

Minister
of Agriculture and
Agri-Food



Ministre
de l'Agriculture et de
l'Agroalimentaire

Ottawa, Canada K1A 0C5

Quote: 231592

JUN 15 2017

Mr. Pat Finnigan, MP
Chair
Standing Committee on Agriculture and Agri-Food
House of Commons
Ottawa ON K1A 0A6

Dear Mr. Finnigan:

Pursuant to House of Commons Standing Order 109, I am pleased to provide the Government Response to the recommendations of the Standing Committee on Agriculture and Agri-Food report: *Next Agricultural Policy Framework*, tabled in the House of Commons on March 8, 2017.

The Government thanks the members of the Standing Committee (the Committee) for their valuable study examining the next policy framework for agriculture and for providing recommendations to the Government. The Government also thanks the many witnesses, including representatives of federal departments, producer groups, industry associations, advocacy groups, and business representatives, who appeared before the Committee. Their insights on the current agricultural policy framework and the improvements that could be made in the next framework are both informative and insightful.

As you are aware, my mandate features a commitment to implement a new multi-year agricultural policy framework to replace Growing Forward 2, which will expire on March 31, 2018. The Report is timely, as Agriculture and Agri-Food Canada is currently working collaboratively with provinces and territories to negotiate a successor to Growing Forward 2. The Report and associated recommendations broadly align with the direction contained in the *Calgary Statement*, the policy document which was unanimously approved by federal, provincial and territorial (FPT) agriculture ministers in July 2016. The detailed recommendations will be of great use in negotiations on the next policy framework.

As highlighted in the recently tabled federal budget, the economic potential of the agriculture and agri-food sector is anticipated to be a driving force in the Canadian economy. The sector is forecast to continue to grow as the developing world's middle class expands and results in an increased global demand for Canadian agricultural products. There is tremendous opportunity for the growth of Canada's agriculture and agri-food sector if we are willing to capitalize on a

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growing global demand for a range of commodities. While the sector is performing well, and opportunities are emerging, volatility and risk remain a key challenge.

The Report is also timely as FPT ministers are currently negotiating the multilateral framework agreement for the next policy framework, with expected Ministerial endorsement of the agreement during the Annual Conference of FPT Agriculture Ministers, scheduled for July 19–21, 2017. As elements of the agreement related to the recommendations are under negotiation and not finalized, it is not possible to give a detailed response at this time. I would be happy to have officials appear to give a complete summary in the fall when details are available.

Sincerely,



Lawrence MacAulay, PC, MP