2.6 Decision Deck Samples

There is no such thing as a perfect decision deck. What follows are two examples of a deck presented to Cabinet by a Minister to obtain approval for a Memo to Cabinet. The first deck is a preferable style in that is shorter, has some limited use of graphics and is clearer about the linkage to government strategy. The second is not really bad, just too wordy, with a tendency to ramble a bit and get in the weeds. Key here is that this deck is just an aid to support the presentation being made, in this instance, by a Minister and is referenced to a detailed document which the Cabinet members will have had access to and will have been briefed on by their own advisors. Note that the record of decision is not presented but that the principal decision points are. This practice varies among governments so refer to internal guidelines.

The vast majority of decks like this will not be for Cabinet, but for internal departmental uses for various meeting such a Executive Committee or decision-making councils.

Note that no graphics are used. They would add nothing to the presentation in terms of substance. Certainly, the use of graphics, especially where a visual aid would add to understanding the decision subject matter, is fine. A graphic to just make things more interesting or attractive or provide some humour is not a good idea. This is an official record and subject to access rules.
Cabinet Submission
Approval of Farm Subsidy Program

Presentation by the Minister of Agriculture

Proposed Outcome

Cabinet approve the proposed changes to the Canada Farm Support program as outlined in the Memo to Cabinet, specifically recommending:

• Regulatory changes to broaden the eligibility for support,
• Improve Farm Support Program and funding for farmers materially affected by international agreements,
• Approved additional funding of $135 M annually for program expansion.

The Farm Support Context

• Farm support provides income support in the face of risks and major economic challenges.
• Program well established and supported by the community.
• New risk environment for farmers: international, market, technology.
• Need to correct gaps.
• Broad industry/government agreement to move on gaps.
New Risk Environment: International

- New trade agreements opened up Canadian markets to more European, Asian and American farm goods.
- Supply management preserved.
- Increased vulnerability for key farm groups.
- Government committed to support transition to new market realities.
- Proposed changes part of that strategy.

Risk: Market Instabilities

- Shifts in consumer demands putting certain farm sectors at risk.
- Situation unstable and overall outcome uncertain as farmers adapt.
- Need to broaden Farm Support eligibility to accommodate transition in domestic supply chain.

Risk: Technology

- Global shift to great use of technology in large-scale farming.
- GPS, drone, autonomous farm equipment.
- Fewer farmers, more computers and machines.
- Greater efficiencies.
- More targeted pesticide use.
- Transition costly but necessary.
- Changes to Farm Support will accommodate transitional income fluctuation due to technology.
Consultation & Policy Development

- Key farm groups fully engaged in discussions.
- Proposals vetted with International Trade.
- Provinces supportive of changes.
- Part of the larger Farm Adaptation Strategy of the Government: SFT

Costing

- Current Income Support Program Budget: $1.3 Billion
- Cost of Adjustments in MC: $135 Million
- New Income Support Program Budget: $1.435 Billion
- All cost increases go to directly to farmers’ incomes.

Implementation & Timing

- Cabinet approval will permit immediate announcements and implementation.
- New regulations are appended to MC for approval.
- Information packages ready for farmers.
- Staff training packages in place.
- Roll-out this fiscal year.
Communication

- Key link to overall Government Strategy on farm adaptation.
- Key groups have to briefed in advance: Caucus, Farm Organizations.

Summary

It is recommended that Cabinet approve:

- Adaptation of the existing Farm Income Support program to broaden eligibilities to accommodate changes in farm income due to trade impact, new market fluctuations and technology changes, and
- That Cabinet approve an additional $135 Million for the current Farm Income Support Program

Deck 2 – Needs an Edit

Cabinet Submission
Approval of Farm Subsidy Program

Presentation by the Minister of Agriculture
Proposed Outcome

- Cabinet approve the proposed changes to the Canada Farm Support program as outlined in the Memo to Cabinet, already circulated to Cabinet.
- These will accommodate changes in international agreements, extensive stakeholder and parliamentary discussions, reduce income fluctuation risks and impacts.
- Funds have been provided in budget announcements and confirmed in public statements by the Prime Minister, Minister of Agriculture and other caucus members.
- Implementation will be through federal-provincial agreements in place but subject to further negotiation.
- Recommendations are found in the MC.

The Farm Support Context

- Unlike supply management which played such a prominent role in trade negotiations for Canada, the farm income support program provides income support in the face of risks and major economic challenges received less attention but is being affected by them.
- Program well established and supported by the community.
- New international trade agreements, new market changes and the emergence of technology costs have led to greater instability in the income stabilization of farmers.
- Various gaps have emerged, especially on the eligibility side, calculation of benefits and accounting for market adjustments.
- Many farm groups have lobbied for changes and provincial governments, which administer the programs, have pointed to a riskier environment.

New Risk Environment: International

- Government has negotiated new trade agreements EU, Asia and US/Mexico.
- All involved the opening up of agricultural sectors to more competition: dairy, cheese, other products.
- Government has committed to a strategy that combines further farm income stabilization (this submission) and aggressive market development to take advantage of Canada’s access to these markets (in development).

Risk: Market Instabilities

- Domestic demand is shifting from traditional sources of food to non-traditional with a reduction in demand for meat generally, beef in particular, and increased demand for micro-products.
- Farmers adapting with changes in production patterns, diversification into micro-markets (greens, ethnic specialty foods, etc.)
- Current Farm Support Program does not support income fluctuations such adaptation creates.
- Adaptation is a positive move, but overall outcome uncertain.
- Ministry is supporting adaptation through knowledge transfer, research and adaptation research.
- Proposed changes in MC would accommodate adaptation.
Risk: Technology

- Larger and larger farms in key competitor nations.
- Canadian farms moving toward technological solutions to overcome labour shortage and rapid reduction in your farmers entering the business.
- Major investment challenge for farmers – heavy capitalization challenges.
- Canadian pick-up just starting.
- Experience in the US suggest greater efficiencies, even larger farms for major crops such as pulses, soybeans, corn and wheat.
- Farmers face income challenges in the transition.
- Proposals in MC attempt to accommodate this with changes to eligibility and the calculation of marginal capitalization rates acquired using more helpful depreciation scheduling.
- Exclusion of certain capital-related costs from calculations will reduce base rates for support.

Consultation & Policy Development

- Many of the elements are the result of consultations with key national and regional farm groups.
- Begun after agreements signed, but in discussion before.
- We can expect their support, but criticisms of support levels.
- Will be looking for more work on the remaining elements of the strategy.
- Provisions are generally supportive. They will expect to avoid further costs, which this, for the most part, does.
- There are changes to income support do not violate the new trade agreements. This has been verified by the negotiating teams through the process (Agriculture had membership) and by International Trade.
- SFT made it clear that the government would be taking moves in this direction.
- Overall strategy roll-out means that the following phases will occur:
  - Farm Income Support Program: That is this submission.
  - International Marketing Strategy: This is being finalized, with external consultations complete but internal coordination and costing still in process.
  - Technology Adaptation Strategy: This is less developed, but an interdepartmental team is working on it.

Costing

- Detailed costing of the program in available in the MC, Pages 59-63.
- Costs this year will increase by $135 Million, which is a net increase of 10% in the overall budget.
- No changes in administrative costing.
- Allocation of the budget:
  - Recalculation of income based on market loss
  - Recalculation of income based on technology adjustment

Implementation

- Once approved by Cabinet, timing will be worked out on a ministerial announcement after informing farm groups.
- Implementation will be through the current delivery system.
- Estimated that this will not increase workload appreciably.
- New eligibility criteria will mean a period of transition for both applicants and staff processing new claims.
- Training packages for staff are being developed.
- Information packages for farmers, their accountants and farm groups are in preparation.
- Web-based information will be available on announcement.
- Initial applications will be accepted this fiscal year.
Communication

- Government commitment is already public through PM, Ministerial and SFT.
- Mentioned during trade negotiations as part of adaptation to new trade agreements.
- Some elements long standing issues with farm group that we are not rectifying – market changes for examples.
- Part of an overall adaptation strategy – communication needs to link in to that.
- Key here is ensuring that rural caucus is well briefed on details of regulation changes.

Summary Recommendations

As outlined in detail in the MC, it is recommended that Cabinet approve the Minister’s proposals:

- Alter the criteria of the Farm Income Support Program to permit farmers to account for income fluctuations due to the impacts of new competition arising from the trade agreements signed with the EU, US/Mexico and Asia where this can be established, changes in the market conditions due to demand changes and changes to income due to technology adaptation.
- Approve the allocation of additional funding this fiscal year to the Farm Income Support Program by adding $135 Million to the existing budget of $1.3 Billion and that this be part of future allocations as part of the program base.