	2018-19 Actual	Variance over (under)	Notes
Revenue					
Land Revenue:					
Crown Land Sales	\$ 56,391	37,129	41,747	4,618	1
Rent and Penalty on Land Leases	32,062	37,588	43,597	6,009	2
Land Licenses and Permits	566	150	601	451	3
Interest	72	15	57	42	
Receipts from Federal Government	71,725	69,900	67,243	(2,657)	4
Privileges, Licenses and Permits	205	228	201	(27)	
Sales, Services and Service Fees	440	417	479	62	5
Interest Revenue	25	5	5	-	
Other Revenue	6,499	2,046	3,830	1,784	6
Refund of Previous Year Expenditures	21,130	250	7,919	7,679	7
Total Revenue	\$ 189,115	147,728	165,689	17,961	
Expenditure					
Central Management and Services	\$ 9,245	11,032	9,880	(1,152)	
Industry Assistance	\$ 6,778	4,449	4,182	(267)	2
Land Management					
Land Management Services	\$ 6,464	4,585	6,464	1,879	3
Land Revenue Bad Debt Allowances	-	100	-	(100)	4
Crown Land Sale Incentive Program	4,577	6,250	4,577	(1,673)	5
Subtotal	\$ 11,041	10,935	11,041	106	
Policy and Planning					
Policy and Planning	2,885	3,636	2,925	(711)	6
Trade and Value-added	1,292	1,655	1,416	(239)	7
Subtotal	\$ 4,177	5,291	4,341	(950)	
Research and Technology					
Project Coordination	\$ 794	1,030	1,801	771	8
Research Programming	25,822	30,800	30,032	(768)	8
Subtotal	\$ 26,616	31,830	31,833	3	

(in thousands of dollars)					
Ministry of Agriculture Schedule of Revenue and Expenditures	2017-18 Actual	2018-19 Estimates	2018-19 Actual	Variance over (under)	Notes
Regional Services					
Regional Services	\$ 21,307	32,080	31,308	(772)	9
Program Design and Delivery					
Program Design and Delivery	\$ 30,265	26,765	24,737	(2,028)	10
Business Risk Management					
Crop Insurance Program Delivery	\$ 28,925	29,817	29,017	(800)	11
Crop Insurance Premiums	145,272	143,215	160,213	16,998	12
AgriStability Program Delivery	17,275	19,345	17,226	(2,119)	13
AgriStability	23,641	32,400	52,258	19,858	14
AgriInvest	40,117	33,400	36,387	2,987	15
Subtotal	\$ 255,230	258,177	295,101	36,924	
Budget Appropriation	\$ 364,659	376,784	411,591	34,807	
Supplementary Estimates/Special Warrant	-	37,655	-	(37,655)	
Total Revised Appropriation	\$ 364,659	414,439	411,591	(2,848)	
Capital Asset Acquisitions	\$ (2,245)	-	(2,424)	(2,424)	16
Amortization of Capital Assets	\$ 1,382	1,849	922	(927)	17
Other	\$ 138	-	12	12	18
Total Revised Estimates and Expenses	\$ 363,934	416,288	410,101	(6,187)	
FTE Staff Complement	372.5		349.6		1
(FTE – Full Time Equivalent)					

Explanation of Major Variances:

Explanations of Variances which exceed \$50,000 between Estimates and Actuals

Revenue

1. Increased acres sold and a higher percentage of land sales with net book value under the Crown Land Sale Incentive Program.
2. Increase in Petroleum and Natural Gas Surface leases and pasture leases to patron groups.
3. Increase in the sale of land with resource considerations.
4. Decreased revenue from the federal government due to lower AgriStability and Crop Insurance administration and funding under Canadian Agricultural Partnership agreement.
5. Increased land sale fees and other miscellaneous revenue.
6. Increase in oil and gas revenue from Pastures Revolving Fund, as well as transfers from Saskatchewan Agricultural Stabilization Fund and Agricultural Implements Compensation Fund.
7. Refund of prior years' AgriStability payment accrual due to improved forecast and a return of prior years' Agriculture Research grant payments.

Expenditure

1. FTE management, and savings in accommodations and other operating expenses.
2. Decreased payouts under Miscellaneous Grants and Industry Organization Development Fund.
3. Increased system development costs partially offset by FTE management, and savings in other operating expenses.
4. Increased bad debt expense due to a decline in receivable experience.
5. Higher than expected incentives due to land sales under the 2015 Agricultural Crown Land Sale Incentive Program.
6. Decreased due to FTE management and operational savings.
7. Decreased due to FTE management and operational savings.
8. Increased research program spending offset by FTE management and operational savings.
9. Decreased due to FTE management and operational savings.
10. Decreased due to reallocation of Canadian Agricultural Partnership spending to Saskatchewan Agricultural Stabilization Fund, FTE management and operational savings.
11. Decreased crop insurance program delivery costs due to FTE management and operational expense savings.
12. Increased crop insurance premiums due to an increase in insured acres and higher than budgeted wildlife damage claims.
13. Decreased AgriStability program delivery due to in-year restraint and FTE management.
14. Increased provincial contributions required to fully fund the AgriStability 2018 program year costs from the original federal government's forecast. AgriStability program payments for the 2018 program year of \$52,258 less producer deposits have been estimated using economic models which consider the number of program participants, estimated reference margins, estimated claim year margins based on projected forecast commodity prices, crop yields, inventory changes and forecast changes in eligible income and expenses on an aggregate basis for different sectors of the agricultural industry. Based on the above key assumptions and using a statistical model for projections, estimated provincial contributions for the current year would be in the range of \$40,022 to \$67,583. Estimated program payments for prior program years are based on potential payments for claims not yet processed by Saskatchewan Crop Insurance Corporation.
15. Decreased provincial contributions required to fully fund the AgriInvest 2018 program year costs from the original federal government's forecast. AgriInvest program payments for the 2018 program year of \$33,596 have been estimated using economic models which consider the number of program participants, estimated reference margins, estimated claim year margins based on projected forecast commodity prices, crop yields, inventory changes and forecast changes in eligible income and expenses on an aggregate basis for different sectors of the agricultural industry. Based on the above key assumptions and using a statistical model for projections, estimated provincial contributions for the current year would be in the range of \$32,173 to \$34,875. Estimated program payments for prior claim years are based on potential payments for claims not yet processed by the federal government.

16. Primarily capital expenditures for system development and crop lab leasehold improvements.
17. Decreased amortization due to the transfer of irrigation assets to the irrigation districts and the timing of system development amortization.
18. Change in prepaid expenses.

FTE Staff Complement

1. Ministry of Agriculture's 2018-19 FTE actual utilization was 349.6.

For More Information

For more information on Ministry of Agriculture programs and services:

- ⇒ Contact the Agriculture Knowledge Centre at 1-866-457-2377 or by email at aginfo@gov.sk.ca; or
- ⇒ Visit the Ministry's website at [Saskatchewan.ca/agriculture](https://www.saskatchewan.ca/agriculture).

