

Food Security

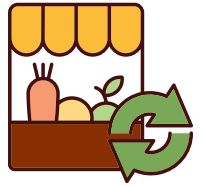


In June 2022, Prime Minister Trudeau announced that Canada will work to support food security and address global food security crisis. He said:

“ Global food insecurity not only leads to hunger, famine, and death, it can also create increased instability and lead to conflict. Global grain stocks are very low, supply chains are fragile and under pressure, and rising costs threaten agricultural productivity. As a result, food prices are rising rapidly and at an all-time high, and food price inflation is the principal immediate concern, which is also impacting Canadians directly. Canada will continue to take action to address the causes and consequences of the global food crisis in coordination with others to help build resilience, address the underlying vulnerabilities, and tackle the root causes leading to food insecurity. Investing in food security is important for the global economy and for Canadians, and Canada will continue to do so.”

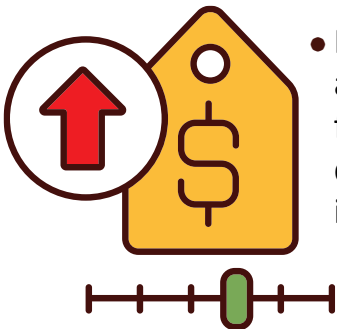
SASKATCHEWAN PRODUCTS ARE IN DEMAND BY THE WORLD'S FASTEST GROWING COUNTRIES. International trade strengthens Canada's economy, draws investment to rural communities, creates job opportunities and helps with global food security.

Greater support is needed from both the federal and provincial governments to reduce the impacts of the following:



INFLATION

- Inflation creates uncertainty for producers in the agricultural sector, making it difficult for farmers to plan ahead. Higher input costs for things like fertilizers, pesticides, fuel, and machinery make farming less economically viable, especially for small-scale farmers.



- Purchasing power diminishes creating a barrier for new entrants into the agriculture industry. Rising interest rates increase the cost of borrowing for farmers who rely on loans to finance their operations, lead to higher debt burdens and reduced investment in agriculture. This can also impact the ability to lease or buy land.

INEFFECTIVE ENVIRONMENTAL POLICY

- Fuel is necessary for machinery, transportation, and heating. The imposition of carbon taxes in Saskatchewan does not lessen those needs, nor does it consider that the technological advancement required to convert an entire farming operation to renewable energy simply does not exist at this time. SARM and its members remain hopeful that moving forward governments can work together to find solutions that encourage positive change, in a pragmatic way.



FERTILIZER REDUCTIONS

- The United Nations has a goal of eliminating world hunger by 2030. Canada has set a target to increase agriculture exports from \$55 billion in 2015 to at least \$85 billion by 2025. This 55% increase will not be attainable if the federal government reduces nitrogen fertilizer use by 30%.
- Shifts to organics and heavy restrictions on the use of pesticides and synthetic fertilizers are paving a path to unsustainable agriculture in Europe, leading to lower production and reduced food security.
- The Canadian Ag industry predicts that the EU will require more food imports to meet its needs and that it will further restrict imports of products that aren't raised under EU-type standards.

CONCERNS WITH INCREASING FUEL COSTS

- Farmers shouldering record inflation-fueled price hikes for gas, fertilizer, and herbicides say the federal government needs to act now to keep farmers afloat.
- With this price increase, farmers must reconsider finances for this growing season, and instead of using their equipment, some farmers are scaling back crop production.
- Many fertilizers are petroleum-based, which means those products are directly impacted by gas prices with fertilizers now costing more.

