

RESOLUTION 3-23
APPLIED RESEARCH ASSOCIATIONS FUNDING

WHEREAS the Alberta Provincial Government outsourced the agriculture research and extension services within the province and Applied Research Associations (ARA) have taken on a larger role without sources of funding to sustain these operations; and

WHEREAS Applied Research Associations have been historically funded by the Alberta Government and changes in their funding structure threatens the longevity of their operations; and

WHEREAS the current proposed funding from the organization Results Driven Agriculture Research (RDAR) is project based and does not adequately meet the needs for regional extension and knowledge transfer; and

WHEREAS local research and knowledge transfer funding is not dependable as it is not provided long-term; and

WHEREAS the services provided by ARAs are especially important when considering the increasing social and political pressure for innovation to improve the sustainability of Canadian agriculture; and

WHEREAS Applied Research Associations are an integral source of unbiased regional research and extension services pertinent to local producers and Agricultural Service Boards (ASB).

THEREFORE BE IT RESOLVED
THAT ALBERTA'S AGRICULTURAL SERVICE BOARDS REQUEST

That the Ministry of Alberta Agriculture and Irrigation provide sustainable operational funding to Applied Research Associations to maintain local, unbiased research and extension services that keep Alberta agriculture innovative and competitive.

SPONSORED BY: Northern Sunrise County

MOVED BY: _____

SECONDED BY: _____

CARRIED: _____

DEFEATED: _____

STATUS: Federal and Provincial

DEPARTMENT: Ministry of Agriculture and Agri-Food
Ministry of Environment and Climate Change
Ministry of Agriculture and Irrigation

BACKGROUND INFORMATION

There are 12 Applied Research Association (ARA) groups across the province that conduct applied research and extension services that are key in developing Alberta agriculture. The ARAs are driven by a desire to empower agricultural innovation by openly sharing ideas supported by sound science and practical wisdom. These associations directly serve the research and outreach needs within their regions, which is essential in helping producers access relevant agricultural research solutions to become more competitive globally. With this expertise, these associations are also pivotal responders to agricultural disasters and are champions of innovative and useful adaptations. They are able to connect stakeholders at a regional, provincial, and national level to collaborate and learn through unbiased applied research.

The areas of expertise of the ARAs range throughout the agriculture industry – some associations focus on the crop sector, while others focus on the forage and livestock sectors, and some cover the entire spectrum. Each association has a focus dictated by the needs of the regional agricultural producers and local resources available.

Many individuals are employed by Alberta's Regional Associations, including 41 full-time employees (9 PhDs, 12 Professional Agrologists, 11 Masters Researchers, 5 Certified Crop Advisors, 2 Agrologists in Training, and 2 Agrology Technologists in Training) and 28 seasonal summer students. ARAs also own, rent, or lease over 1600 acres of land for agricultural innovation research throughout the province.

CURRENT CHALLENGES FOR ARAs

In 2020 the Alberta Provincial Government reduced spending and activity on agriculture research and extension to facilitate producer and industry-led research. This means that ARAs have increased their research and extension efforts to compensate for the gaps created by the government's reduced role in this sector. Yet, since 2000, annual government funding for the Applied Research Associations remained stagnant at \$2M - \$2.5M annually, first from the Agriculture Opportunities Fund (AOF), and then from the Canadian Agricultural Partnership (CAP) program. The failure to compensate the Applied Research Associations for their increased research and extension work puts these groups at serious risk of failure. Private funding and grants to cover operational costs for these faculties are extremely difficult to find. The ARAs have found ways to persevere by accessing alternative revenue sources, donations, and fundraising, however, with increased competition for dollars and less funds to go around, this is no longer sustainable. Many Associations operate with outdated, unreliable equipment in constant need of repair. One Association must find alternative work arrangements when it rains due to holes in the office roof.

In 2021, 33% of the ARAs ran at a deficit and another 25% ran at slightly better than break even. Some of the ARAs have managed to leverage revenue with contributions from external resources, however this is dependent on the prosperity of their regions and sectors. The struggles of some ARAs to build capital directly threatens the longevity of these operations. If these research organizations are lost to bankruptcy, it may be directly reflected through the loss of innovation and therefore competitiveness in the region of the

lost ARA. Additionally, the public good of the ARAs through extension events provides immeasurable value in terms of public trust in agriculture which positively impacts producer economics, and producer uptake of technologies to improve innovation and reduce environmental impact. The loss of groups like ARAs would be detrimental to the Alberta agriculture industry.

PROVINCIAL FUNDING INITIATIVES

The CAP program is a five-year, \$3 billion federal-provincial-territorial investment in the agriculture, agri-food and agri-based products sector that began in April 2018. In Alberta, the CAP program is a federal-provincial investment of \$406 million in strategic programs and initiatives for the agricultural sector. Alberta's Applied Research Associations have received some operational funding through this program for the past 4 years, as a replacement to the previous Agriculture Opportunities Fund (AOF; dating back to 2000) however, as stated earlier, these funds are insufficient for these organizations.

Currently an arms-length organization called RDAR (Results Driven Agriculture Research) allocates funding from the Alberta Provincial Government to research projects, with the aim of allowing farmers to collaborate with others involved in research to determine research priorities. This organization was established following the Provincial Government's step back from direct research and extension work in 2020. RDAR replaces previous research models including the Alberta Livestock and Meat Agency (ALMA) and the Alberta Crop Industry Development Fund (ACIDF). A portion of the funding for RDAR comes from the Canadian Agricultural Partnership and federal- provincial investment.

RDAR is heavily focused on research projects, and the demand for their research funds is extremely high – they do not have adequate funds to cover all phases of the innovation cycle across all sectors and regions. Program or operational funding is also challenging to fit within RDAR's purpose. Additionally, ARAs deliver other outcomes (such as rural economic development, and rural mental health services) that align with the Alberta Ministry's Agriculture, Forestry and Rural Economic Development (AFRED) priorities, but not RDAR's.

ARAs have received some project funding through RDAR, however, this funding is for the direct project costs and does not adequately cover the overhead costs, let alone fund the non-research-specific public good projects performed by these research facilities. A more comprehensive and sustainable funding program is needed to preserve these facilities.

NEW FUNDING CONSIDERATIONS

The CAP program that is primarily responsible for the overhead funding of Alberta's Applied Research Associations, is coming to term in March of 2023. However, an additional \$2.5 million has been allocated through RDAR to extend funding to March 2024, but this does not provide long-term security for the ARAs. A new funding system is required after the expiry of the CAP program to ensure that ARAs can remain operational. Alberta needs a program that allows for ARAs to continue to provide services and research that is vital for the competitiveness of the Alberta agriculture industry.

