



AUG 24 2010

Mr. Greg Marshall, President
Agricultural Producers Association of Saskatchewan
100 – 2400 College Avenue
REGINA SK S4P 1C8

Dear Mr. Marshall:

Thank you for your letter of July 9, 2010, regarding government programming and assistance for producers dealing with excess moisture. I am pleased to hear the positive feedback from the Agricultural Producers Association of Saskatchewan.

I am aware of the challenges that excess moisture has created for livestock producers. However, the Excess Moisture Program is designed to cover producers who were unable to seed a crop, or seeded a crop which subsequently flooded. This includes forages seeded in both 2009 and 2010 that failed to establish due to flooding in 2010 or land that was intended to be seeded to forage in 2010 but could not be seeded because of excess moisture. The funding is meant to provide assistance to adopt measures to protect, rehabilitate and manage affected cropland. Generally, established forage crops and pastures are in good shape across the province and the production of green feed is expected to be good. However, we will continue to monitor the flooding situation facing livestock producers as the year progresses.

The Saskatchewan Party government has undertaken many initiatives to assist livestock producers in Saskatchewan. In 2008, we introduced the targeted Farm and Ranch Water Infrastructure Program (FRWIP) to help producers and communities in Southwest Saskatchewan affected by several consecutive years of drought. The program provided funding to help farmers, ranchers and RMs establish long-term water infrastructure, such as wells, dugouts and pipelines. Initially, the provincial government provided \$6 million in funding for the program, and we were able to secure an additional \$9 million in federal funds. To address the demand for the program, funding was increased to \$29 million, which was cost shared 60 per cent-40 per cent by the federal and provincial governments. The deadline to complete projects under the 2008 FRWIP program was also extended by one year to allow applicants sufficient time to complete their projects. In 2009, along with the federal government, we announced \$53 million over four years to roll out a province-wide FRWIP program.

... 2

In February 2009, we announced the Saskatchewan Cattle and Hog Support Program, which included a direct support payment of \$40 per beef cow and bred heifer to producers. This program paid approximately \$71 million to 18,000 cattle and hog producers.

Our government also introduced the largest education tax reduction in our province's history in the 2009 budget. Education tax on farmland has been an ongoing issue for producers for many years. We plan to further reduce the education tax in the future for the benefit of all Saskatchewan farm and ranch families.

Our provincial government has also implemented the Gopher Control Rebate Program. The program reimburses producers and RMs for up to 50 per cent of the costs of eligible gopher control products.

The Wildlife Damage Compensation Program, which provides compensation to producers for crop damage caused by wildlife, has also been improved. First, we increased compensation to producers from 80 per cent to 100 per cent, with the provincial government covering the increased costs. More recently, in partnership with the Federal Government, we announced producers are now eligible for compensation for livestock killed or injured by predators. This will benefit all livestock producers, including those who experience challenges with predators such as coyotes and cougars, among others. In addition, producers are also now compensated for wildlife damage to swath, corn and bale grazing operations. The program is cost-shared by the federal and provincial government and administered by Crop Insurance; however, all producers are eligible for compensation, regardless of whether they are Crop Insurance customers.

Producers can still access existing federal-provincial Business Risk Management Programs such as AgriStability, AgriInvest and Crop Insurance. While these programs will not solve all the challenges currently facing the livestock industry, they will help producers manage the impact of this natural disaster. The Saskatchewan government is committed to working with the federal government and other provinces to ensure these programs are continually improved to meet the needs of our farmers and ranchers.

Mr. Greg Marshall
Page 3

In closing, our government recognizes the flooding challenges facing livestock producers in some areas of the province and we will continue to monitor the situation as the year progresses.

Thank you for sharing your concerns.

Sincerely,


Bob Björnerud
Minister of Agriculture

cc: Honourable Gerry Ritz, Minister of Agriculture and Agri-Food Canada