

# Agriculture and Agri-Food Canada

2016–17

## **Departmental Results Report**

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The Honourable Lawrence MacAulay, P.C., M.P.,  
Minister of Agriculture and Agri-Food

2016–17 Departmental Results Report

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## Minister's message

Canada's agriculture and food industry is a core priority for the Government of Canada. From "gate to plate", the industry generates over \$100 billion of our gross domestic product and over \$60 billion of our exports, while employing more Canadians than any other manufacturing industry in the country.



I'm proud of the progress we made in fiscal year 2016–2017, working together to help the agriculture and food sector be a leader in job creation and innovation. Budget 2017 gave recognition to this vital sector with targeted investments in science and sustainability, and an ambitious export target of \$75 billion dollars a year by 2025.

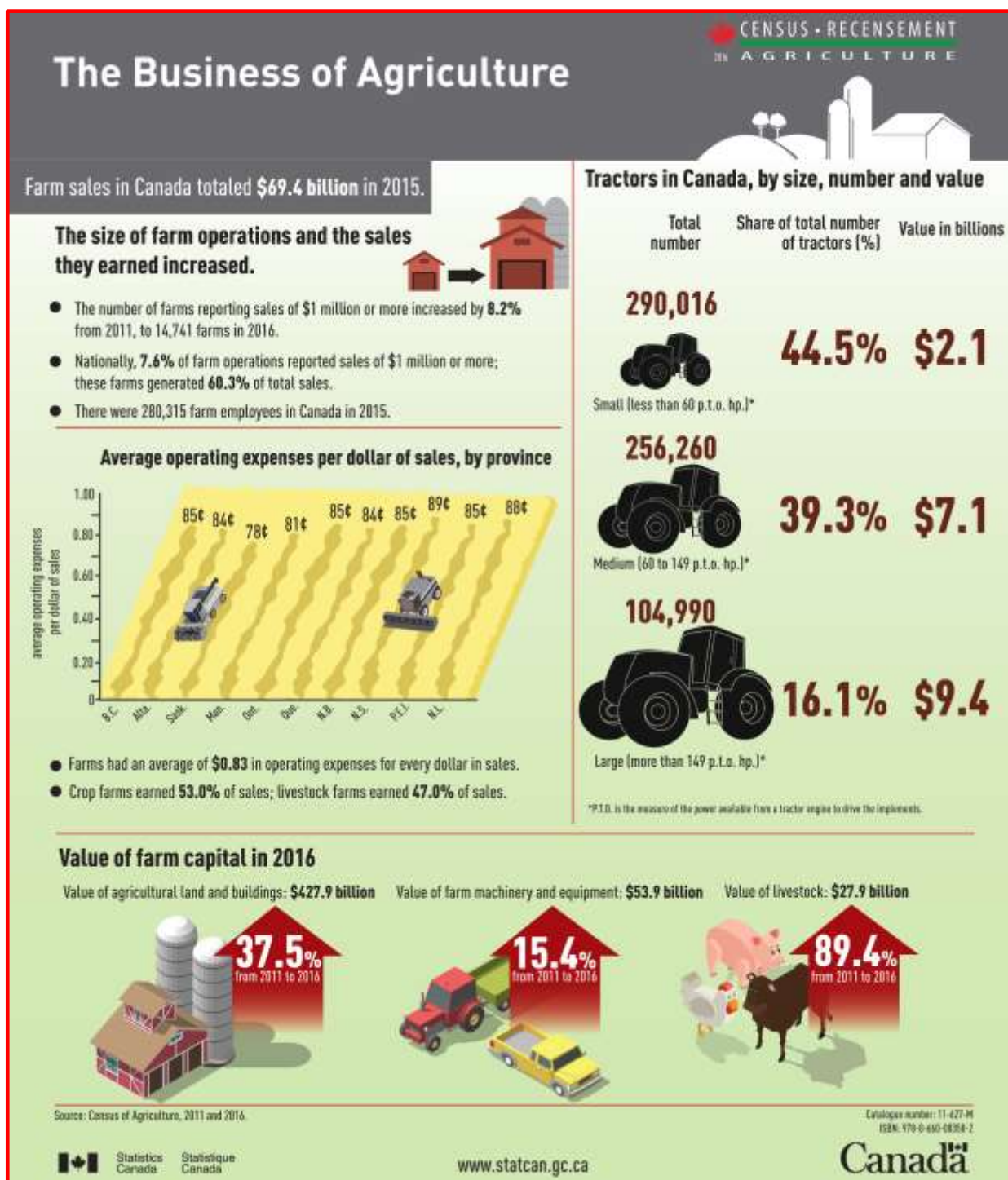
We worked hard over the fiscal year to advance legislation to implement the Comprehensive Economic and Trade Agreement with the European Union, achieving royal assent in May 2017. This landmark agreement will unite the markets of 35 million Canadians with 500 million Europeans, growing Canada's agri-food exports to Europe by an estimated \$1.5 billion a year. We continued to strengthen our trading partnership with key markets in Asia, and our largest trading partner, the United States. To ensure a strong transportation system to get our products to market, the Government introduced the Transportation Modernization Act, which will make Canada's rail transportation system more transparent, fair and efficient – now and in the years to come.

The future is bright for Canada's agriculture and food industry, with a growing global middle class looking for products our farmers and food processors can deliver. A report by the Finance Minister's Advisory Council on Economic Growth, argues that Canadian agriculture can be a key part of Canada's path to prosperity in the coming decades. To this end, Budget 2017's Innovation and Skills Plan aims to make Canada a world-leading centre for agricultural innovation, to help create more good jobs, and help strengthen and grow the middle class. Federal, provincial and territorial ministers of agriculture reached agreement on the Canadian Agricultural Partnership, a five-year policy framework for agriculture. Based on extensive consultations with the sector and Canadians, the Partnership will have a new focus on women, youth, persons with disabilities and Indigenous communities. Driving some \$3 billion in federal-provincial-territorial investments in key priorities including innovation, trade, the environment and public trust, the Partnership will be a foundation for the future for our great industry. The Government of Canada also began work on a Food Policy for Canada, which will set a long-term vision for health, environmental, social, and economic goals related to food.

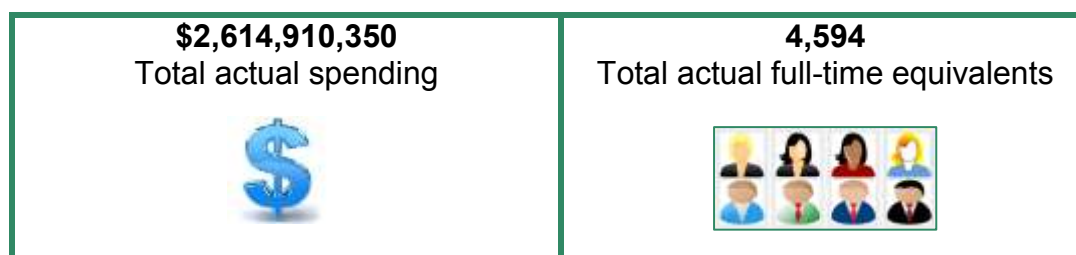
Exciting opportunities lie ahead, and I'm confident that by working together with industry and Canadians, we will keep Canada's agriculture and food industry strong and growing.

Honourable Lawrence MacAulay, PC, MP  
Minister of Agriculture and Agri-Food

## Did you know?



## Results at a glance



### **Made significant progress on the development of a new multi-year federal, provincial, and territorial agricultural policy framework**

A comprehensive stakeholder engagement strategy for the Canadian Agricultural Partnership (the Department's next policy framework) was developed and implemented. The Partnership, which begins April 1, 2018, is a five-year, \$3 billion investment to strengthen the agriculture, agri-food and agri-based products sector. In addition, through research, analysis and consultation with provincial partners and industry, the Department developed approaches for federal, provincial and territorial Business Risk Management programs under the Partnership. Producers will continue to have access to a robust suite of programs to help manage significant risks that threaten the viability of their farm and are beyond their capacity to manage.

### **Commenced engagement to develop a food policy that promotes healthy living and safe food**

Agriculture and Agri-Food Canada is leading the development of a whole-of-Government approach to food policy and has begun preliminary engagement with key stakeholders and provincial and territorial governments. The food policy will promote healthy living and safe food by putting more high-quality, healthy food, produced by Canadians, on tables across the country.

### **Advanced the Government of Canada's agriculture trade and market access agenda and helped the sector take advantage of opportunities from trade agreements**

The Department advanced the trade and market access agenda by providing support to the Canada-European Union Comprehensive Economic and Trade Agreement. The Department also contributed to the launch of exploratory talks for a possible Free Trade Agreement with China; to the finalization of the Canadian Free Trade Agreement on internal trade; and, to the Ukraine Free Trade Agreement. In addition, gains in market access have been achieved, such as the continuation of canola exports to China, expanded organics equivalency with the European Union, access for Canadian beef and beef products to Taiwan, Turkey and Mexico and maintained trade in pulses to India. The Department also led trade missions to advance Canada's agricultural interests and helped the sector take advantage of opportunities in markets such as South Korea and the European Union. Agriculture and Agri-Food Canada also organized seven trade shows that created opportunities for over 300 Canadian companies who achieved over \$900 million in actual and anticipated sales.

### **Planned cooperation to deliver on climate change commitments**

In support of the Minister's mandate letter<sup>i</sup> priorities of climate change and water and soil conservation, the Department held a workshop of leading scientists with the United States Department of Agriculture, to identify how to increase research to reduce Greenhouse Gas emissions and nutrient run-off. As a result, several teams of researchers will work together on scientific projects which will lead to solutions for the agriculture sector in Canada and the United States.

### **Federal Budget Supports Genomics Research to Benefit Agriculture**

As part of the Government of Canada's new Innovation Agenda, Budget 2016 announced \$30 million over six years to support advanced research in agricultural genomics to mitigate biological threats to agriculture. The funding allows Agriculture and Agri-Food Canada scientists to 'DNA fingerprint' and digitize specimens of pests, weeds, and diseases from the Department's current physical collections containing over 17 million physical specimens of insects, plants, fungi, bacteria and nematodes, and create reference collections that will be used to identify high-risk organisms. This enhances Canadian capacity for science-based decision making to improve agricultural production and international trade, as well as safeguard agricultural biodiversity through better pest and disease management.

For more information on the Department's plans, priorities and results achieved, see the "Results: what we achieved" section of this Report.



## Raison d'être, mandate and role: who we are and what we do

### Raison d'être

The Department of Agriculture and Agri-Food was created in 1868 – one year after Confederation – because of the importance of agriculture to the economic, social and cultural development of Canada. Today, the Department helps create the conditions for the long-term profitability, sustainability and adaptability of the Canadian agricultural sector. Agriculture and Agri-Food Canada supports the sector through initiatives that promote innovation and competitiveness, and that proactively manage risk. The Department's goal is to position agriculture, agri-food and agri-based product industries to realize their full potential by seizing new opportunities in the growing domestic and global marketplace.

### Mandate and role

The Department supports the sector from the farmer to the consumer, from the farm to global markets, through all phases of producing, processing and marketing of farm, food and agri-based products. Agriculture is a shared jurisdiction in Canada, and the Department works closely with provincial and territorial governments in the development and delivery of policies, programs and services.

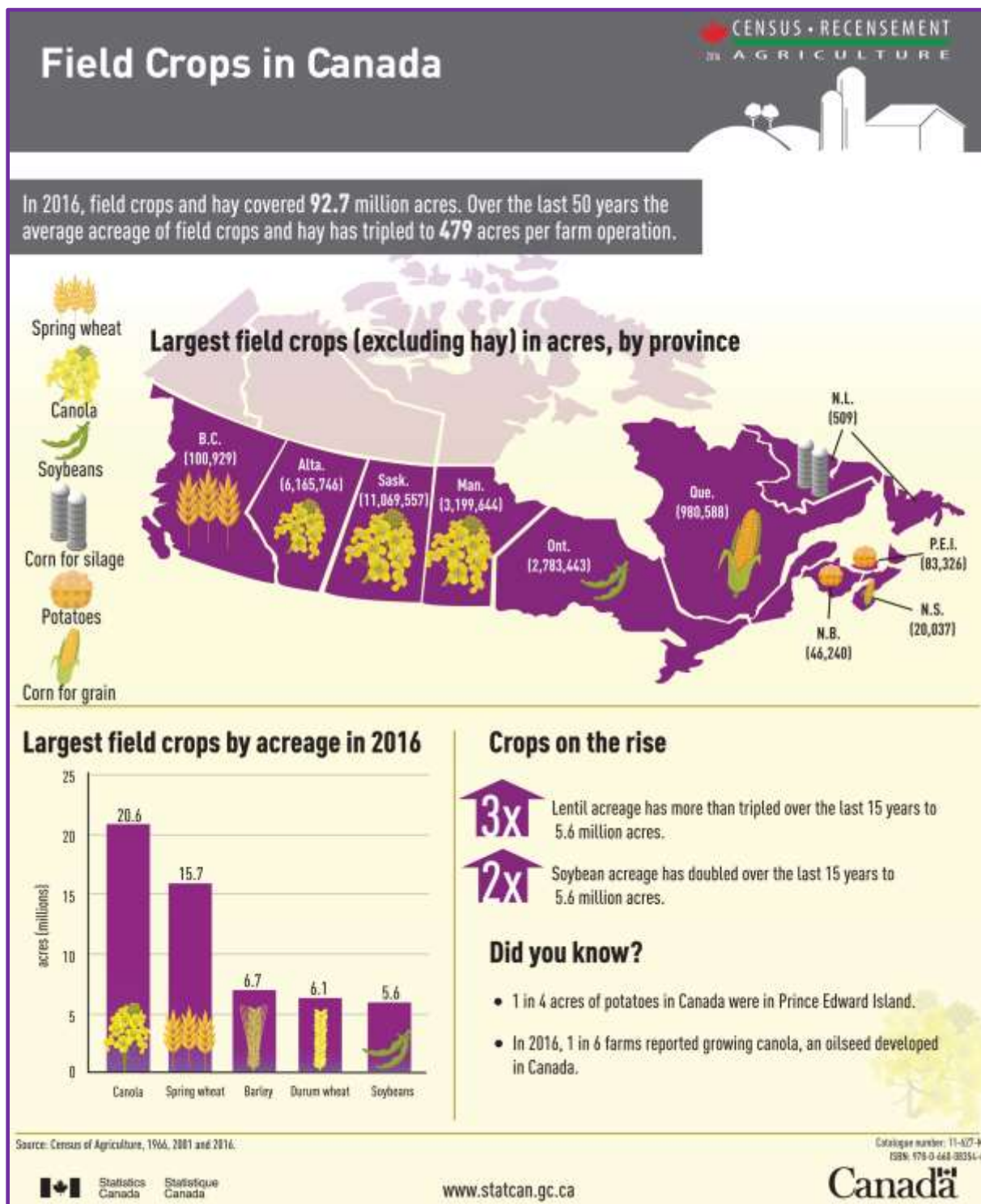
Mandate Letter Commitments	2016–17 Overview
Invest in an Agri-Food Value Added Investment Fund to attract investment and create good jobs in food processing. This will provide technical and marketing assistance to help food processors develop new value-added products that reflect changing tastes and market opportunities.	<p>Budget 2017 announced a \$1.26 billion, five-year, Strategic Investment Fund to attract and support new high-quality business investments, including improving access to support for agri-food value added processors.</p> <p>The Strategic Investment Fund, a broader Government of Canada initiative, will contribute to the Department's mandate commitment to support the value added processing sector in attracting investment and creating jobs.</p>
Develop a food policy that promotes healthy living and safe food by putting more healthy, high-quality food, produced by Canadian ranchers and farmers, on the tables of families across the country.	<p>Agriculture and Agri-Food Canada is leading the development of A Food Policy for Canada, which will set a long-term vision for the health, environment, social, and economic goals related to food, while identifying actions we can take in the short-term. This whole-of-Government policy is expected to address four areas: increasing access to food; improving health and food safety; conserving our soil, water and air; and, growing more high-quality food.</p> <p>To inform the development of A Food Policy for Canada, Agriculture and Agri-Food Canada is consulting Canadians and stakeholders through a variety of mechanisms including: an online survey, a food policy summit, and regional engagement sessions being held throughout August and September. Consultations will close Fall 2017, and the food policy is expected to be launched in early 2018.</p>

<p>Invest in agricultural research to support discovery science and innovation in the sector. To better allocate research funding, you should establish a transparent process that involves food producers.</p>	<p>Budget 2016 provided \$30 million over six years for advanced research in agricultural genomics and to accelerate DNA analysis and digital recording of Agriculture and Agri-Food Canada's taxonomic collections. This funding is being used by Department scientists to accelerate the digitization and DNA sequencing of the Department's collections, and to upgrade the facilities that will accommodate this work. Investments in specialized scientific equipment and expertise will allow Agriculture and Agri-Food Canada to accelerate the DNA analysis and digital recording of the Department's collection of over 17 million physical specimens of insects, plants, fungi, bacteria and nematodes. This will improve public accessibility to this collection and will support research in priority areas, including climate change and the rapid identification and prevention of biological threats to agriculture.</p> <p>As well, Budget 2017 builds on Budget 2016 by proposing to invest \$70 million over six years, starting in 2017–18, to further support agricultural discovery science and innovation, with a focus on addressing emerging priorities, such as climate change and soil and water conservation.</p>
<p>Promote Canadian agricultural interests during future trade negotiations.</p>	<p>Agriculture and Agri-Food Canada promoted the benefits and opportunities for the Canadian agricultural industry resulting from the Canada-European Trade Agreement. In addition, the Department supported the launch of exploratory talks with China on a possible Free Trade Agreement. The Department also supported the implementation and the entry into force of Canada's new free trade agreement with Ukraine, and updated agreements with Chile and Israel.</p> <p>Canadian agricultural interests were advanced by improving beef/cattle access with China, Taiwan, Turkey, Mexico and India; by reaching an agreement to maintain access for Canola with China; by ensuring the temporary extension of pulse export conditions to India; and, by the expansion of Canada- European Union organics equivalency.</p>
<p>Work with producers and provincial governments to assess whether the suite of farm income safety nets meets the needs of Canadian farmers when they are faced with serious challenges beyond their control, including implementing a new multi-year agricultural policy framework to replace Growing Forward 2, which will expire in 2018.</p>	<p>In developing the next policy framework, the Canadian Agricultural Partnership, the Department sought stakeholder perspectives, including those from youth, women, Indigenous groups, and official language and minority communities. These consultations guided the development of the Calgary Statement and the multilateral framework agreement, and will position the Department to launch the successor framework when Growing Forward 2 expires.</p> <p>In addition, federal, provincial and territorial partners undertook a mid-term review of Business Risk Management programs which showed that these programs, under Growing Forward 2, are providing substantial support and are expected to continue to provide assistance in response to a range of risk factors and scenarios.</p>
<p>Work with provinces, territories, and other willing partners, to help the sector adjust to climate change and better address water and soil</p>	<p>Agriculture and Agri-Food Canada has been collaborating with government partners on climate change, soil and water conservation issues through: climate change and environment programming under the next policy framework, the Canadian Agricultural</p>

conservation and development issues.	Partnership; contributions to the Pan-Canadian Framework on Clean Growth and Climate Change; the proposed Lake Erie Domestic Action Plan; and, the re-accession of Canada to the United Nations Convention to Combat Desertification.
Canadian farmers must be able to get their product to market and so you will support the Minister of Transport in undertaking a full review of the Canadian grain transportation system in the context of responding to the Canada Transportation Act review.	Agriculture and Agri-Food Canada and Transport Canada held consultations with grain sector stakeholders on rail transportation issues and the Canadian Transportation Act Review. The Department supported the development of Transport Canada's Transportation 2030 freight rail agenda. On November 3, 2016, the Government announced measures to secure a more transparent, balanced, and efficient rail system for Canada. Agriculture and Agri-Food Canada supported Transport Canada in developing freight rail legislation that was introduced in Spring 2017 to implement those measures. The Department and Transport Canada are also working together to pursue a three year renewal of the western Grain Monitoring Program.
Support the Minister of Infrastructure and Communities to ensure that we make significant investments in transportation infrastructure, including short-line rail spurs and inland and port loading terminals to improve efficiency, remove bottlenecks and increase system capacity.	Budget 2017 provided additional details on the 11-year, \$10.1 billion investment in trade and transportation projects, announced in the 2016 Fall Economic Statement. Budget 2017 also included a \$2 billion National Trade Corridors Fund to address capacity constraints and freight bottlenecks at major ports of entry, and better connect rail and highway infrastructure. Agriculture and Agri-Food Canada will continue working with Transport Canada on the development of the trade and transportation infrastructure programming to ensure it considers the needs of the agriculture sector.
Support the Ministers of Natural Resources and the Environment and Climate Change in making investments that will make our resource sectors world leaders in the use and development of clean and sustainable technology and processes.	<p>Environmental sustainability and climate change was identified as a priority area in the federal, provincial and territorial vision for the next policy framework, the Canadian Agricultural Partnership, as outlined in the Calgary Statement in July 2016.</p> <p>Agriculture and Agri-Food Canada is a key participant in the Natural Resources Canada-led development of clean technology policy and program options, and a Government of Canada Clean Technology Strategy is expected to be finalized in 2017, and was allocated \$25 million of agriculture-specific funding in Budget 2017.</p>

For more general information about the Department, see the Supplementary information section of this Report. For more information on the Department's organizational mandate letter commitments, see the Minister's mandate letter<sup>1</sup>.

## Did you know?



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## Operating context and key risks

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### Operating context

The agriculture and agri-food sector in Canada faces a number of external risks that can impact its economic performance. Risk factors that broadly impact primary agriculture include changes in global agricultural markets, volatility in macroeconomic conditions, the cost of inputs, barriers to market access, availability of transportation infrastructure, and extreme weather. External risk factors facing the food and beverage processing industry include a high cost business environment, uncertainty regarding potential regulatory changes, North American Free Trade Agreement renegotiation, and labour shortages.

Production in other countries, in particular the United States, can have a significant impact on global crop supplies and consequently world prices. International crop prices have fallen from recent highs in 2012–13, as global production of crops has been generally strong and grain stocks have increased. Cattle and hog production in the United States also continued to expand in 2016–17, leading to record meat supplies and downward pressure on livestock prices in both Canada and the United States. However, for Canadian producers, the relatively low Canadian dollar provided some protection for falling commodity prices. Cash receipts for crops in 2016 continued to rise to record levels, with strong crop production, while at the same time falling crude oil prices contributed additional benefits through lower expenses. Machinery fuel and fertilizer together accounted for 15% of total Canadian net farm operating expenses, or \$7 billion in 2016.

Due to Canada's strong export orientation, Canada is exposed to the global macroeconomic environment, where sharp swings in the Canadian currency, oil prices, international commodity prices, or other factors, particularly in United States commodity markets, can have a measurable impact on Canadian farmers. The total value of Canadian agricultural and seafood exports reached an all-time high of \$63 billion in 2016. Nearly three quarters of Canada's agriculture and agri-food exports were destined to countries where Canada has an existing trade agreement. Growing incomes and populations in non-traditional markets are offering tremendous market growth opportunities for Canadian agricultural and agri-food producers. Agriculture and Agri-Food Canada is committed to maintaining and expanding market access and to enhancing the ability of the Canadian sector to seize domestic and international trade opportunities and diversify exports.

Grain transportation from country elevators to domestic and export customers continued to be a priority for the Western Canadian grain sector in 2016. The 2016 harvest was particularly challenging due to cool, wet conditions, but the grain handling and transportation system generally performed well, with grain shipment volumes above the previous crop year. Grain supply chain capacity has been sufficient to handle current deliveries.

Weather risks have varied impacts on primary agriculture, with regional variations leading to unexpected impacts. For example, despite excellent conditions early in the growing season, the 2016 harvest in Western Canada was delayed by rain and snow during the typical harvest period. Adverse weather conditions lead to higher than normal moisture for some crops such as wheat,

and lower quality grades. Wet weather also prevented harvest in some locations causing a larger than normal crop abandonment rate. However despite regional difficulties at harvest, the overall crop for wheat and canola was one of the largest on record in 2016.

The food and beverage processing industry is a significant driver of the Canadian economy. It is the largest manufacturing industry in terms of employment and gross domestic product (with about 16.4% of total manufacturing gross domestic product in 2016), as well as the largest purchaser of Canadian primary agricultural commodities. This industry is facing significant structural challenges, which includes lagging investment in machinery and equipment, underinvestment in innovation and research and development, as well as export dependence on the United States market. Challenges to recruitment and retention of labour are also restraining growth in certain sub-sectors in the industry, such as meat and seafood processing.

#### **Experimentation at Agriculture and Agri-Food Canada**

Through the implementation of the results and delivery agenda, the federal government is shifting from reporting on what we do, to what we are achieving for Canadians. To contribute to the results agenda, the Department is advancing work in many areas including exploring opportunities to enhance operational and strategic use of data, within the department and with key partners.

The Department conducted two data experiments to investigate how current data holdings can be leveraged to enhance policy and program development, delivery and evaluation. The first consisted of integrating existing weather and climate information into economic models. The results enhanced analytical capacity to study the impact of climate change and weather events. In the second experiment, the Department linked program data to Statistics Canada data in order to generate information on program effectiveness traditionally gathered through program post-delivery surveys. This approach allowed the Department to utilize existing data holdings and relationships across government to enhance capacity to evaluate programs and measure their impact. These experiments were conducted with existing data and the results were positive for both projects. Additional projects are being planned to more systematically integrate these approaches into performance reporting, evaluations, and evidence-based decision making.

## **Key risks**

### **Key risks and opportunity**

Agriculture and Agri-Food Canada continues to apply a comprehensive approach to actively identify, assess, and respond to risks and opportunities at all levels within the Department. This includes continuously monitoring the operating environment and identifying both external and internal influences to the agriculture and agri-food sector that may impact the achievement of the Department's strategic objectives.

The table below presents the key risks and opportunity along with the mitigating strategies to reduce the potential impacts to the Department. If a risk or opportunity were to occur, the impact on stakeholders and Canadians may vary:



- The Catastrophic Crisis risk includes potential natural, accidental or intentional threats that may have significant impacts on the overall sector and to Canadians. Although the likelihood of a major national catastrophic event is low, certain events may result in significant damage or unavailability of physical infrastructure, information management and information technology tools and other critical assets to the Department that could impact its ability to support the sector during an emergency;
- The Information Management and Technology risk focuses on Agriculture and Agri-Food Canada's increasing reliance on information management and technology, its aging systems and applications, as well as competing with the Government of Canada priorities which may cause operational setbacks – should this risk materialize;
- The Infrastructure risk focuses on meeting safety and security requirements for its aging infrastructure, while investing in new facilities, major upgrades, or divesting of water control structures, and;
- Finally, under the Trade opportunity, Agriculture and Agri-Food Canada supports the sector in taking advantage of trade opportunities, in particular those stemming from trade agreements such as the Canada-European Union Comprehensive Economic and Trade Agreement. This helps to open and expand agricultural markets around the world, provide opportunities to drive the Canadian economy, create jobs, and set the stage for greater future prosperity.


Risks/Opportunity	Mitigating strategy and effectiveness	Link to the department's Programs	Link to mandate letter commitments or to government-wide and departmental priorities
Catastrophic Crisis Risk: Agriculture and Agri-Food Canada's capacity to prepare for and respond to natural, accidental and catastrophic crises affecting the industry which may have consequences for the agriculture, agri-based and agri food sector and/or for Canadians.	<p>This risk was identified within the 2016–17 Report on Plans and Priorities and is deemed "tolerable with attention required", understanding the response strategies below continue to be implemented.</p> <p>Agriculture and Agri-Food Canada continues to improve sector resilience and sustainability into the future by enhancing its preparedness to respond to catastrophic events affecting the agriculture sector through its work with federal, provincial, territorial partners on large-scale initiatives. The Department began implementation of the federal-provincial-territorial Emergency Management Framework for Agriculture in Canada, the Livestock Market Interruption Strategy, and a new</p>	<p>Strategic Outcome 1 - A competitive sector</p> <p>Strategic Outcome 2 - An innovative sector</p> <p>All Programs</p>	All departmental mandate letter commitments and priorities

	Emergency Management Program Plan.		
Information Management and Technology Risk: The increasing complexity of the information management and technology environments, as well as escalating cybersecurity threats, may increasingly impede the Department's ability to effectively deliver on its mandate.	<p>This risk was identified within the 2016–17 Report on Plans and Priorities and is deemed “tolerable with attention required” understanding the response strategies below continue to be implemented.</p> <p>Agriculture and Agri-Food Canada is on track in delivering the overall set of controls. These controls include managing the Department's business information; identification of long-term information management and information technology requirements for improved planning and infrastructure needs; and managing classified information. In addition, the Department worked with Shared Services Canada to put in place an efficient process to obtain advanced capacity (for example servers, storage) to be used for multiple information management and information technology investments.</p>	<p>Strategic Outcome 1 - A competitive sector</p> <p>Strategic Outcome 2 - An innovative sector</p> <p>All Programs</p>	All departmental mandate letter commitments and priorities
Infrastructure Risk: Increasing maintenance and rehabilitation costs may affect the Department's ability to maintain its infrastructure and assets at an adequate level, and limit the capacity to invest in support of emerging priorities.	<p>This risk was identified within the 2016–17 Report on Plans and Priorities and is deemed “tolerable with attention required” understanding the response strategies are being finalized.</p> <p>As part of maintaining its infrastructure and assets, Agriculture and Agri-Food Canada completed the divestiture of 19 dams to the Province of Saskatchewan to meet provincial water management objectives. With this transfer, the Department terminates ownership and operation of these structures.</p> <p>Additionally, as part of Budget 2016, Agriculture and Agri-Food</p>	<p>Strategic Outcome 1 - A competitive sector</p> <p>Strategic Outcome 2 - An innovative sector</p> <p>All Programs</p>	All departmental mandate letter commitments and priorities




	Canada received \$40 million for major repairs and upgrading of federal infrastructure and research facilities.		
Trade Opportunity: Strengthen and enhance trade relationships (for example, bilateral and multilateral) and work with partners to assist industry in capitalizing on the gains the Government has negotiated under recent trade agreements.	<p>This opportunity was identified within the 2016–17 Report on Plans and Priorities, is deemed “tolerable” and worth pursuing, and manageable within existing resources and capacity, understanding the response strategies below continue to be implemented.</p> <p>Agriculture and Agri-Food Canada continued to strengthen and enhance Canada’s agricultural trade relationships and assist industry in capitalizing on trade opportunities. The Department was actively engaged in supporting free trade agreement negotiations and implementations, for example the Comprehensive Economic and Trade Agreement with the European Union and exploratory discussions with China. Other trade-related activities undertaken include advocacy for science-based international regulations, consultations with industry and stakeholders to advance and promote Canada’s agricultural trade interests.</p>	<p>Strategic Outcome 1 - A competitive sector</p> <p>Program 1.1 Business Risk Management</p> <p>Program 1.2 Market Access, Negotiations, Sector Competitiveness, and Assurance Systems</p>	All departmental mandate letter commitments and priorities

## Did you know?




# HAVE BARCODES!

Learn how **DNA BARCODING** helps protect crops, agricultural imports and exports.




DNA MAKES  
**every living thing unique**  
- EVEN BUGS




DNA barcoding, or reading a short sequence of DNA in a living thing, is a fast, cost effective, and accurate way

**TO IDENTIFY**  
one species of insect from another.

Scientists can use  
DNA barcodes  
**TO TRACK:**




WHETHER BUGS ARE  
**NATIVE, INVASIVE**  
OR SHOULD  
BE **QUARANTINED**;




WHERE BUGS ARE  
**MOVING AND**  
**POPULATION SIZES.**

DNA BARCODES  
**ARE RECORDED**  
in national and  
international databases.




Bugs registered  
in this database  
**can be identified**  
**in seconds.**




Agriculture and  
Agri-Food Canada  
**is taking the lead**  
ON CREATING THOUSANDS  
OF DNA BARCODES  
FOR THE DATABASES.

## FAST IDENTIFICATION OF BUGS


as friend or foe



HELPS TO DETERMINE  
BEST PEST-CONTROL  
MEASURES



PROTECTS CANADA'S  
ECOSYSTEM



IMPROVES  
TRADE

## Results: what we achieved

### Programs

#### Program 1.1: Business Risk Management

**Description:** Agriculture and Agri-Food Canada has a comprehensive suite of Business Risk Management programs to better equip producers with the tools and capacity to manage business risks. This suite provides support for income losses, a disaster-relief framework and insurance to protect farmers against production losses due to uncontrollable natural hazards, as well as research, development, implementation, and administration of new agricultural risk management tools. In addition to the Business Risk Management suite, Agriculture and Agri-Food Canada provides producers with the ability to market their products when conditions and prices may be more favourable through loan guarantee programs.

#### Results

Under Growing Forward 2<sup>ii</sup>, federal, provincial, territorial governments continued to provide support with a suite of Business Risk Management programming, assisting producers in responding to events that threaten the viability of their farms through the AgriStability<sup>iii</sup>, AgriInvest<sup>iv</sup> and AgriInsurance<sup>v</sup> programs, as well as the AgriRecovery<sup>vi</sup> Framework.

The Department consulted extensively with the agricultural industry and its provincial and territorial partners, through many different mechanisms, to solicit feedback on Business Risk Management programs. It also explored options to improve participation under the next policy framework, the Canadian Agricultural Partnership, consistent with the direction of the Calgary Statement. The results of these consultations informed federal, provincial and territorial governments on potential revisions to Business Risk Management programming for the Canadian Agricultural Partnership, which is set to begin on April 1, 2018.

In 2016–17, federal and provincial governments worked together to develop new and enhance existing insurance products offered under the AgriInsurance program. Improved insurance products are now available for the organic and the horticultural sectors.

Under the AgriRecovery Framework, departmental officials worked closely with their provincial counterparts in Alberta and Saskatchewan to put in place two new AgriRecovery initiatives which provided assistance to ranchers dealing with extraordinary costs due to the 2016 outbreak of bovine tuberculosis. In addition, departmental officials worked with provincial counterparts in Nova Scotia to complete the following two other initiatives under the AgriRecovery Framework. The target for the participation rate under the 2016 Canada-Nova Scotia Fire Blight Initiative was met while the target for the participation rate under the 2016 Canada-Nova Scotia Maple Sector Initiative was not met, indicating challenges when determining the extent of the impact of a disaster when numerous producers are involved.

Additionally, support was provided under the AgriRisk Initiatives program for the research, development and implementation of new risk management tools. The Department continued to work with provincial partners in 2016–17 on the oversight of the Western Livestock Insurance Price Insurance Program and the Quebec-based AgroMétéo project.

The Department continues to monitor the performance of its programs. One measure looks at sector revenue, which included revenue from the market as well as payments from Business Risk Management programs. The most recent results indicate that the sector revenue was 118% of the five-year average, far exceeding the target of 85%.

Through a 2016 Business Risk Management survey, more than 70% of producers indicated that the suite was an effective tool in managing risks.

Additionally, a review of the Farm Income Protection Act<sup>vii</sup>, which provides authority for several of the Business Risk Management programs, was completed in 2016–17. The overall results of the review indicated that Business Risk Management programs met the stated objectives and played an important role in assisting producers managing production and market risks.

Complementary to the Business Risk Management programs, the federal government continued to provide support through loan-guarantee programs: the Advance Payments Program<sup>viii</sup>, the Price Pooling Program<sup>ix</sup> and the Canadian Agricultural Loans Act Program<sup>x</sup>. In 2016–17, the Department implemented a number of improvements to the Advance Payments Program such as increasing producer access to the program by providing more flexibility and repayment options, and by reducing the administrative burden. The Department increased its promotional and awareness efforts for the Canadian Agricultural Loans Act program and will continue to do so in 2017–18 with the intent of improving program uptake by producers and financial institutions.

An internal evaluation of the programs under the Agricultural Marketing Programs Act<sup>xi</sup>, completed in 2016–17, indicated a continued need for producers to have guaranteed access to low costs, short-term loans to support cash flow for farming operations and marketing of commodities. The Advance Payments Program and Price Pooling Program are providing producers access to low cost capital to reduce their short-term financial pressures. The benefits offered by programs under the Agricultural Marketing Programs Act significantly outweigh administrative costs. The Department will continue to implement the recommendations of the evaluation moving forward, including developing a framework to provide guidance for the use of the Severe Economic Hardship provisions.

## Results achieved

Expected results	Performance indicators	Target	Date to achieve target	2016–17 Actual results	2015–16 Actual results	2014–15 Actual results
Producers' income losses are reduced	The current year producers' net market income plus Business Risk Management program payments as a percent of the previous five year average	85	March 31, 2017	Not available	Not available	118  (Date to achieve target was March 31, 2015)
Producers' income losses are reduced	Percentage of producers considering the Business Risk Management suite of programs as an effective tool to manage risks	70	March 31, 2018	72 (Measured once per framework. The Business Risk Management Survey for Growing Forward 2 was conducted in 2016)	72 (Measured once per framework. The Business Risk Management Survey for Growing Forward 2 was conducted in 2016)	72 (Measured once per framework. The Business Risk Management Survey for Growing Forward 2 was conducted in 2016)
Producers' income losses are reduced	Percentage of producers who are satisfied with the delivery of Business Risk Management programs	70	March 31, 2018	Indicator to be measured through 2017 Business Risk Management Client Satisfaction Survey. Progress to date indicates the target will be achieved.	Indicator to be measured through 2017 Business Risk Management Client Satisfaction Survey.	Indicator to be measured through 2017 Business Risk Management Client Satisfaction Survey.

Note: Performance indicators for Business Risk Management programs have a two year lag time; therefore 2015–16 and 2016–17 results will not be available until fall 2017 and fall 2018.

## Budgetary financial resources (dollars)

2016–17 Main Estimates	2016–17 Planned spending	2016–17 Total authorities available for use	2016–17 Actual spending (authorities used)	2016–17 Difference (actual minus planned)
1,305,927,027	1,305,927,027	1,295,672,303	1,276,920,061	(29,006,966)

Actual spending was less than planned spending as a result of less need for disaster response initiatives. This was offset by increased spending in the AgriStability<sup>iii</sup>, AgriInsurance<sup>v</sup> and AgriInvest<sup>iv</sup> programs. In addition, actual spending is net of \$21.6 million related to a return of funding from statutory grant and contribution programs, of which \$20.8 million relates to the Hog Industry Loan Loss Reserve program that have expired and are not included in the current Program Alignment Architecture sub-programs. Therefore, actual spending at the sub-program level does not add up to the program level spending for Business Risk Management.

## Human resources (full-time equivalents)

2016–17 Planned	2016–17 Actual	2016–17 Difference (actual minus planned)
363	367	4

**Experimentation at Agriculture and Agri-Food Canada**

Through the Western Livestock Price Insurance Program, the Department has been working with the Western Provinces in developing a new insurance tool for livestock producers which protects against unforeseen price declines. Unlike the other insurance products offered through the Business Risk Management Programs, where governments pay a portion of the premiums, producers pay the full premium when purchasing insurance. The program is also exploring a regional delivery approach, where Alberta provides actuarial and back office services to the other provinces in the delivery of the program. Since the start of the pilot in 2014, the program has sustained substantial demand by Western Canadian Cattle Producers, but is still considered relatively new and is subject to fluctuations in participation and market prices. As a result, the Department is working to renew and expand the Program, and continue government support under the next policy framework – Canadian Agricultural Partnership, which begins April 1, 2018. The Department can leverage lessons learned for the design of future producer-paid risk management product offerings.

**Program 1.2: Market Access, Negotiations, Sector Competitiveness, and Assurance Systems**

**Description:** Agriculture and Agri-Food Canada supports and equips industry for commercial success in order to maximize the sector's long-term profitability and competitiveness. In pursuing this objective, and in close collaboration with the Canadian agriculture, agri-food and agri-based products sector, Agriculture and Agri-Food Canada works to enhance access to markets, facilitates industry-led activities aimed at developing international markets and assurance systems, and provides information to help position industry to capitalize on market opportunities both at home and abroad. Assurance systems include systems, standards and tools for food safety, biosecurity, traceability, surveillance, animal welfare, and other market attributes.

**Results**

The Department continued its work to advance and promote Canadian agricultural interests internationally and domestically, as outlined in the Minister's mandate letter<sup>i</sup> and in line with the departmental priorities. This work included advancing the sector's interest in international negotiations and bilaterally with trading partners; helping industry be ready to capture the benefits of trade agreements such as the Comprehensive Economic and Trade Agreement, increasing presence in international markets with support from the Agri-Food Trade Commissioner Service, comprised of 36 trade commissioners; and supporting the global competitiveness of the sector through assurance systems.

The value of Canadian agriculture, agri-food and seafood exports increased in 2016 by 1.5% from 2015 levels to a record \$62.5 billion, surpassing the target established for 2017. Increases in

the export value of canola oil (14.3%), bakery products (13.9%), canola seed (13.6%), and fish and seafood (9.8%) contributed to the overall growth and helped offset decreases in wheat and durum (25% decrease). Large world supplies of wheat resulted in increased competition and overall lower international wheat prices.

The Department is delivering on the mandate letter commitments by advancing the sector's interests in bilateral and multilateral trade agreements, by expanding and maintaining market access and advocating for the adoption of predictable, science-based regulations internationally. The Department led the agriculture aspects of initiatives such as the launch of exploratory talks on a possible free trade agreement with China, the conclusion of the Canadian Free Trade Agreement, and worked towards the implementation of the Comprehensive Economic and Trade Agreement with the European Union. The Department also advanced Canada's agricultural market access issues, including maintaining access for Canadian canola and expanding access for frozen bone-in beef to China, expanding access for beef to Mexico, and achieving new market access for Canadian breeding cattle to Turkey. The Department was active in advocating for a predictable and science- and risk-based-regulatory environment to facilitate trade of agriculture innovative products as well as successfully finalizing and internationally promoting the Low-level Presence Policy Model. The Department continued to deepen Canada's trade relationship with the United States and Mexico, given the importance of these markets to the Canadian agriculture and agri-food sector.

The Department actively engaged agricultural stakeholders to provide regional and sectoral information, strategic intelligence and expertise that supported sectoral activities aimed at improving competitiveness and adaptability. To support the competitiveness of the sector, through the minor use pesticide program, more than 488 new minor uses of pesticides were available to Canadian growers during 2016–17. This will protect grower investments in the field; help prevent trade barriers with countries where target pesticides are already registered; and improve grower competitive parity with their United States counterparts. Also, through the Pesticide Risk Reduction Program<sup>xiii</sup>, a number of new integrated pest management tools were developed or made available to growers to share research and management information regarding the certain pesticides, and raise the profile of a Canadian integrated pest management success story.

The Department provided analysis and advice to the regulatory bodies (for example, the Canadian Food Inspection Agency and Health Canada) in order to ensure that domestic regulatory changes continue to support industry's competitiveness and compliance with domestic regulatory requirements.

The Department supported industry-led market development activities through funding agreements with key national industry associations and several small- and medium-sized enterprises.

## Results achieved

Expected results	Performance indicators	Target	Date to achieve target	2016–17 Actual results	2015–16 Actual results	2014–15 Actual results
Canadian agriculture and agri-food sector is responsive to market opportunities and risks	Value in total exports of agriculture and agri-food (including seafood) (billions of dollars)  Baseline in 2014–15: \$56.4 billion	56.4	December 31, 2017	62.5	61.6  (Target was 50.3. Target was updated in 2016–17)	56.4  (Target was 50.3. Target was updated in 2016–17)

## Budgetary financial resources (dollars)

2016–17 Main Estimates	2016–17 Planned spending	2016–17 Total authorities available for use	2016–17 Actual spending (authorities used)	2016–17 Difference (actual minus planned)
171,704,257	171,704,257	176,222,709	154,505,331	(17,198,926)

Actual spending was less than planned spending mainly due to a realignment among programs in response to shifting priorities. While provincial and territorial spending in the fourth year of Growing Forward 2<sup>ii</sup> increased, program uptake has varied across programs compared to original plans resulting in underspending in some areas and overspending in others. In addition, planned spending included funding that was transferred to other government departments for Growing Forward 2 initiatives through Supplementary Estimates.

## Human resources (full-time equivalents)

2016–17 Planned	2016–17 Actual	2016–17 Difference (actual minus planned)
419	400	(19)

**Program 1.3: Farm Products Council**

**Description:** Established under the Farm Products Agencies Act, the Farm Products Council of Canada is an oversight body that reports to Parliament through the Minister of Agriculture and Agri-Food (the Minister). The Farm Products Agencies Act provides for the creation of national marketing agencies, which are not subject to the Competition Act, as well as promotion and research agencies. The Farm Products Council of Canada supervises these agencies, and works with them to ensure that the supply management system for poultry and eggs and promotion-research activities for beef cattle work in the balanced interest of all stakeholders, from producers to consumers, and can evolve to respond to current and future challenges. The



Farm Products Council of Canada also provides advice and recommendations to the Minister, collaborates with provincial supervisory boards and actively works with the Department and Agriculture and Agri-Food portfolio organizations.

## Results

Throughout 2016–17, the Farm Products Council of Canada<sup>xiii</sup> continued to oversee and work with the agencies created under the Farm Products Agencies Act<sup>xiv</sup> to ensure that the supply management system for poultry and eggs as well as the promotion and research activities for beef cattle work in the balanced interest of all stakeholders.

During the reporting period, the relative market share of Canadian producers of chicken, hatching eggs, eggs and turkey remained above the 80 percent target. Canadian producers of turkey and hatching eggs experienced a slight decrease in their relative share, while that of chicken and eggs producers increased, when compared to the previous year. While the variations observed were consistent with previous years, they are not necessarily indicative of a persistent trend. Other factors, such as the exchange rate and production in other countries can, have a significant impact on trade patterns, which in turn affects the relative market share of Canadian producers.

Over 2016–17, the prices paid by consumers for supply managed goods remained fairly stable and within the expected ranges, when compared to competing meats such as pork and beef. More broadly, the price of turkey increased faster than that of food in general, making it slightly less affordable. Conversely, the price of eggs decreased while that of chicken increased by less than a third of what was seen for food in general. Therefore chicken and eggs were relatively more affordable food products in 2016–17.

In 2016–17, the Farm Products Council of Canada continued the implementation of its 2015-2018 Strategic Plan<sup>xv</sup>, by fostering a better understanding of the roles of stakeholders within the supply management and promotion and research systems. The Council also shared information on promotion and research agencies by continuously engaging with its provincial counterparts, in part through the National Association of Agri-Food Supervisory Agencies, and continued to develop its internal expertise.

## Results achieved

Expected results	Performance indicators	Target	Date to achieve target	2016–17 Actual results	2015–16 Actual results	2014–15 Actual results
Domestic market shares of Canadian producers of chicken, eggs, hatching eggs and turkey are stable or increasing	Percentage of the domestic chicken market supplied by Canadian producers of chicken	80	March 31, 2017	85.7	83.9 (Actual target date March 31, 2016)	84.9 (Actual target date March 31, 2015)
Domestic market shares of Canadian producers of chicken, eggs, hatching eggs and turkey are stable or increasing	Percentage of the domestic egg market supplied by Canadian producers of eggs	80	March 31, 2017	90.1	86.9 (Actual target date March 31, 2016)	86.3 (Actual target date March 31, 2015)
Domestic market shares of Canadian producers of chicken, eggs, hatching eggs and turkey are stable or increasing	Percentage of the domestic hatching eggs market supplied by Canadian producers of hatching eggs	80	March 31, 2017	85.1	85.2 (Actual target date March 31, 2016)	85.6 (Actual target date March 31, 2015)
Domestic market shares of Canadian producers of chicken, eggs, hatching eggs and turkey are stable or increasing	Percentage of the domestic turkey market supplied by Canadian producers of turkey	80	March 31, 2017	96.2	96.7 (Actual target date March 31, 2016)	96.8 (Actual target date March 31, 2015)

Consumer price variations for chicken, eggs and turkey are more stable than those of other competing meats	Year-over-year consumer price variation for chicken is within plus or minus five percentage points of the year over-year consumer price variation for other fresh or frozen meats	5	March 31, 2017	Chicken: 0.4 Pork: -1.6 Beef: -1.1	Chicken: 4.6 Pork: 5.3 Beef: 15.1  (Actual target date March 31, 2016)	Not available
Consumer price variations for chicken, eggs and turkey are more stable than those of other competing meats	Year-over-year consumer price variation for eggs is within plus or minus five percentage points of the year over-year consumer price variation for other fresh or frozen meats	5	March 31, 2017	Eggs: -1.0 Pork: -1.6 Beef: -1.1	Eggs: 1.5 Pork: 5.3 Beef: 15.1  (Actual target date March 31, 2016)	Not available
Consumer price variations for chicken, eggs and turkey are more stable than those of other competing meats	Year-over-year consumer price variation for turkey is within plus or minus five percentage points of the year over-year consumer price variation for other fresh or frozen meats	5	March 31, 2017	Turkey: 1.8 Pork: -1.6 Beef: -1.1	Turkey: 0.6 Pork: 5.3 Beef: 15.1  (Actual target date March 31, 2016)	Not applicable
Consumer price variations for chicken, eggs and turkey are consistent with those of food in general	Year-over-year consumer price variation for chicken is within plus or minus ten percentage points of the year over-year consumer price variation for food in general	10	March 31, 2017	Chicken: 0.4 All food: 1.5	Chicken: 4.6 All food: 3.7  (Actual target date March 31, 2016)	Not applicable
Consumer price variations for chicken, eggs and turkey are consistent with those of	Year-over-year consumer price variation for eggs is within plus or minus ten percentage points of the year	10	March 31, 2017	Eggs: -1.0 All food: 1.5	Eggs: 1.5 All food: 3.7  (Actual target date March 31, 2016)	Not applicable

food in general	over-year consumer price variation for food in general					
Consumer price variations for chicken, eggs and turkey are consistent with those of food in general	Year-over-year consumer price variation for turkey is within plus or minus ten percentage points of the year-over-year consumer price variation for food in general	10	March 31, 2017	Turkey: 1.8 All food: 1.5	Turkey: 0.6 All food: 3.7 (Actual target date March 31, 2016)	Not applicable

Note: Actual results for 2014-15 are not applicable as the expected results and indicators were introduced in 2015-16.

#### Budgetary financial resources (dollars)

2016–17 Main Estimates	2016–17 Planned spending	2016–17 Total authorities available for use	2016–17 Actual spending (authorities used)	2016–17 Difference (actual minus planned)
3,036,170	3,036,170	3,516,900	2,835,900	(200,270)

#### Human resources (full-time equivalents)

2016–17 Planned	2016–17 Actual	2016–17 Difference (actual minus planned)
26	24	(2)

### Program 2.1: Science, Innovation, Adoption and Sustainability

**Description:** Agriculture and Agri-Food Canada contributes to innovation and sustainability of the agriculture, agri-food and agri-based products sector through science and associated activities designed to improve profitability in new and existing products, services, processes, and markets. Agriculture and Agri-Food Canada provides research, development and knowledge transfer that enhance the sector's resiliency, foster new areas of opportunity for the sector and support sector competitiveness, as well as coordinated and informed decision making. Agriculture and Agri-Food Canada promotes integrated planning, engaging industry, government and academia, and collaborative action to accelerate the flow of science and technology along the innovation continuum in support of industry-defined strategies for future success. Farmers, agri-entrepreneurs and agri-based enterprises are supported in their efforts to adopt new technologies and commercialize new products and services. Pathfinding and transformational research help to define future sustainable opportunities and prepare the sector for emerging opportunities and challenges.

## Results

The Department's science sector strategies and strategic objectives<sup>xvi</sup> continued to provide direction to deliver on Minister mandate letter commitments<sup>i</sup> and other organizational priorities, opportunities and challenges faced by the sector. The Department continued to advance its strategic direction by working on 865 active research and development projects either as a lead or as collaborator.

The AgriInnovation Program<sup>xvii</sup> has supported 107 Agri-Science Projects and 14 Agri-Science Clusters projects, many involving collaborations between Agriculture and Agri-Food Canada researchers, industry and other partners across sectors including bioproducts, agri-technology, beef, dairy, and food processing. For example, the Canadian Ornamental Horticultural Research and Innovation Cluster collaborated with Laval University to develop a precision agricultural tool for greenhouses and nurseries that will improve water conservation, optimize plant growth while reducing root and leaf diseases.

Fermented vegetables are a growing industry worldwide, particularly with high value conventional or organic produce. Food preservation technologies have continuously evolved throughout history. In recent decades, research has improved preservation methods. Agriculture and Agri-Food Canada scientists developed a way to preserve fresh vegetables for over a year at room temperature without chemical preservatives, pasteurization or freezing, while maintaining the vegetables' nutritional value. The technology offers Canadian companies a competitive advantage by guaranteed product stability, a longer preservation period, and ensured food safety while preserving the anti-microbial and nutritional qualities of fermented food, so valued by consumers.

The Department is delivering on the mandate letter commitments by investing \$30 million over six years, through Budget 2016, in an initiative that will accelerate the DNA analysis, data capture and imaging of the specimen collection and will be integrated to improve public accessibility.

The Agricultural Greenhouse Gases Program<sup>xviii</sup> authorities were renewed for an additional five years until March 2021, supporting the Minister's commitment to make investments in the use and development of clean and sustainable technology.

## Results achieved

Expected results	Performance indicators	Target	Date to achieve target	2016–17 Actual results	2015–16 Actual results	2014–15 Actual results
Agriculture and agri-food sector that utilizes science to improve agriculture's efficiency, increase availability of new products and contribute to the Canadian economy	<p>Agriculture Net value added (billions of dollars)</p> <p>The agriculture value added account is designed to provide an annual measure of the value of income generated from the production of agricultural goods and services. The numbers are used to assess the state of the agricultural industry and to form the basis of various policy options.</p>	12.3	March 31, 2018	<p>20</p> <p>Note: Estimate is based on Agriculture and Agri-Food Canada calculation of Statistics Canada farm cash receipts and net income release</p>	<p>18.8 (for the calendar year ended 2015)</p> <p>(Updated from 2015–16 Departmental Performance Report to reflect further analysis)</p>	<p>14.9 (for the calendar year ended 2014)</p> <p>(Updated from 2014–15 Departmental Performance Report to reflect further analysis)</p>

## Budgetary financial resources (dollars)

2016–17 Main Estimates	2016–17 Planned spending	2016–17 Total authorities available for use	2016–17 Actual spending (authorities used)	2016–17 Difference (actual minus planned)
560,789,990	560,789,990	634,359,452	622,848,352	62,058,362

Actual spending was more than planned spending primarily due to amounts carried forward from 2015–16 and funding received during 2016–17 through Supplementary Estimates for the Agriculture Infrastructure modernization and rehabilitation of Research sites and acceleration of the remediation on contaminated sites, and to support genomics, digitalization and data mobilization of Agriculture and Agri-Food Canada's biological collections, as well as realignment among programs in response to shifting priorities. While provincial and territorial spending in the fourth year of Growing Forward 2<sup>ii</sup> increased, program uptake has varied across programs compared to original plans resulting in underspending in some areas and overspending in others.

## Human resources (full-time equivalents)

2016–17 Planned	2016–17 Actual	2016–17 Difference (actual minus planned)
2,526	2,526	0

### Experimentation at Agriculture and Agri-Food Canada

Through Transformative Workshops on Building Resiliency in Agricultural Landscapes and on Vertical Agriculture, the Department has experimented with scientist-driven processes to generate new ideas that address key agricultural challenges. Transformative Workshops bring together multi-disciplinary, multi-generational and multi-stakeholders to support transformative scientific research, inform research investments to support discovery science and innovation, and generate scientific information for consideration in investment and policy choices. Lessons learned can be employed in the design of future Transformative Workshops including optimizing existing data to allow for big data analysis and larger collaborations; creating new “spaces” for transformative discussions; fostering inter-departmental discussions and inter-disciplinary collaborations; and the participation of junior researchers to bring in novel ideas.

## Program 2.2: Industry Capacity

**Description:** This program helps build the capacity of the sector and businesses to sustainably succeed in a market-driven and competitive world. The program encourages the use of sound business management practices, while also enabling businesses in the sector to understand their financial situation, be profitable and invest where needed. It provides for enhanced participation by young or new entrants, First Nations clients, and clients in specific sub-sectors in transition. The program also supports the sector and its businesses to improve access to key infrastructure.

### Results

In 2016–17, Agriculture and Agri-Food Canada continued to encourage sound business management practices and help participating farmers and agri-businesses better understand their financial situations, be profitable and invest where needed. For example, through Fostering Business Development<sup>xix</sup>, the Department funded activities related to business management and farm-safety practices, as well as leadership skills and youth development. These activities collectively strengthen the capacity of individuals and businesses to: assess the financial implications of business improvements; respond to change and adapt; understand their financial situations; and provide for enhanced participation by young people and new entrants to the sector. Through the Farm Debt Mediation Service<sup>xx</sup>, the Industry Capacity program also helped enhance participants' financial management skills by offering financial counselling and mediation services to farmers who are having difficulties meeting their financial obligations.

## Results achieved

Expected results	Performance indicators	Target	Date to achieve target	2016–17 Actual results	2015–16 Actual results	2014–15 Actual results
The sector is increasing its ability to be resilient and self-sustaining	Maintain and/or increase the percentage of farms with high free cash flow	55	March 31, 2028	66 Source: Statistics Canada, Farm Financial Survey 2015 and Agriculture and Agri-Food Canada calculations  Note: Free cash flow represents available cash after paying farm business expenses including farm debt	58 Source: Statistics Canada, Farm Financial Survey 2013 and Agriculture and Agri-Food Canada calculations  Note: Free cash flow represents available cash after paying farm business expenses including farm debt	58 Source: Statistics Canada, Farm Financial Survey 2013 and Agriculture and Agri-Food Canada calculations  Note: Free cash flow represents available cash after paying farm business expenses including farm debt

## Budgetary financial resources (dollars)

2016–17 Main Estimates	2016–17 Planned spending	2016–17 Total authorities available for use	2016–17 Actual spending (authorities used)	2016–17 Difference (actual minus planned)
73,027,026	73,027,026	426,894,567	407,813,434	334,786,408

Actual spending was higher than planned spending primarily due to funding received during 2016–17 through Supplementary Estimates for the transfer of Federal Water Infrastructure to the Government of Saskatchewan and funding for the Youth Employment Strategy, as well as a realignment among programs in response to shifting priorities. While provincial and territorial spending in the fourth year of Growing Forward 2<sup>ii</sup> increased, program uptake has varied across programs compared to original plans resulting in underspending in some areas and overspending in others. In addition, funding was reallocated to Western Economic Diversification Canada for an economic development fund to support projects that bring well-paying, long-term jobs, to the town of Churchill, Manitoba, and the surrounding region.

## Human resources (full-time equivalents)

2016–17 Planned	2016–17 Actual	2016–17 Difference (actual minus planned)
163	156	(7)



## Program 2.3: Canadian Pari-Mutuel Agency

**Description:** Section 204 of the Criminal Code of Canada designates the Minister of Agriculture and Agri-Food responsible for making the regulations that direct the lawful conduct of pari-mutuel betting in Canada on horse racing. The Canadian Pari-Mutuel Agency is a special operating agency within Agriculture and Agri-Food Canada that approves and supervises pari-mutuel betting conducted at racetracks and betting theatres across Canada, with the objective of ensuring that betting is conducted in a way that is fair to the betting public. Costs associated with the activities of the Canadian Pari-Mutuel Agency are recovered through a levy on every dollar bet in Canada on horse races. The levy is currently set at eight-tenths of a cent of every dollar bet. Canadian Pari-Mutuel Agency's strategic plans are focused on regulating and supervising pari-mutuel betting on horse races in the most modern, effective and transparent manner.

### Results

The Canadian Pari-Mutuel Agency<sup>xxi</sup> ensured pari-mutuel betting activities conducted at racetracks and betting theatres across Canada complied with the Pari-Mutuel Betting Supervision Regulations<sup>xxii</sup> and policies.

The Agency issued 40 betting permits in 2016, and oversaw the conduct of pari-mutuel betting at racetracks and betting theatres, located across the country. The Agency provided uninterrupted delivery of its national Equine Drug Control Program with the collection and analysis of 26,966 equine samples, to help ensure that race outcomes were not influenced by the inappropriate administration of drugs or medications to race horses.

The federal levy on pari-mutuel betting of approximately \$10.2 million for 2016–17 supported the Canadian Pari-Mutuel Agency's operating budget.

### Results achieved

Expected results	Performance indicators	Target	Date to achieve target	2016–17 Actual results	2015–16 Actual results	2014–15 Actual results
Pari-mutuel betting is conducted in a way that is fair to the Canadian betting public	Percentage of compliance with the Pari-Mutuel Betting Supervision Regulations of Canadian racetracks and betting theatres inspected by Canadian Pari-Mutuel Agency officers	100	March 31, 2017	100	100  (Actual target date March 31, 2016)	100  (Actual target date March 31, 2015)  There are no outstanding issues of regulatory non-compliance for any pari-mutuel operator licensed by the Canadian Pari-Mutuel Agency

## Budgetary financial resources (dollars)

	2016–17 Main Estimates	2016–17 Planned spending/ revenue	2016–17 Total authorities available for use	2016–17 Actual spending/ revenue (authorities used)	2016–17 Difference (actual minus planned)
Gross Spending	9,946,000	9,946,000	20,464,581	9,138,631	(807,369)
Less: Respendable Revenue	(9,946,000)	(9,946,000)	(9,946,000)	(10,184,639)	(238,639)
Net Spending	0	0	10,518,581	(1,046,008)	(1,046,008)

## Human resources (full-time equivalents)

2016–17 Planned	2016–17 Actual	2016–17 Difference (actual minus planned)
36	32	(4)

**Program 3.1: Internal Services**

**Description:** Internal Services are those groups of related activities and resources that the federal government considers to be services in support of programs and/or required to meet corporate obligations of an organization. Internal Services refers to the activities and resources of the 10 distinct service categories that support Program delivery in the organization, regardless of the Internal Services delivery model in a department. The 10 service categories are: Management and Oversight Services; Communications Services; Legal Services; Human Resources Management Services; Financial Management Services; Information Management Services; Information Technology Services; Real Property Services; Materiel Services; and Acquisition Services.

**Results****Leverage information and technology capacity to improve business practices**

The Department continued to advance information management and information technology solutions in support of Government of Canada and departmental priorities. In collaboration with Shared Services Canada, sensitive information was further safeguarded through the ongoing implementation of the Government of Canada Secret Infrastructure, a government-wide network for sharing classified information. Further security improvements were made including providing encrypted USB devices, securing laptops and workstation ports, and the adoption of a sound travel device policy. Certain modernization initiatives were deferred pending further direction, such as the migration to Government of Canada's Human Resources System, and applications to

enterprise data centres. Efforts on the Open Government Implementation Plan progressed well, with automated tools implemented for publishing data.

Agriculture and Agri-Food Canada also increased the number of Non-Business Risk Management programs offering online applications which increased digital access to programs and services.

The Department continued to expand its client feedback tools to more programs so clients were given the opportunity to provide ideas to improve the quality of their interactions and provide feedback on design and administration of Grants and Contributions Programs. For example, it mapped client interactions associated with the Market Access Secretariat Services and with the Sector Development and Analysis Market Information Services: both identified the need for easier access to information on available services. This will be one area of service improvement going forward. In addition, the Department held a collaborative design thinking session to improve the design and delivery of the AgriScience Clusters Program. Cluster leads, along with departmental staff, university researchers, and other government departments co-created new approaches to streamlining application requirements, financial reporting and performance and results reporting for the next policy framework, the Canadian Agricultural Partnership.

### **Advance the Blueprint 2020 commitment**

Agriculture and Agri-Food Canada has continued to implement the Blueprint 2020 vision of modernization and transformation through specific initiatives aimed at improvements in the workplace. One such initiative is the Indigenous Student Recruitment Program, launched in Spring 2016, which aims to encourage indigenous youth to consider a career in science, hence strengthening the diversity of the workforce. Another initiative aimed at empowering employees through encouragement of new ideas was the successful adoption of the concept of online crowdfunding to kickstart a fundraising event under the Government of Canada Workplace Charitable Campaign.

Senior leadership has also continued to engage employees to identify new initiatives to ensure the Department remains an employer of choice for the Public Service. Open communication was a specific area of focus, with a series of Blueprint 2020 sessions held at locations across the country to hear the suggestions and concerns of employees. The establishment in 2016 of 272 additional collaboration sites under the Departments internal web-based environment called Knowledge Workspace also contributed to those efforts.

### **Budgetary financial resources (dollars)**

2016–17 Main Estimates	2016–17 Planned spending	2016–17 Total authorities available for use	2016–17 Actual spending (authorities used)	2016–17 Difference (actual minus planned)
149,248,786	149,248,786	156,762,447	151,033,280	1,784,494

Actual spending was more than planned spending primarily due to funding received during 2016–17 through Supplementary Estimates for the Agriculture Infrastructure modernization and rehabilitation of Research sites and acceleration of the remediation on contaminated sites.

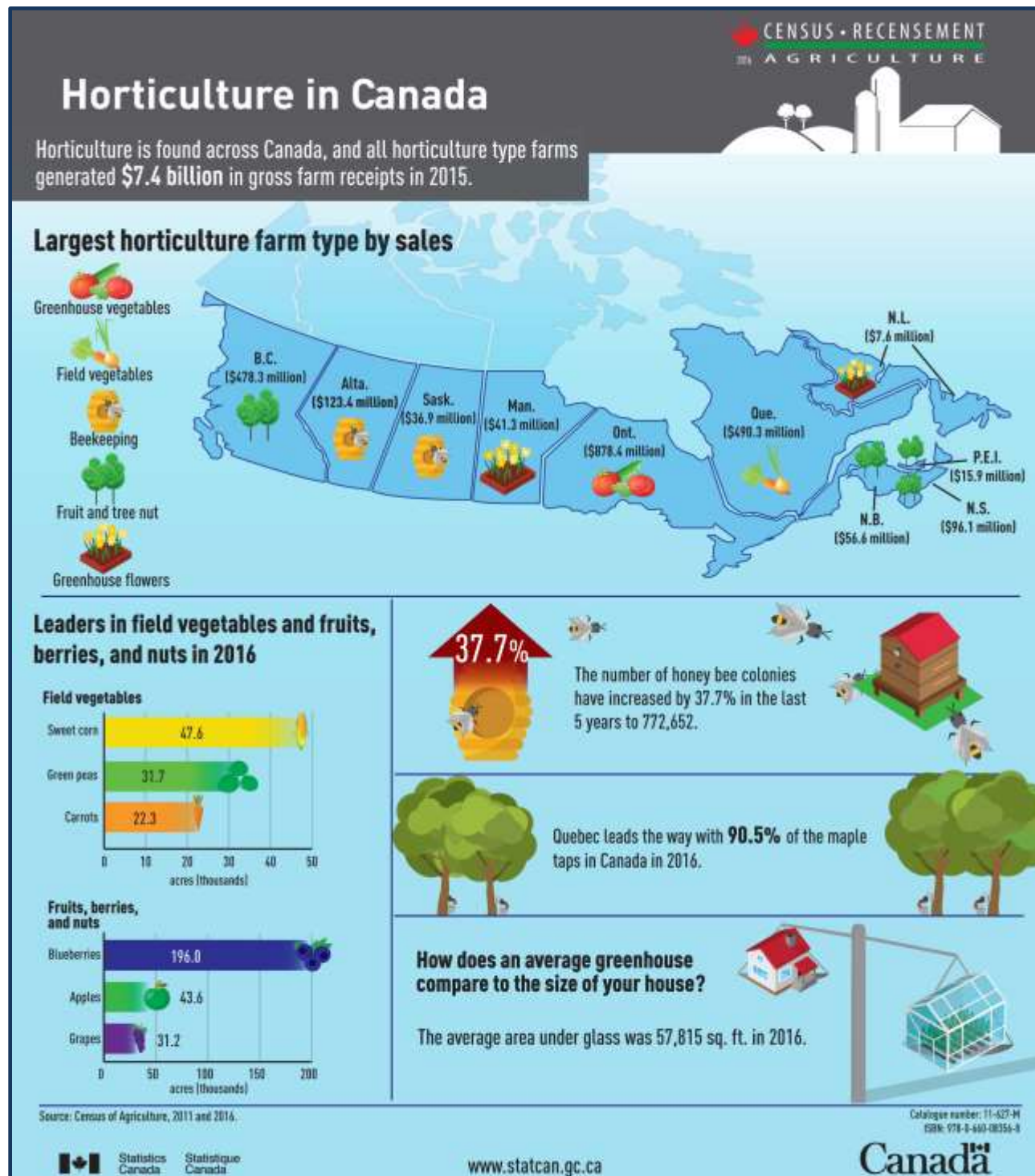
Human resources (full-time equivalents)

2016–17 Planned	2016–17 Actual	2016–17 Difference (actual minus planned)
1,167	1,089	(78)

Actual full-time equivalents were lower than planned primarily due to a realignment among programs subsequent to the production of the 2016–17 Report on Plans and Priorities.

Information on Agriculture and Agri-Food Canada's lower-level programs<sup>xxiii</sup> is available on the departmental website and in the Treasury Board Secretariat InfoBase<sup>xxiv</sup>.

## Did you know?

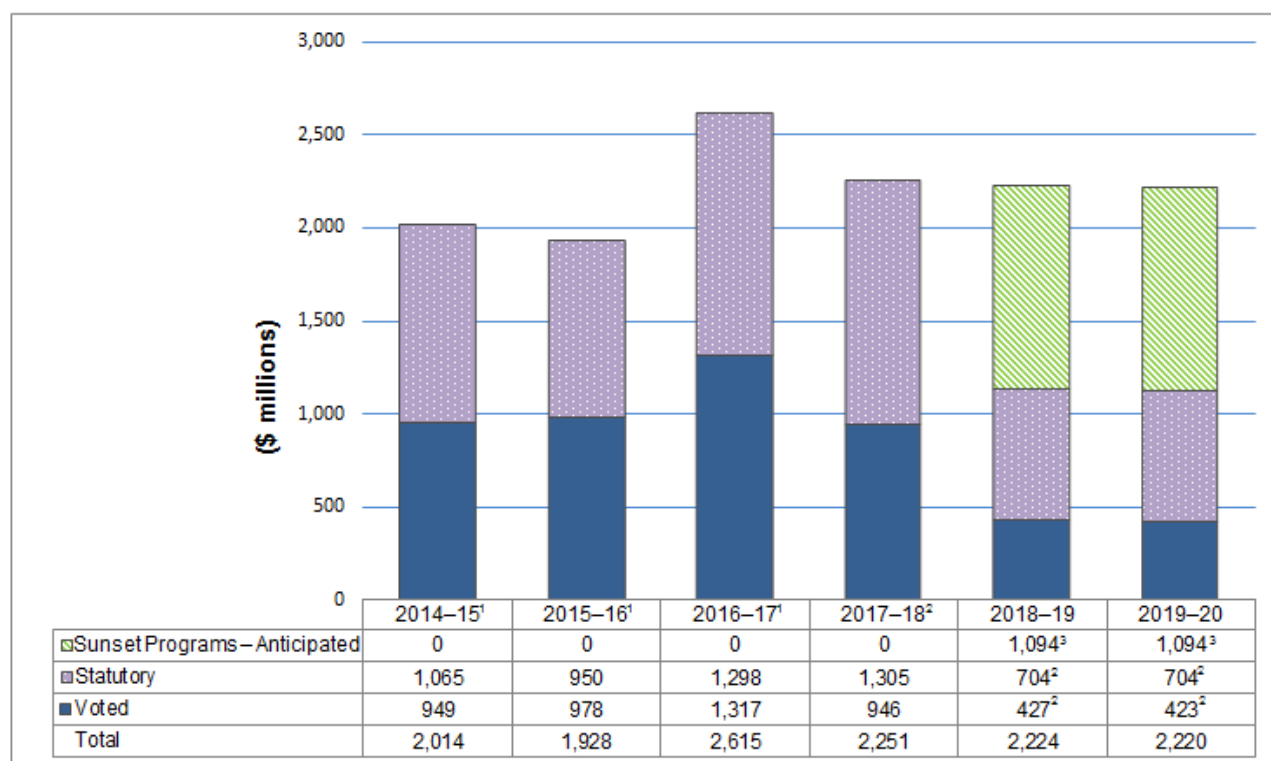




## Analysis of trends in spending and human resources

### Actual expenditures

#### Departmental spending trend graph



<sup>1</sup> Spending for 2014–15, 2015–16 and 2016–17 represents the actual expenditures incurred during the respective fiscal years, as reported in Public Accounts.

<sup>2</sup> Spending for 2017–18, 2018–19 and 2019–20 represents Planned Spending amounts as reported in the 2017–18 Departmental Plan and does not reflect funding announced in Budget 2017.

<sup>3</sup> The anticipated renewal amount shown in the spending trend graph is based on the current Growing Forward 2<sup>ii</sup> policy framework and is subject to change.

Over the period 2014–15 to 2019–20, spending varies from a low of \$1.9 billion in 2015–16 to a high of \$2.6 billion in 2016–17. Agriculture and Agri-Food Canada's programs and initiatives vary from year to year in response to changes affecting the agriculture, agri-food and agri-based products sector as outlined below.

Actual spending in 2015–16 was low primarily due to strong market conditions which reduced the need for statutory grants and contributions under Business Risk Management, mainly in the AgriStability<sup>iii</sup> program. In addition, actual spending reflects \$53.8 million of returned funding from the expired statutory contribution program: the Hog Industry Loan Loss Reserve program. These decreases were offset by a higher payment under the Canadian Wheat Board Transition

Costs Program, as a lump sum payment was provided in order to settle obligations and complete the Program.

Actual spending in 2016–17 was higher as it reflected one time funding for the transfer of federal water infrastructure to the Government of Saskatchewan, an increase in demand, compared to 2015–16, for statutory grants and contributions for Business Risk Management programs, as well as an increase to the Federal Infrastructure Initiative.

The reduction in planned statutory and voted spending in 2018–19 and 2019–20 reflects the fact that federal authorities will need to be renewed for the suite of statutory Business Risk Management programs and the current Non-Business Risk Management Growing Forward 2 programs and the expiry of the Federal Infrastructure Initiative. Agriculture and Agri-Food Canada, in consultation with provinces and territories, is in the process of finalizing the Canadian Agricultural Partnership (the Department's next policy framework) to position the industry to meet challenges ahead. The anticipated amount shown in the graph reflects the Canadian Agricultural Partnership based on the current policy framework funding and therefore, is subject to change.



## Budgetary performance summary for Programs and Internal Services (dollars)

Programs and Internal Services	2016-17 <sup>1</sup> Main Estimates	2016-17 <sup>2</sup> Planned spending	2017-18 <sup>3</sup> Planned spending	2018-19 <sup>3</sup> Planned spending	2016-17 <sup>4</sup> Total authorities available for use	2016-17 <sup>5</sup> Actual spending (authorities used)	2015-16 <sup>5</sup> Actual spending (authorities used)	2014-15 <sup>5</sup> Actual spending (authorities used)
Program 1.1 Business Risk Management	1,305,927,027	1,305,927,027	1,306,311,287	664,401,696	1,295,672,303	1,276,920,061	923,685,461	1,033,315,991
Program 1.2 Market Access, Negotiations, Sector Competitiveness, and Assurance Systems	171,704,257	171,704,257	173,414,582	32,424,669	176,222,709	154,505,331	198,590,662	163,511,328
Program 1.3 Farm Products Council of Canada	3,036,170	3,036,170	3,008,456	3,008,456	3,516,900	2,835,900	3,087,351	3,032,055
Program 2.1 Science, Innovation, Adoption and Sustainability	560,789,990	560,789,990	563,745,548	296,694,102	634,359,452	622,848,352	600,370,331	575,890,434
Program 2.2 Industry Capacity	73,027,026	73,027,026	61,514,447	16,949,708	426,894,567	407,813,434	50,436,622	76,204,095
Program 2.3 Canadian Pari-Mutual Agency	0	0	0	(19,000)	10,518,581	(1,046,008)	(962,575)	(2,233,091)
<b>Subtotal</b>	<b>2,114,484,470</b>	<b>2,114,484,470</b>	<b>2,107,994,320</b>	<b>1,013,459,631</b>	<b>2,547,184,512</b>	<b>2,463,877,070</b>	<b>1,775,207,852</b>	<b>1,849,720,812</b>
Internal Services	149,248,786	149,248,786	143,189,378	116,978,399	156,762,447	151,033,280	153,201,740	164,270,556
<b>Total</b>	<b>2,263,733,256</b>	<b>2,263,733,256</b>	<b>2,251,183,698</b>	<b>1,130,438,030</b>	<b>2,703,946,959</b>	<b>2,614,910,350</b>	<b>1,928,409,592</b>	<b>2,013,991,368</b>

<sup>1</sup> Main Estimates figures are as reported in the 2016–17 Main Estimates.

<sup>2</sup> Planned spending figures are as reported in the 2016–17 Report on Plans and Priorities. Planned spending reflects funds already brought into the Department's reference levels as well as amounts to be authorized through the Estimates process as presented in the Annual Reference Level Update.

<sup>3</sup> Planned spending figures are as reported in the 2017–18 Departmental Plan. Planned spending reflects funds already brought into the Department's reference levels as well as amounts to be authorized through the Estimates process as presented in the Annual Reference Level Update. It does not reflect funding announced in Budget 2017.

<sup>4</sup> Total authorities reflect 2016–17 Main Estimates and a net total increase of \$440.2 million consisting of adjustments to statutory amounts to equal actual spending, Supplementary Estimates and allocations from central votes received during 2016–17, as well as other adjustments and amounts available from previous year, as reported in the Public Accounts of Canada 2017<sup>xxv</sup>.

<sup>5</sup> Actual spending figures represent the actual expenditures incurred during the respective fiscal year, as reported in Public Accounts. In certain cases, where authorized amounts are unspent, they can be reprofiled for use in future years.

For an explanation of the variances by Program and Internal Services, please refer to the "Results: what we achieved" section of this Report.

## Actual human resources

Human resources summary for Programs and Internal Services  
(full-time equivalents<sup>1</sup>)

Programs and Internal Services	2014-15 Actual	2015-16 Actual	2016-17 Planned	2016-17 Actual <sup>1</sup>	2017-18 Planned <sup>2</sup>	2018-19 Planned <sup>2</sup>
1.1 Business Risk Management	349	361	363	367	366	366
1.2 Market Access, Negotiations, Sector Competitiveness, and Assurance Systems	372	396	419	400	407	407
1.3 Farm Products Council of Canada	25	25	26	24	26	26
2.1 Science, Innovation, Adoption and Sustainability	2,441	2,439	2,526	2,526	2,556	2,567
2.2 Industry Capacity	227	203	163	156	125	66
2.3 Canadian Pari-Mutual Agency	34	33	36	32	33	33
<b>Subtotal</b>	<b>3,448</b>	<b>3,457</b>	<b>3,533</b>	<b>3,505</b>	<b>3,513</b>	<b>3,465</b>
Internal Services	1,149	1,056	1,167	1,089	1,140	1,140
<b>Total</b>	<b>4,597</b>	<b>4,513</b>	<b>4,700</b>	<b>4,594</b>	<b>4,653</b>	<b>4,605</b>

<sup>1</sup> Full-Time Equivalents – Reflect only those Full-Time Equivalents funded through the Department's appropriated resources. In addition to the actual Full-Time Equivalents of 4,594, there were 12 Full-Time Equivalents employed by Agriculture and Agri-Food Canada for research funded through collaborative agreements with industry partners and 11 Full-Time Equivalents funded from other government departments. Also, an additional 562 Full-Time Equivalents were employed as students.

<sup>2</sup> Growing Forward 2<sup>ii</sup> funding authorities expire at the end of 2017–18. The Canadian Agricultural Partnership policy framework is being finalized and it is anticipated that full-time equivalents will remain stable.

The decrease in full-time equivalents from 2014–15 to 2015–16 was mainly due to transfers to other government departments to consolidate and transform information technology infrastructure and pay functions across government, in addition to the winding down of the Community Pastures program and attrition.

The increase in full-time equivalents in 2016–17 was due to staffing of vacant positions partially offset by a decrease due to the winding down of the Community Pastures program. The actual full-time equivalents were less than planned due to the timing of the staffing.

The planned increase in full-time equivalents in 2017–18 is mainly due to staff required to support the genomics, digitization and data mobilization of Agriculture and Agri-Food Canada's biological collections as announced in Budget 2016 under the Science, Innovation, Adoption and Sustainability program.

The planned decrease of full-time equivalents in 2018–19 is mainly due to the winding down of the Community Pastures program at the end of 2017–18. This decrease is offset by a planned increase of staff required to support the genomics, digitization and data mobilization of Agriculture and Agri-Food Canada's biological collections under the Science, Innovation, Adoption and Sustainability program.

## Expenditures by vote

For information on Agriculture and Agri-Food Canada's organizational voted and statutory expenditures, consult the Public Accounts of Canada 2017<sup>xxv</sup>

## Alignment of spending with the whole-of-government framework

Alignment of 2016–17 actual spending with the whole-of-government framework<sup>xxvi</sup>  
(dollars)

Program	Spending area	Government of Canada activity	2016–17 Actual spending
Business Risk Management	Economic affairs	Strong economic growth	1,276,920,061
Market Access, Negotiations, Sector Competitiveness, and Assurance Systems	Economic affairs	Strong economic growth	154,505,331
Farm Products Council of Canada	Economic affairs	A fair and secure marketplace	2,835,900
Science, Innovation, Adoption and Sustainability	Economic affairs	An innovative and knowledge-based economy	622,848,352
Industry Capacity	Economic affairs	Strong economic growth	407,813,434
Canadian Pari-Mutual Agency	Economic affairs	A fair and secure marketplace	(1,046,008)

Total spending by spending area (dollars)

Spending area	Total planned spending	Total actual spending
Economic affairs	2,114,484,470	2,463,877,070
Social affairs	0	0
International affairs	0	0
Government affairs	0	0

Note: Actual spending by spending area does not include spending for Internal Services.

## Financial statements and financial statements highlights

### Financial statements

Agriculture and Agri-Food Canada's financial statements<sup>xxvii</sup> [unaudited] for the year ended March 31, 2017, are available on the departmental website.

### Financial statements highlights

The financial highlights presented within this Departmental Results Report are intended to serve as a general overview of the Department's financial position and operations. More detailed information is provided in the Department's consolidated financial statements which are prepared using an accrual basis of accounting.

Condensed Statement of Operations (unaudited) for the year ended March 31, 2017 (dollars)

Financial information	2016–17 Planned results	2016–17 Actual	2015–16 Actual	Difference (2016–17 actual minus 2016–17 planned)	Difference (2016–17 actual minus 2015–16 actual)
Total expenses	2,351,073,000	2,717,230,000	2,065,700,000	366,157,000	651,530,000
Total revenues	66,478,000	66,307,000	70,464,000	(171,000)	(4,157,000)
Net cost of operations before government funding and transfers	2,284,595,000	2,650,923,000	1,995,236,000	366,328,000	655,687,000

Consolidated Future-Oriented Statement of Operations (Unaudited) can be found on the departmental website<sup>xxvii</sup>.

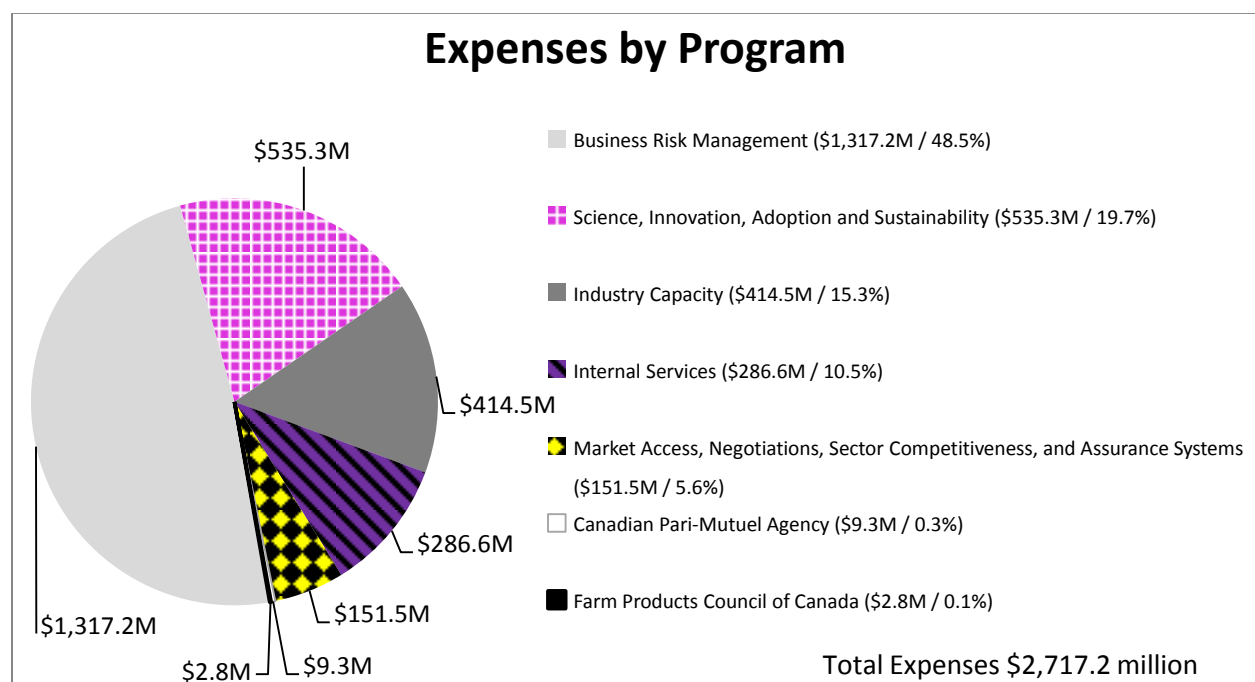
Condensed Statement of Financial Position (unaudited) as at March 31, 2017 (dollars)

Financial Information	2016–17	2015–16	Difference (2016–17 minus 2015–16)
Total net liabilities	1,069,714,000	952,324,000	117,390,000
Total net financial assets	997,350,000	889,136,000	108,214,000
Departmental net debt	72,364,000	63,188,000	9,176,000
Total non-financial assets	417,653,000	394,742,000	22,911,000
Departmental net financial position	345,289,000	331,554,000	13,735,000

## Financial Highlights: Graphs

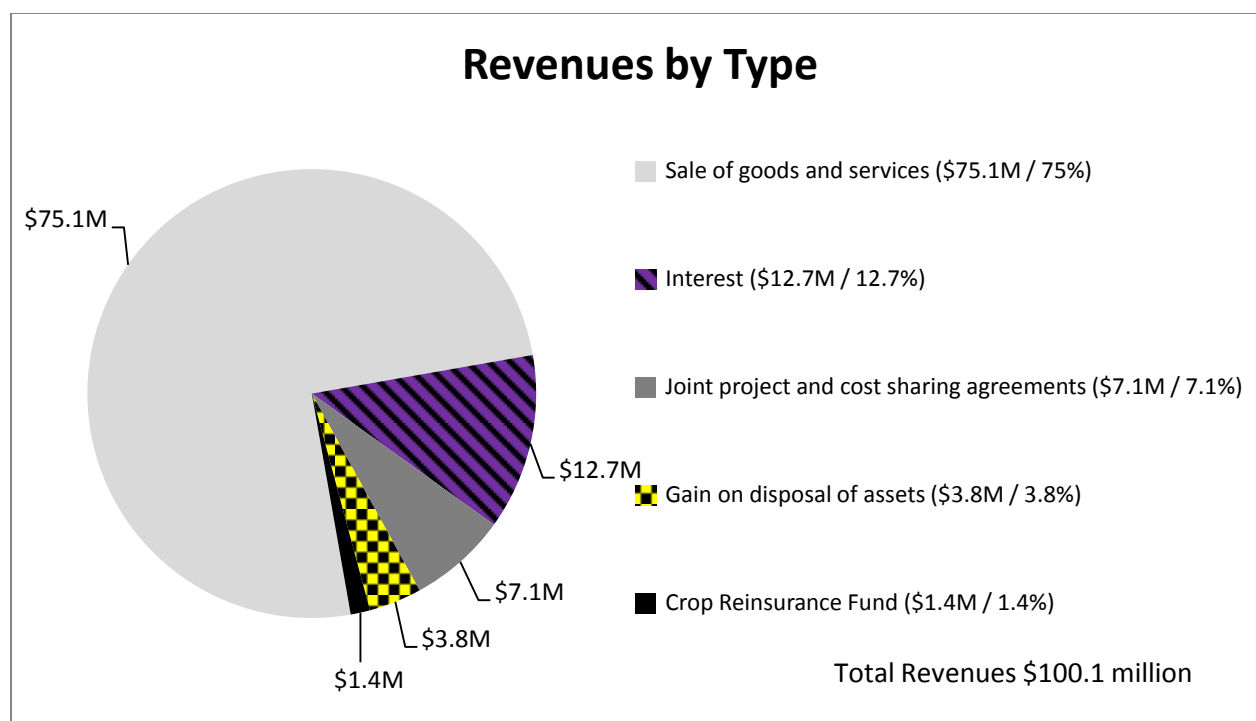
### Expenses and Revenues

Expenses incurred and revenues earned, in support of Agriculture and Agri-Food Canada programs and services that benefited Canadians during 2016–17, are detailed in the following charts.



Total expenses were \$2,717.2 million in 2016–17, an increase of \$651.5 million from the previous year's total expenses of \$2,065.7 million. This was primarily attributable to an increase in Industry Capacity of \$351.0 million, which was due to the transfer of federal water infrastructure to the Government of Saskatchewan for \$350.0 million. Secondly, there was an increase of \$330.1 million in the Business Risk Management program, with the largest increase of \$320.9 million stemming from increased demand for statutory grants and contributions such as AgriInsurance<sup>v</sup>, AgriInvest<sup>iv</sup>, and AgriStability<sup>iii</sup>. These increases were offset by a decrease of \$46.2 million in Market Access, Negotiations, Sector Competitiveness, and Assurance Systems, as a final lump sum payment of \$55.3 million was paid in 2015–16, which was provided in order to settle obligations and complete the Canadian Wheat Board Transition Costs Program.

Planned expenses for 2016–17 were \$2,351.1 million compared to actual expenses of \$2,717.2 million. Actual expenses were \$366.1 million more than planned mainly due to the increase in the Industry Capacity program.

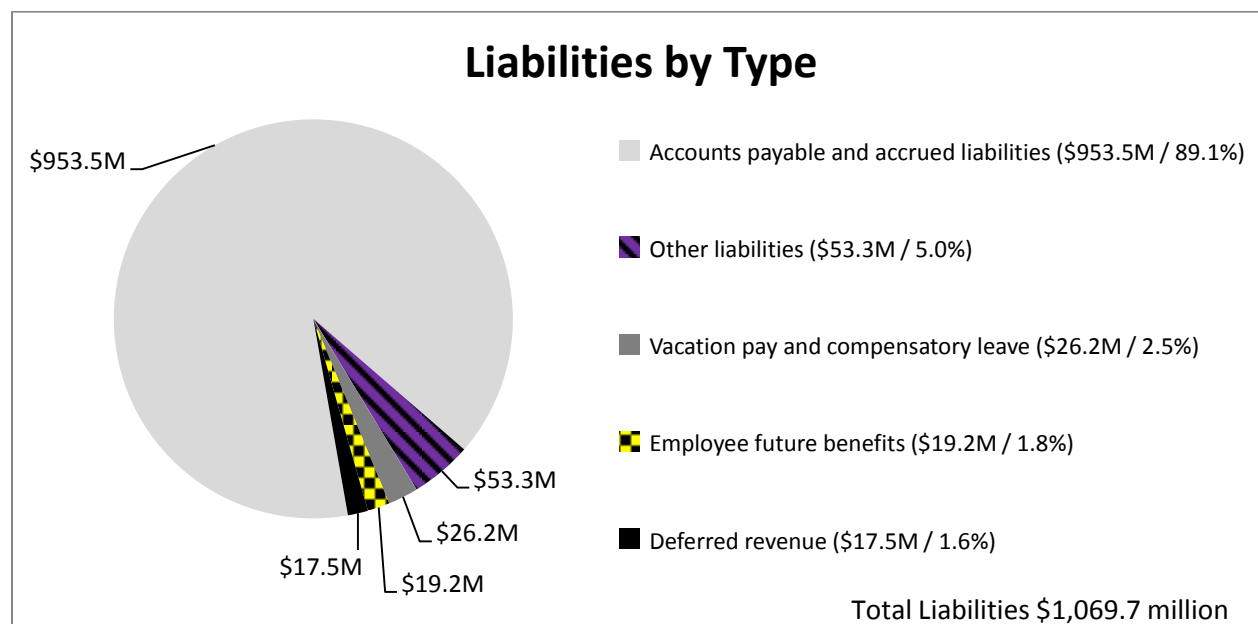


Note: Revenues earned on behalf of government are included in this chart.

Total revenues earned of \$100.1 million in 2016–17 were primarily comprised of \$75.1 million in sale of goods and services. Total revenue is presented in the departmental consolidated financial statements net of revenues earned on behalf of government. Total net revenues were \$66.3 million in 2016–17 compared to \$70.5 million in 2015–16, a decrease of \$4.2 million related to sale of goods and services.

## Liabilities

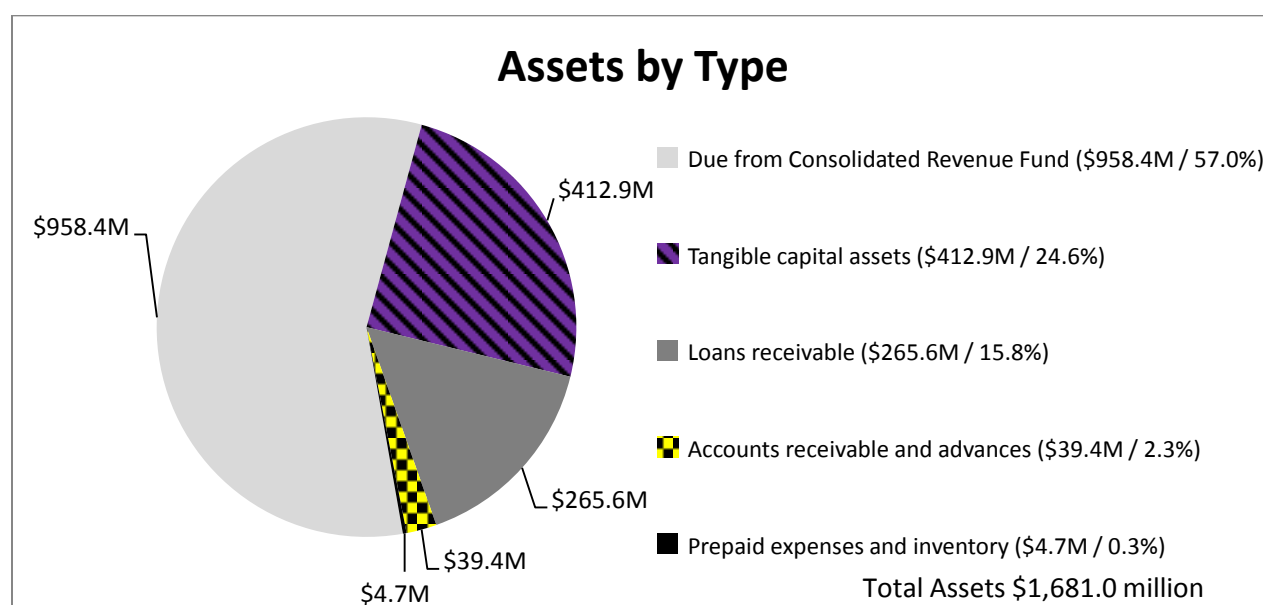
Liabilities arising from departmental activities at the end of 2016–17 were \$1,069.7 million, an increase of \$117.4 million compared to the previous year's total liability of \$952.3 million. The increase was primarily in the accounts payable and accrued liabilities category, which represents the largest portion of the overall liability at \$953.5 million or 89.1%. The increase was a result of increased spending in support of Business Risk Management programs such as AgriStability<sup>iii</sup> and AgriInsurance<sup>v</sup>. The Department does not hold any liabilities on behalf of government.





## Assets

At the end of 2016–17, the Department held total gross financial assets of \$1,263.4 million, consisting primarily of the asset due from Consolidated Revenue Fund which represents the net amount of cash that the Department was entitled to draw from the Consolidated Revenue Fund without further authorities to discharge its liabilities. Excluding financial assets held on behalf of government, total net financial assets at the end of 2016–17 were \$997.3 million, an increase of \$108.2 million from the previous year's net financial assets of \$889.1 million. The change in total net financial assets was mainly due to an increase in the amounts due from the Consolidated Revenue Fund. The Department also held non-financial assets totalling \$417.7 million.



Note: Assets held on behalf of government are included in this chart.



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## Supplementary information

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### Corporate information

#### Organizational profile

**Appropriate minister:** The Honourable Lawrence MacAulay

**Institutional head:** Chris Forbes, Deputy Minister

**Ministerial portfolio:** Agriculture and Agri-Food Canada

**Enabling instrument:** Department of Agriculture and Agri-Food Act, (R.S.C. 1985, c. A-9)<sup>xxviii</sup>

**Year of incorporation / commencement:** 1994

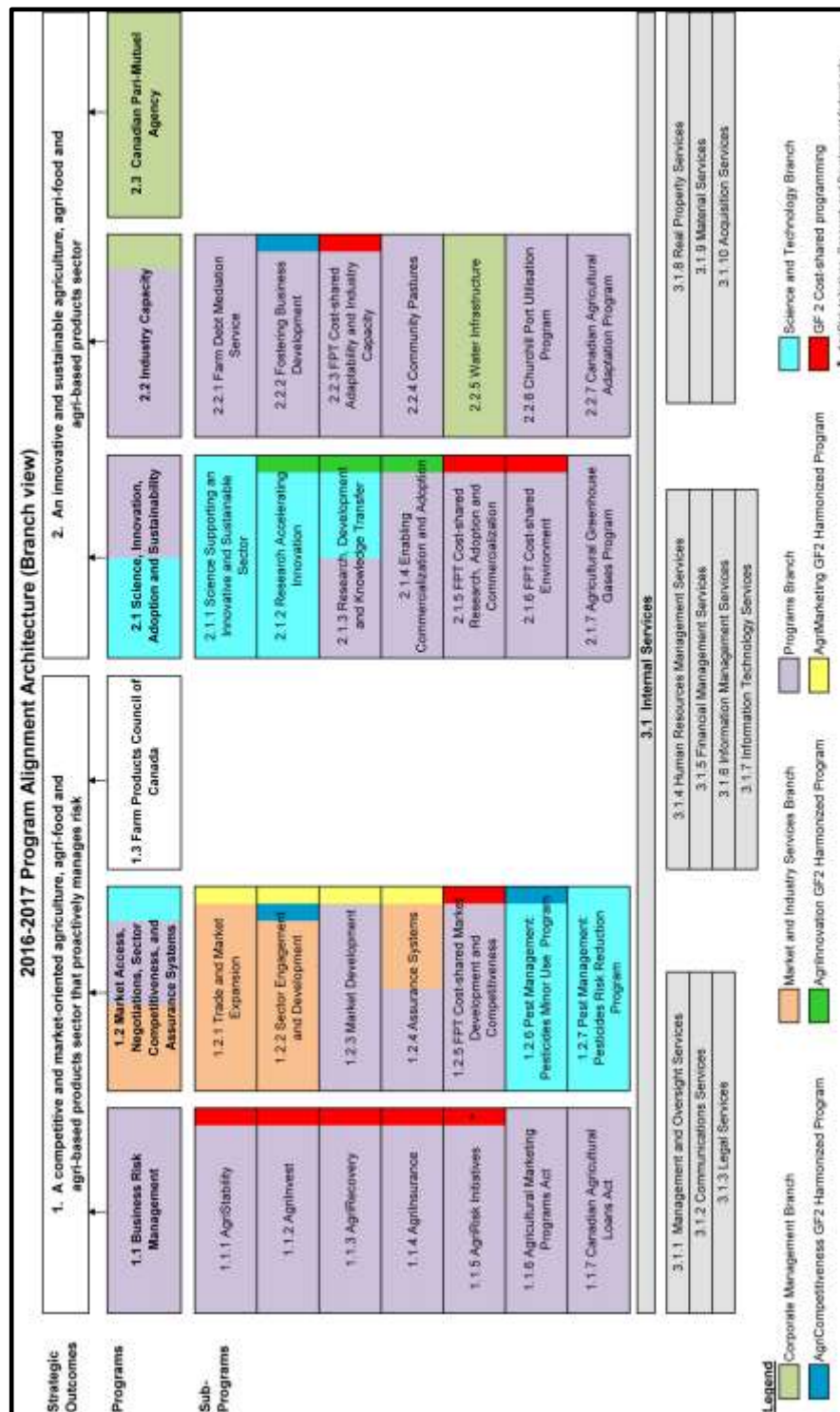
**Other:** The Minister is also responsible for the administration of several Acts<sup>xxix</sup> such as the Canadian Agricultural Loans Act<sup>xxx</sup>.

The Department is responsible for ensuring collaboration with its portfolio partners and agencies<sup>xxxi</sup> which are also involved in regulating and supporting Canadian agriculture, including the Farm Products Council of Canada<sup>xiii</sup>. The Department also includes the Canadian Pari-Mutuel Agency<sup>xxi</sup>, a special operating agency that regulates and supervises pari-mutuel betting on horse racing at racetracks across Canada. Descriptions of the portfolio partners and agencies, including their relationship to Agriculture and Agri-Food Canada, can be found in the "Results: What we achieved" section of this Report.

While the Canadian Food Inspection Agency reports to the Minister of Health, the Minister of Agriculture and Agri-Food is responsible for the Canadian Food Inspection Agency's non-food safety activities, including economic and trade issues, consumer protection, as well as animal health and plant protection work.

## Reporting framework

The Department's Strategic Outcomes and Program Alignment Architecture of record for 2016–17 are shown below:



## Supporting information on lower-level programs

Supporting information on lower-level programs<sup>xxiii</sup> is available on Agriculture and Agri-Food Canada's website.

## Supplementary information tables

The following supplementary information tables<sup>xxiii</sup> are available on Agriculture and Agri-Food Canada's website:

- ▶ Departmental Sustainable Development Strategy
- ▶ Details on transfer payment programs of \$5 million or more
- ▶ Horizontal initiatives
- ▶ Internal audits and evaluations
- ▶ Response to parliamentary committees and external audits
- ▶ Up-front multi-year funding
- ▶ User fees, regulatory charges and external fees

## Federal tax expenditures

The tax system can be used to achieve public policy objectives through the application of special measures such as low tax rates, exemptions, deductions, deferrals and credits. The Department of Finance Canada publishes cost estimates and projections for these measures each year in the Report on Federal Tax Expenditures<sup>xxxiii</sup>. This report also provides detailed background information on tax expenditures, including descriptions, objectives, historical information and references to related federal spending programs. The tax measures presented in this report are the responsibility of the Minister of Finance.

## Organizational contact information

Public Information Requests Services  
Agriculture and Agri-Food Canada  
1341 Baseline Road  
Ottawa, Ontario K1A 0C5

Telephone: 613-773-1000  
Toll-free: 1-855-773-0241  
Fax: 613-773-1081  
Telecommunications Device for the Deaf/Teletype: 613-773-2600  
Email: [info@agr.gc.ca](mailto:info@agr.gc.ca)  
Website: [www.agr.gc.ca](http://www.agr.gc.ca)



## Appendix: definitions

### **appropriation (crédit)**

Any authority of Parliament to pay money out of the Consolidated Revenue Fund.

### **budgetary expenditures (dépenses budgétaires)**

Operating and capital expenditures; transfer payments to other levels of government, organizations or individuals; and payments to Crown corporations.

### **Core Responsibility (responsabilité essentielle)**

An enduring function or role performed by a department. The intentions of the department with respect to a Core Responsibility are reflected in one or more related Departmental Results that the department seeks to contribute to or influence.

### **Departmental Plan (Plan ministériel)**

Provides information on the plans and expected performance of appropriated departments over a three-year period. Departmental Plans are tabled in Parliament each spring.

### **Departmental Result (résultat ministériel)**

A Departmental Result represents the change or changes that the department seeks to influence. A Departmental Result is often outside departments' immediate control, but it should be influenced by program-level outcomes.

### **Departmental Result Indicator (indicateur de résultat ministériel)**

A factor or variable that provides a valid and reliable means to measure or describe progress on a Departmental Result.

### **Departmental Results Framework (cadre ministériel des résultats)**

Consists of the department's Core Responsibilities, Departmental Results and Departmental Result Indicators.

### **Departmental Results Report (Rapport sur les résultats ministériels)**

Provides information on the actual accomplishments against the plans, priorities and expected results set out in the corresponding Departmental Plan.

### **Evaluation (évaluation)**

In the Government of Canada, the systematic and neutral collection and analysis of evidence to judge merit, worth or value. Evaluation informs decision making, improvements, innovation and accountability. Evaluations typically focus on programs, policies and priorities and examine questions related to relevance, effectiveness and efficiency. Depending on user needs, however, evaluations can also examine other units, themes and issues, including alternatives to existing interventions. Evaluations generally employ social science research methods.

### **full-time equivalent (équivalent temps plein)**

A measure of the extent to which an employee represents a full person-year charge against a departmental budget. Full-time equivalents are calculated as a ratio of assigned hours of work to scheduled hours of work. Scheduled hours of work are set out in collective agreements.

### **government-wide priorities (priorités pangouvernementales)**

For the purpose of the 2016–17 Departmental Results Report, government-wide priorities refers to those high-level themes outlining the government's agenda in the 2015 Speech from the

Throne, namely: Growth for the Middle Class; Open and Transparent Government; A Clean Environment and a Strong Economy; Diversity is Canada's Strength; and Security and Opportunity.

**horizontal initiatives (initiative horizontale)**

An initiative where two or more federal organizations, through an approved funding agreement, work toward achieving clearly defined shared outcomes, and which has been designated (for example, by Cabinet or a central agency) as a horizontal initiative for managing and reporting purposes.

**Management, Resources and Results Structure (Structure de la gestion, des ressources et des résultats)**

A comprehensive framework that consists of an organization's inventory of programs, resources, results, performance indicators and governance information. Programs and results are depicted in their hierarchical relationship to each other and to the Strategic Outcome(s) to which they contribute. The Management, Resources and Results Structure is developed from the Program Alignment Architecture.

**non-budgetary expenditures (dépenses non budgétaires)**

Net outlays and receipts related to loans, investments and advances, which change the composition of the financial assets of the Government of Canada.

**performance (rendement)**

What an organization did with its resources to achieve its results, how well those results compare to what the organization intended to achieve, and how well lessons learned have been identified.

**performance indicator (indicateur de rendement)**

A qualitative or quantitative means of measuring an output or outcome, with the intention of gauging the performance of an organization, program, policy or initiative respecting expected results.

**performance reporting (production de rapports sur le rendement)**

The process of communicating evidence-based performance information. Performance reporting supports decision making, accountability and transparency.

**planned spending (dépenses prévues)**

For Departmental Plans and Departmental Results Reports, planned spending refers to those amounts that receive Treasury Board approval by February 1. Therefore, planned spending may include amounts incremental to planned expenditures presented in the Main Estimates. A department is expected to be aware of the authorities that it has sought and received. The determination of planned spending is a departmental responsibility, and departments must be able to defend the expenditure and accrual numbers presented in their Departmental Plans and Departmental Results Reports.

**plans (plans)**

The articulation of strategic choices, which provides information on how an organization intends to achieve its priorities and associated results. Generally a plan will explain the logic behind the strategies chosen and tend to focus on actions that lead up to the expected result.



**priorities (priorité)**

Plans or projects that an organization has chosen to focus and report on during the planning period. Priorities represent the things that are most important or what must be done first to support the achievement of the desired Strategic Outcome(s).

**program (programme)**

A group of related resource inputs and activities that are managed to meet specific needs and to achieve intended results and that are treated as a budgetary unit.

**Program Alignment Architecture (architecture d'alignement des programmes)**

A structured inventory of an organization's programs depicting the hierarchical relationship between programs and the Strategic Outcome(s) to which they contribute.

**results (résultat)**

An external consequence attributed, in part, to an organization, policy, program or initiative. Results are not within the control of a single organization, policy, program or initiative; instead they are within the area of the organization's influence.

**statutory expenditures (dépenses législatives)**

Expenditures that Parliament has approved through legislation other than appropriation acts. The legislation sets out the purpose of the expenditures and the terms and conditions under which they may be made.

**Strategic Outcome (résultat stratégique)**

A long-term and enduring benefit to Canadians that is linked to the organization's mandate, vision and core functions.

**sunset program (programme temporisé)**

A time-limited program that does not have an ongoing funding and policy authority. When the program is set to expire, a decision must be made whether to continue the program. In the case of a renewal, the decision specifies the scope, funding level and duration.

**target (cible)**

A measurable performance or success level that an organization, program or initiative plans to achieve within a specified time period. Targets can be either quantitative or qualitative.

**voted expenditures (dépenses votées)**

Expenditures that Parliament approves annually through an Appropriation Act. The Vote wording becomes the governing conditions under which these expenditures may be made.



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## Endnotes

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<sup>i</sup> Minister's mandate letter

<http://pm.gc.ca/minister-agriculture-and-agri-food-mandate-letter>

<sup>ii</sup> Growing Forward 2

[www.agr.gc.ca/growingforward2](http://www.agr.gc.ca/growingforward2)

<sup>iii</sup> AgriStability

[www.agr.gc.ca/agristability](http://www.agr.gc.ca/agristability)

<sup>iv</sup> AgriInvest

[www.agr.gc.ca/agriinvest](http://www.agr.gc.ca/agriinvest)

<sup>v</sup> AgriInsurance

[www.agr.gc.ca/agriinsurance](http://www.agr.gc.ca/agriinsurance)

<sup>vi</sup> AgriRecovery Framework

<http://www.agr.gc.ca/eng/?id=1387480598562>

<sup>vii</sup> Farm Income Protection Act

<http://laws-lois.justice.gc.ca/eng/acts/F-3.3/>

<sup>viii</sup> Advance Payments Program

[www.agr.gc.ca/app](http://www.agr.gc.ca/app)

<sup>ix</sup> Price Pooling Program

[www.agr.gc.ca/eng/?id=1289934791790](http://www.agr.gc.ca/eng/?id=1289934791790)

<sup>x</sup> Canadian Agricultural Loans Act Program

[www.agr.gc.ca/CALA](http://www.agr.gc.ca/CALA)

<sup>xi</sup> Agricultural Marketing Programs Act

<http://www.agr.gc.ca/eng/about-us/offices-and-locations/office-of-audit-and-evaluation/evaluation-reports/evaluation-report-evaluation-of-the-programs-under-the-agricultural-marketing-programs-act/?id=1495239603607>

<sup>xii</sup> Pesticide Risk Reduction Program

<http://www.agr.gc.ca/eng/?id=1288277891464>

<sup>xiii</sup> Farm Products Council of Canada

<http://fpcc-cpac.gc.ca/index.php/en-GB/>

<sup>xiv</sup> Farm Products Agencies Act

<http://laws-lois.justice.gc.ca/eng/acts/F-4/>

<sup>xv</sup> Farm Products Council of Canada 2015-2018 Strategic Plan  
<https://www.canada.ca/content/dam/fpcc-cpac/documents/20161101-2-en.pdf>

<sup>xvi</sup> Department's science sector strategies and strategic objectives  
<http://www.agr.gc.ca/eng/about-us/planning-and-reporting/overview-of-science-and-technology-branch-sector-science-strategies/?id=1405554689843>

<sup>xvii</sup> AgriInnovation Program  
[www.agr.gc.ca/AgriInnovation](http://www.agr.gc.ca/AgriInnovation)

<sup>xviii</sup> Agricultural Greenhouse Gases Program  
[www.agr.gc.ca/AGGP](http://www.agr.gc.ca/AGGP)

<sup>xix</sup> Fostering Business Development  
<http://www.agr.gc.ca/eng/?id=1359338007173>

<sup>xx</sup> Farm Debt Mediation Service  
[www.agr.gc.ca/FDMS](http://www.agr.gc.ca/FDMS)

<sup>xxi</sup> Canadian Pari-Mutuel Agency  
<http://www.agr.gc.ca/eng/about-us/partners-and-agencies/canadian-pari-mutuel-agency/?id=1204043533186>

<sup>xxii</sup> Pari-Mutuel Betting Supervision Regulations  
<http://laws-lois.justice.gc.ca/eng/regulations/SOR-91-365/>

<sup>xxiii</sup> Agriculture and Agri-Food Canada's lower-level programs  
[www.agr.gc.ca/eng/?id=1500480725584](http://www.agr.gc.ca/eng/?id=1500480725584)

<sup>xxiv</sup> Treasury Board Secretariat InfoBase  
<https://www.tbs-sct.gc.ca/ems-sgd/edb-bdd/index-eng.html>

<sup>xxv</sup> Public Accounts of Canada 2017  
<http://www.tpsgc-pwgsc.gc.ca/recgen/cpc-pac/index-eng.html>

<sup>xxvi</sup> Whole-of-government framework  
[https://www.tbs-sct.gc.ca/ems-sgd/edb-bdd/index-eng.html#tag-nav/~\(current\\_branch~'GOCO~sort\\_key~'name~sort\\_direction~'asc~open\\_nodes~\(~'tag\\_SA0001~'tag\\_SA9999~'tag\\_SA0002~'tag\\_SA0003~'tag\\_SA0004~'tag\\_SA0005\)\)](https://www.tbs-sct.gc.ca/ems-sgd/edb-bdd/index-eng.html#tag-nav/~(current_branch~'GOCO~sort_key~'name~sort_direction~'asc~open_nodes~(~'tag_SA0001~'tag_SA9999~'tag_SA0002~'tag_SA0003~'tag_SA0004~'tag_SA0005)))

<sup>xxvii</sup> Agriculture and Agri-Food Canada's financial statements  
<http://www.agr.gc.ca/eng/about-us/planning-and-reporting/departmental-financial-statements/?id=1281467902385>

<sup>xxviii</sup> Department of Agriculture and Agri-Food Act, (R.S.C. 1985, c. A-9)  
<http://lois-laws.justice.gc.ca/eng/acts/A-9/>

<sup>xxix</sup> Acts

<http://www.agr.gc.ca/eng/about-us/acts-and-regulations/?id=1180107359564>

<sup>xxx</sup> Canadian Agricultural Loans Act

<http://laws-lois.justice.gc.ca/eng/acts/f-2.7/index.html>

<sup>xxxi</sup> Portfolio partners and agencies

<http://www.agr.gc.ca/eng/about-us/planning-and-reporting/departmental-plans/2017-18-departmental-plan/?id=1360701203481#a2>

<sup>xxxii</sup> Supplementary information tables

<http://www.agr.gc.ca/eng/?id=1500480297710>

<sup>xxxiii</sup> Report on Federal Tax Expenditures

<http://www.fin.gc.ca/purl/taxexp-eng.asp>