

January 9, 2025

The Honourable Dominic LeBlanc  
Minister of Finance and Minister of Intergovernmental Affairs  
House of Commons  
Ottawa, Ontario  
K1A 0A6

The Honourable Lawrence Macaulay  
Minister of Agriculture and Agri-Food  
House of Commons  
Ottawa, Ontario,  
Canada  
K1A 0A6

Dear Minister Leblanc and Minister MacAulay,

**Re: The Interest Free Portion Under The Advanced Payments Program**

The Ontario Federation of Agriculture (OFA) proudly represents more than 38,000 farm family members across the province, supporting our members and the agri-food industry on issues, legislation and regulations administered by all levels of government. OFA is passionate and dedicated to ensuring that the agri-food sector and rural communities are considered and consulted with for any new or changing legislation that would impact the sustainability and growth of our farm businesses.

The Advanced Payment Program (APP) has historically played a pivotal role in providing financial support to farmers, helping them effectively manage cashflow challenges. The APP has been particularly important over the past several years, helping farmers mitigate the impacts of inflationary pressures, geo-political, and trade challenges.

OFA is grateful that the Government of Canada has adjusted the interest free portion of the APP to \$250,000 for the 2024 program year and the interest free increases in previous years. This decision was welcome recognition of the sector's challenges and the governments' commitment to supporting Canadian farmers.

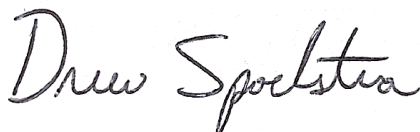
**While we are grateful for the increase for the 2024 program year, a new growing season will quickly be upon us. We urge you to amend the program guidelines to increase the interest-free portion of the APP to \$350,000 for 2025.** Farmers continue to face cashflow challenges from high input costs, such as for fertilizer, seed treatments and fuel. In a recent survey of our membership, high farm input costs were identified as the number one issue that Ontario farmers are worried about. In addition to high input costs, Canadian farmers face heightened risks from trade uncertainty in 2025.

Increasing the interest-free limit of the APP would provide farmers with much-needed financial relief and confidence as they make necessary investments for their farm businesses during a time of heightened uncertainty.

Minister Leblanc, a special congratulations to you on your appointment as Minister of Finance in this critical time for Canada and the Canadian economy. Your work on Canada-United States relations is more important now than ever. With regard to the APP, as a New Brunswick Member of Parliament you may be interested to know that the Agricultural Alliance of New Brunswick is also supportive of an increase to the interest free-portion of the APP to \$350,000 for 2025.

We look forward to working with the federal government to find policy solutions that support the agri-food sector. To that end, I would like to request an opportunity to meet with you at your earliest convenience to discuss this critical program and other important matters that can impact Canadian farmers.

Sincerely,



Drew Spoelstra  
President

cc: OFA Board of Directors  
The Honourable Rob Flack, Minister of Agriculture, Food and Agribusiness  
The Honourable Lisa Thompson, Minister of Rural Affairs  
CFA President Keith Currie