



Oat Commission Perspective on “Value Creation” Models Proposed by AAFC

Based on the December 4th Agriculture and Agri-Food Canada (AAFC) meeting on Cereal “Value Creation” in Saskatoon, SK, it was very clear that the vast majority of farmers (approximately 90% present) in the room were opposed to the two options presented: End Point Royalties or Trailing Royalties.

Many producers and producer groups, including the oat growers, would like a third option considered. The one most often suggested in the December 4 meeting was to increase the amount of check-offs across the provincial commissions with an agreed upon percentage designated for breeding. This would provide accountability and transparency to producers. It is felt that the existing system for collecting checkoffs would be more cost effective and eliminate unnecessary administration costs. On December 20, 2018, when asked by oat growers if the third option requested at the meetings in Saskatoon would be included in upcoming consultation, we were advised that it would only be included if formally asked by the Grains Roundtable (GRT). Therefore, in January 2019, The Prairie Oat Growers Association (POGA), comprised of the oat grower commissions in Saskatchewan, Manitoba, and Alberta, officially made this request to the GRT.

The oats board feels it is very important not to rush this process. Agriculture and Agri-Food Canada (AAFC) stated in a presentation that before seeding in 2019 there would be a “Final face-to-face session in Ottawa to present and seek endorsement of the preferred models.” Oat Growers has concerns over the lack of information provided at the meeting and strongly request more consultation with growers. Based on meetings since that time, AAFC has stated they are in no rush to move this forward. However, AAFC also stated that the regulatory timeline for value creation changes is for completion in winter 2020 and Phase 2 will be completed by early April 2019. This was despite many commissions, including the oat growers, raising concerns with the aggressive timeline.

The Oat Grower Board, and many producers we’ve heard from are supportive of increased dollars to support Canadian breeders. How to get to a solution that is beneficial for the entire industry, including producers, requires a more in-depth consultation and possibly considering options that are not listed in the current consultation process.