

June 27, 2019

The Hon. Marie-Claude Bibeau
Minister of Agriculture and Agri-Food
House of Commons
Ottawa, Ontario
K1A 0A6
VIA EMAIL

Dear Minister Bibeau,

I am writing you on behalf of the Saskatchewan Wheat Development Commission (Sask Wheat) regarding the recent changes announced to the Advance Payments Program (APP).

While we recognize that the loss of the Chinese market has been a significant hit for canola producers, other commodities continue to face non-tariff trade barriers in key markets as well. For example, Country of Origin Labelling (COOL) requirements for durum wheat in Italy and consumer pressure have significantly impacted buyer preferences for Canadian durum in Italy. Italy has historically been a very important market for Canadian producers, importing on average one million metric tonnes per year. In 2017/18, Italy only imported 387,000 metric tonnes of durum, well below normal import levels. Losing sales in a market as significant as Italy due to a non-tariff barrier is certainly a major concern for durum producers. Besides durum and canola, Saskatchewan producers are also dealing with trade barriers in the Indian pulse market.

As canola is not the only commodity under pressure, it is critical that all commodities be treated the same under the APP. Therefore, Sask Wheat is recommending that the interest free component of the APP should be increased to \$500,000 for all commodities, not only canola. Unequal treatment of commodities in the APP has the potential to distort markets and pressure producers into selling at inopportune times.

Ultimately, changes to the APP are not a long term solution for producers, and we need the continued strong action of the federal government to remove non-tariff trade barriers. As an export dependent commodity, maintaining market access is vitally important to the economic sustainability of wheat producers.

Sask Wheat would like to thank you for all your efforts on the trade file to date, and we are committed to supporting the efforts of the federal government and other industry partners to resolve these non-tariff trade barriers as soon as possible.

Sincerely,



Laura Reiter
Chair, Sask Wheat