

## REBUILDING TRUST IN AG INSTITUTIONS: WHAT BUDGET 2025 MEANS FOR CFIA, AAFC, AND FCC

As we reviewed the newly elected federal government's first <u>budget</u>, we attempted to determine whether it reflects the priorities and concerns of farmers, who work at the intersection of economic productivity, food security, and public policy.

Agricultural producers have consistently reported low confidence in federal agencies. To analyze Canadian farmers' perceptions, The Simpson Centre conducted a survey of 979 farmers for the "Voices from the Field" project. These findings were used in a bid to evaluate whether the federal budget empowers these agencies to change their standing among farmers.

Budget 2025 enhances the roles of Farm Credit Canada (FCC), the Canadian Food Inspection Agency (CFIA), and Agriculture and Agri-Food Canada (AAFC) in ways that could gradually rebuild farmer confidence in federal agencies and crown corporations. FCC, which already enjoys relatively high trust (**Figure 1**), is being positioned as an even more central financial partner. A proposed Sustainable Bond Framework, where FCC could play a key role, aims to channel long-term capital into cleaner, more competitive agricultural investments. Additionally, legislative amendments to the FCC Act will require regular reviews to keep its mandate aligned with sectoral needs, including those of underrepresented groups. Combined with FCC's \$1 billion Trade Disruption Customer Support Program, these measures directly address the financing realities of a sector where 60% report no issues accessing credit, but 15% still report access-to-credit problems (**Figure 2**, see Appendix).

For CFIA, Budget 2025 provides \$76 million to digitize trade tools, plus \$32.8 million alongside ongoing funding to secure and expand market access. These changes can streamline export certification, reduce delays, and improve responsiveness: key issues for farmers who currently show only middling confidence in CFIA, with about 39% confident, 26% not confident, and 35% neutral (Figure 1). If implemented effectively, faster, more predictable CFIA services could make the agency appear more like an enabler rather than a hurdle in getting products to market.

AAFC is the ag-focused federal agency with the lowest farmer confidence (Figure 1). Only 27% express high confidence, while 32% report low confidence and 41% are neutral. It is being refocused on core agricultural scientific issues, competitiveness, and the adoption of clean technology, while reducing management layers and shifting some research to partners in academia and industry. This shift toward more targeted, productivity-focused support could resonate with producers who want less bureaucracy and more practical tools. Whether these reallocations lead to visible, farm-level benefits will be key to improving AAFC's standing with producers who remain skeptical of federal policy support.

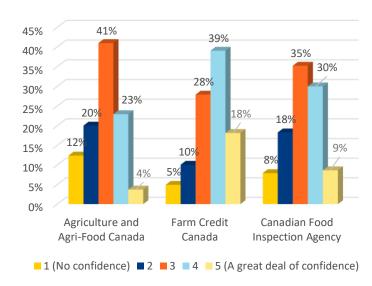


Figure 1. Farmers' confidence level in organizations

To translate these institutional reforms into higher farmer confidence, the federal government should set clear implementation timelines and service benchmarks for FCC, CFIA, and AAFC, and report against them in ways that producers can easily track. Co-designing specific products and programs with farmers would help ensure new programs and policies are visibly grounded in farm-level realities.

## **EDITORIAL PRACTICES STATEMENT**

This manuscript is a rapid contribution to the policy conversation that has been open-reviewed by at least one University of Calgary faculty member prior to publication.

## **APPENDIX**

Figure 2. Farmers' agreement levels with the statement: "I have no issues acquiring the financing I need to sustain and grow my farming operations."

