CAPI
THE CANADIAN AGRI-FOOD POLICY INSTITUTE

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Matching conservation programs to Canadian farm realities

A *Perspective* Report prepared for CAPI by Elisabeta Lika

Perspective Report

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The Canadian Agri-Food Policy Institute's mission is to lead policy development, collaborate with partners and advance policy solutions within agriculture and food.

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From National Goals to On-Farm Realities

Understanding Conservation Programs in Canadian Agriculture

WHY IT MATTERS

Farms manage **62M hectares** and drive **$150B of output** annually.

AT A GLANCE

Only about **7%** of producers say they are very familiar with available conservation programs.

Roughly **one-third** have ever taken part in at least one program.

Just **4%** cite government payments as a top factor in land-use decisions.

63% rank soil health as their leading environmental priority.

WHAT'S WORKING

- **Local delivery builds trust:** Programs led by watershed districts, producer groups, or conservation organizations often see stronger engagement.
- **Link to productivity:** Practices that also improve farm performance, like soil health or water retention, are more likely to last.
- **Tailored design matters:** Sector-specific support (e.g., cattle grazing infrastructure) tends to achieve higher uptake than uniform national models.

WHAT'S NOT WORKING

- **Clarity:** Different interpretations of “conservation” or “sustainability” create confusion about goals.
- **Program structure:** Uniform models and complex rules often don't fit the diversity of Canadian farms.
- **Data and trust:** Concerns about ownership, privacy, and regulatory use of farm data limit participation.
- **Financial scale:** Incentives are seen as too small to compete with market and land-use pressures.

THE PATH FORWARD

- **Local delivery**: Use trusted regional hubs to simplify access and build trust.
- **Flexible design**: Adapt programs to farm type, scale, and regional needs.
- **Smart incentives**: Focus on practices that add real value and reward outcomes.
- **Clear measurement**: Start with a baseline and track a few key indicators.
- **Data trust**: Support farmer-centred models that protect privacy and add value.

Note from CAPI

Canadian farmers manage more than 62 million hectares of land. The decisions they make shape not only food supply but also soil health, water quality, and biodiversity. As pressures on agriculture increase, the challenge of supporting both productivity and conservation is becoming more urgent.

Conservation payment programs are one of the main tools governments, philanthropy and the private sector have used to address this challenge. In principle, they share the costs of practices that deliver environmental benefits to the public. In practice, their effectiveness depends on how well they reflect farm realities and whether farmers see them as accessible and credible.

This report draws on a national survey of farmers to explore how these programs are experienced on the ground. The goal is to encourage constructive discussion about how conservation payments can be improved and strengthened as a tool that works for both farmers and the environment.

This report is one part of a broader initiative by CAPI to explore how conservation and agriculture can advance together, recognizing their shared role in sustaining Canada's land and food systems. Additional work will build on these findings to support informed dialogue and practical policy solutions.

Key Takeaways

- **Conservation program awareness and participation remain low.** Only 7% of farmers are very familiar with available programs, and just one-third have participated, highlighting a need for better outreach and engagement.
- **Government conservation payments do not drive farm decisions.** Input costs and commodity prices are the top influences on land use, while government conservation payments are rarely a deciding factor.
- **Barriers to participation are clear and consistent.** Complex applications, insufficient payments, and inflexible requirements are the most common reasons farmers do not engage with existing programs.
- **Canada's agricultural diversity requires tailored solutions.** Regional and farm-level differences in priorities, challenges, and preferences show that a one-size-fits-all approach is not effective.
- **Farmers want programs that connect economic and environmental goals.** There is farmer support for simpler, more flexible, and regionally relevant programs that help farmers improve both profitability and stewardship.

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Defining the problem

Canada's farms power a big part of the country's economy. In 2024, the sector produced about $150 billion in goods and managed over 62 million hectares of land. Farmers are central to debates about how to balance economic growth with protecting land and water for future generations.

The government has used conservation payment programs for years to support greener practices on farms. These programs pay farmers to take steps to protect the environment, such as improving soil health or reducing fertilizer use. The basic idea is that conservation can create extra work or cut profits, so payments help cover those costs. Unlike the U.S., which has implemented direct land set-aside programs such as the Conservation Reserve Program (CRP) that pay farmers to retire cropland from production to achieve environmental benefits, Canadian programs typically support the adoption of greener practices on working farmland or transitions between agricultural uses.

A core challenge is that the goals of many conservation programs are not always clear. Farmers, policy makers, and conservation groups often ask what these programs are trying to achieve and why. When programs do not clearly state what they are trying to conserve, it becomes hard to know what success looks like or how decisions should be made. As a result, many programs become scattered or lose focus.

Agreement on terms is also important. Even simple words like "biodiversity" or "conservation" can mean very different things to different people involved. For example, a farmer may see biodiversity as the range of crops grown, while a wildlife group might see it as protecting rare species. Without first agreeing on definitions, it becomes hard to set targets, measure progress, or explain what should change.

Measuring results is another challenge for these programs. When goals are loose or shift over time, it is hard to tell what has improved or who should receive credit. Direct measurement of impacts is often costly or not possible. To get around this, many programs measure how many farms take part or adopt practices instead, but these numbers may not always show actual environmental improvement.

The way programs are framed also shapes who takes part. Some farmers are more likely to join programs that are described as opportunities for improvement, rather than as solutions to a problem. When programs set out a clear purpose and describe benefits, farmers can better see how their work fits in.

These are not small issues. Lack of clear goals, mixed-up terms, framing of programs, and hard-to-measure results are major barriers to success. Continued effort is needed to bring all groups together, set practical targets, and improve what these programs deliver.

Results of CAPI's national survey of Canadian farmers add further context. Farmers still make most decisions based on costs and prices, but most also care about protecting land and soil. For example, 63% of farmers listed soil health as their top environmental concern. Even so, very few name conservation payments as a main economic driver. Only 4% said these payments matter most for their business choices, and just 7% said they were familiar with program options. The most common barriers include complex forms, low payment rates, and rules that do not fit daily needs.

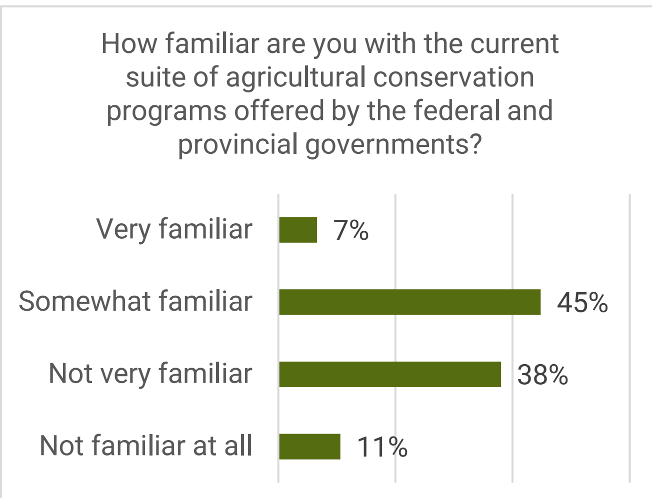
Differences across the country are clear. In eastern Canada, many farmers worry about losing farmland and show more interest in payments for conservation. In the west, farmers focus more on stable business and market swings. In all regions, producers say they want programs that are simple, flexible, and that fit both the farm business and the environment.

This report focuses on three questions designed to support an inclusive discussion and help shape conservation programs that are both practical and widely trusted:

a. What is not working well in current conservation programs
b. Why a more flexible, region-focused approach might suit Canadian agriculture
c. How new design could support both farm business and nature without forcing a trade-off

How well are current conservation programs working?

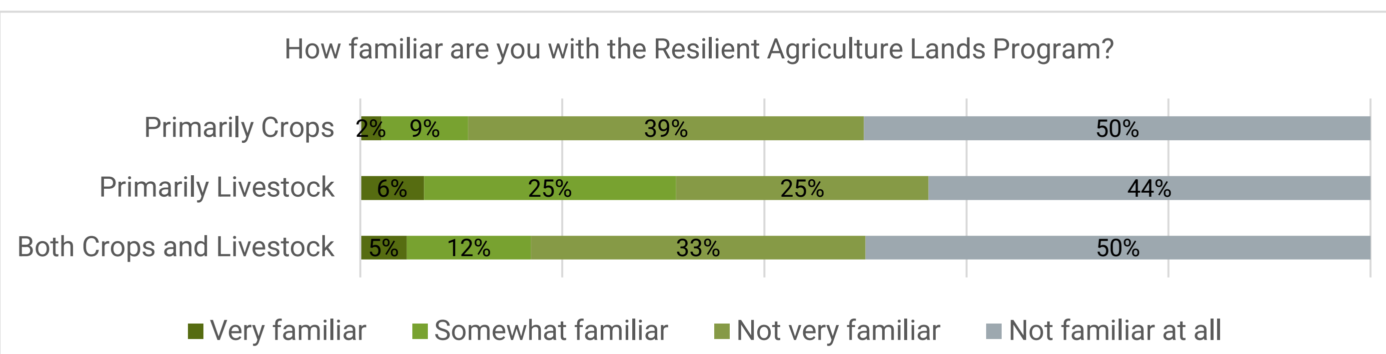
The survey reveals ongoing challenges in Canada's conservation program landscape, including low participation, complex rules, and difficulty matching support to farm-level realities. These results suggest that improvements are needed in program design and delivery.



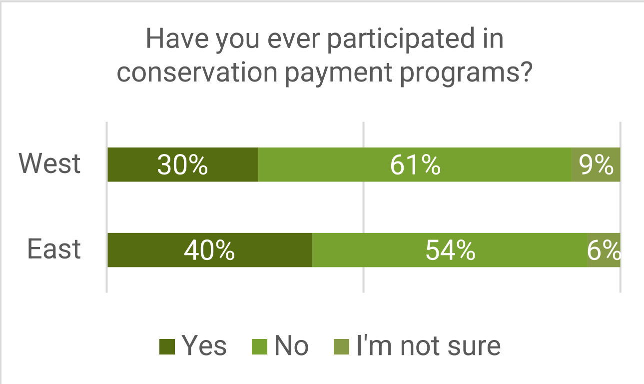
Low awareness and uneven participation

Farmers across Canada have access to a wide range of conservation programs, but most do not view them as part of their everyday business. Survey responses show that only a small group of farmers feel very familiar with federal and provincial conservation programs, and many are not well-informed about specific program options.

Recent programs such as the Resilient Agricultural Landscape Program (RALP)[1] highlight these issues further. Despite being a major new initiative under the Sustainable Canadian Agricultural Partnership, recognition and awareness of RALP are limited. This may be in part because it is relatively new and because some provinces deliver funding through established local initiatives (for example, Farmland Advatange and Delta Farmland & Wildlife Trust in British Columbia), rather than under the RALP name, among other factors.



[1] The Resilient Agricultural Landscape Program (RALP), a $250-million federal-proourvincial/territorial cost-shared program under the Sustainable CAP was put in place across Canada to help producers conserve and enhance the resiliency of agricultural landscapes. This new program uses an ecological goods and services payment approach to support on-farm adoption and is designed and delivered by provinces and territories in order to reflect local conditions and regional needs. RALP is intended to complement other programs, such as the Agricultural Climate Solutions - On-Farm Climate Action Fund, to address climate change.



Participation rates mirror these awareness challenges. According to the survey responses, only about one-third of farmers have participated in a conservation program, and most have not. Regional differences are evident, with farmers in eastern Canada reporting higher participation that those in the west. Larger, longstanding businesses are more likely to enroll than smaller or newly established operations. This suggests the reach and engagement of current programs varies widely across farm type and regions.

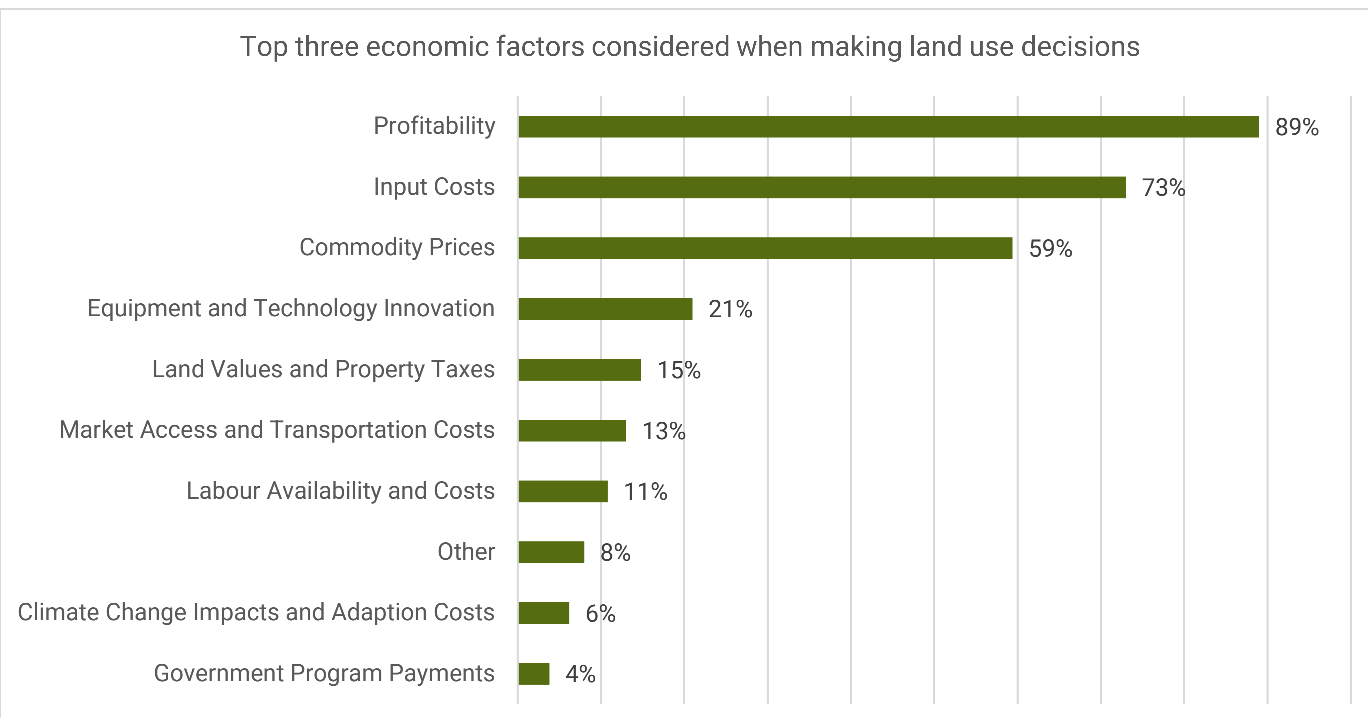
It is important to distinguish between participation rates and utilization rates. Participation refers to the share of farmers who report having enrolled in a program. Utilization measures how program demand compares to available funding or spaces. In other oversubscribed (more applicants than funding allows) or underutilized (fewer applicants than funds available).

From a policy perspective, this distinction matters. If programs are oversubscribed, low participation in survey responses may reflect limited availability of program funding rather than a lack of interest. If programs are underutilized, the issue lies more in awareness, complexity, or perceived value. Future

Weak financial incentives

Financial incentives are supposed to encourage farmers to adopt conservation practices. However, survey results indicate that government payment programs are not a major factor for most farmers. Only 4% of farmers report these payments as influencing their land use decisions, whereas 73% identify the cost of inputs and 59% cite market prices as their main business concerns.

This difference helps explain why some farmers have converted natural landscapes into cropland in recent years. Economic pressures, such as rising fertilizer prices or shifts in grain markets, often require immediate action. For most farmers, government payments for conservation do not provide a level of urgency or financial impact that matches these business relatities.



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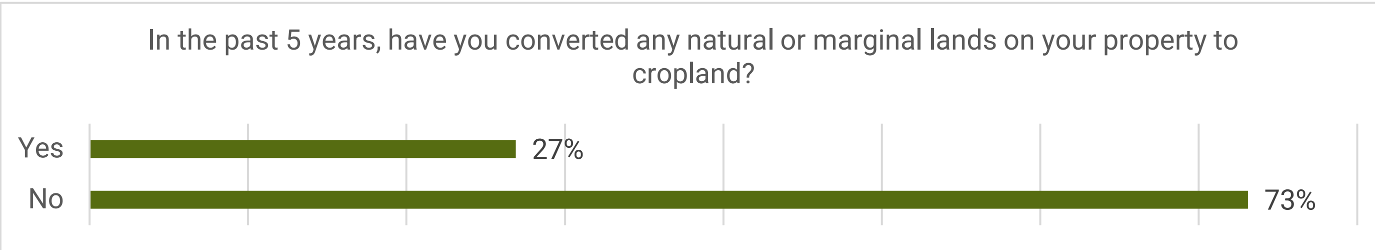
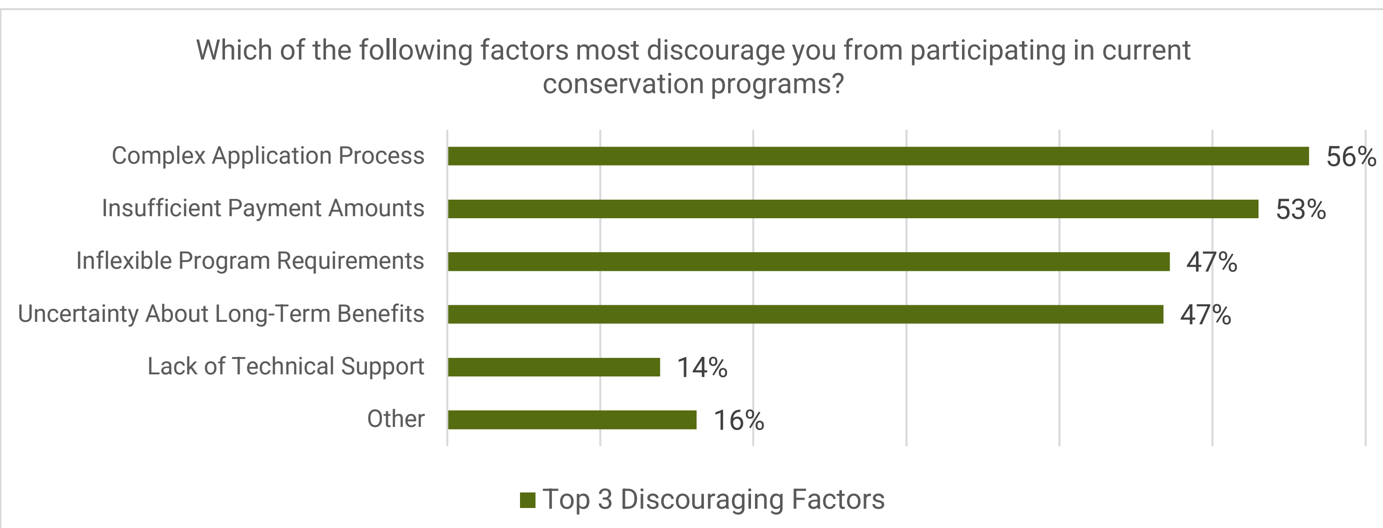


Additionally, many farmers feel the payments offered fail to cover the trues costs or lost income associated with adopting conservation practices. The scale of investment needed to make conservation payments fully competitive with market incentives remains an open question, but farmer feedback suggests current program budgets fall short of this threshold. Moreover, program rules can be too rigid, overlooking differences in regions, farm types, and operational realities. As a result, many producers who might want to participate are discouraged by inflexible requirements and insufficient support.

Administrative complexity and program design

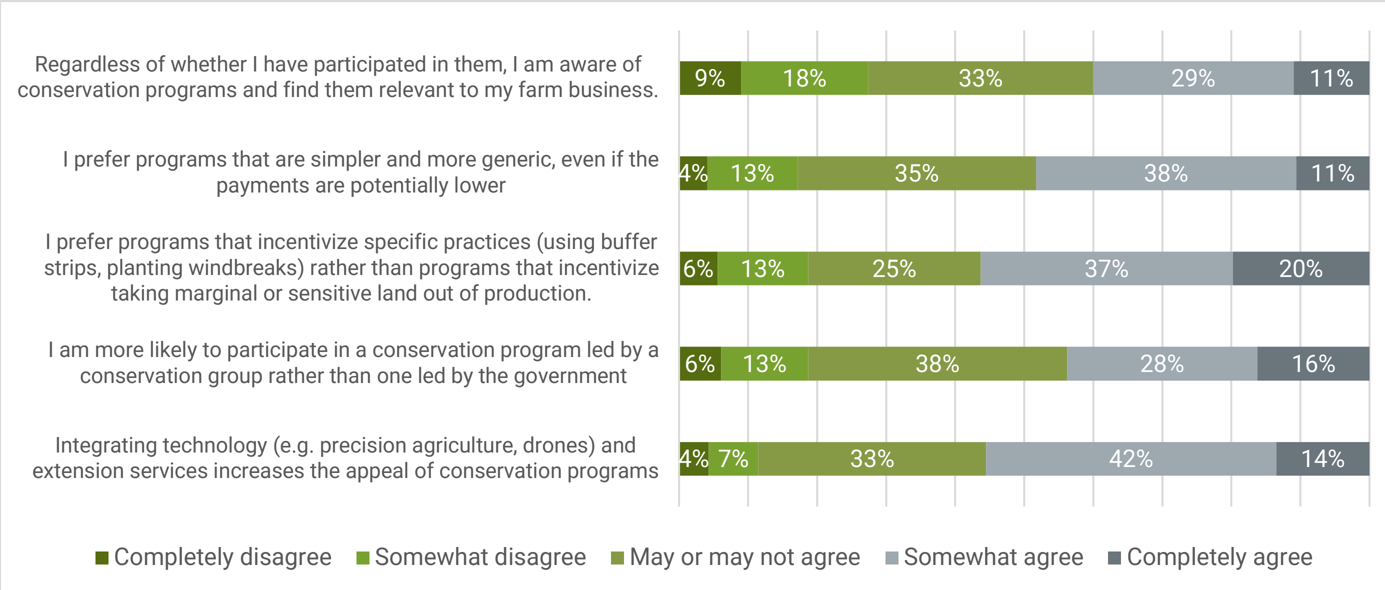
Complex paperwork keeps many farmers from joining conservation programs. More than half of farmers say that forms and applications are a major reason they do not take part. For those who try, the process is often slow and uses up valuable time. Young and small-scale farmers tend to find these requirements especially hard to manage.



Farmers are asking for better practical support. Many would like more technical advice and options that fit their own farm. There is growing interest in programs that pay for environmental results, rather than only rewarding specific practices. Some also want choices around the use of new technology or support that is tailored for their region or type of farming.

Questions about trust and perceived value

Trust is a key issue in how farmers view conservation programs. Many farmers, especially those in eastern Canada, say they are more likely to trust and join programs run by conservation groups rather than government agencies. This speaks to broader questions of who farmers see as true partners, instead of distant rule-makers.



Nearly half of farmers are unsure whether conservation programs provide real, long-term benefits. This lack of confidence is another common reason for not taking part, along with paperwork and low payments. Without strong proof that programs work and without clear communication about their value building trust is hard.

Current programs show some encouraging signs: they exist across the country and offer support for many good practices. However, several barriers, including low awareness, weak financial incentives, hard-to-use systems, and lingering questions about trust, mean most farmers do not fully engage or see conservation as a central part of their business.

Why conservation programs' impact remain limited

While the previous section highlighted the barriers limiting participation in today's conservation programs, understanding why these programs fall short sets the stage for exploring how better-designed incentives can motivate real change that supports both farm businesses and the environment.

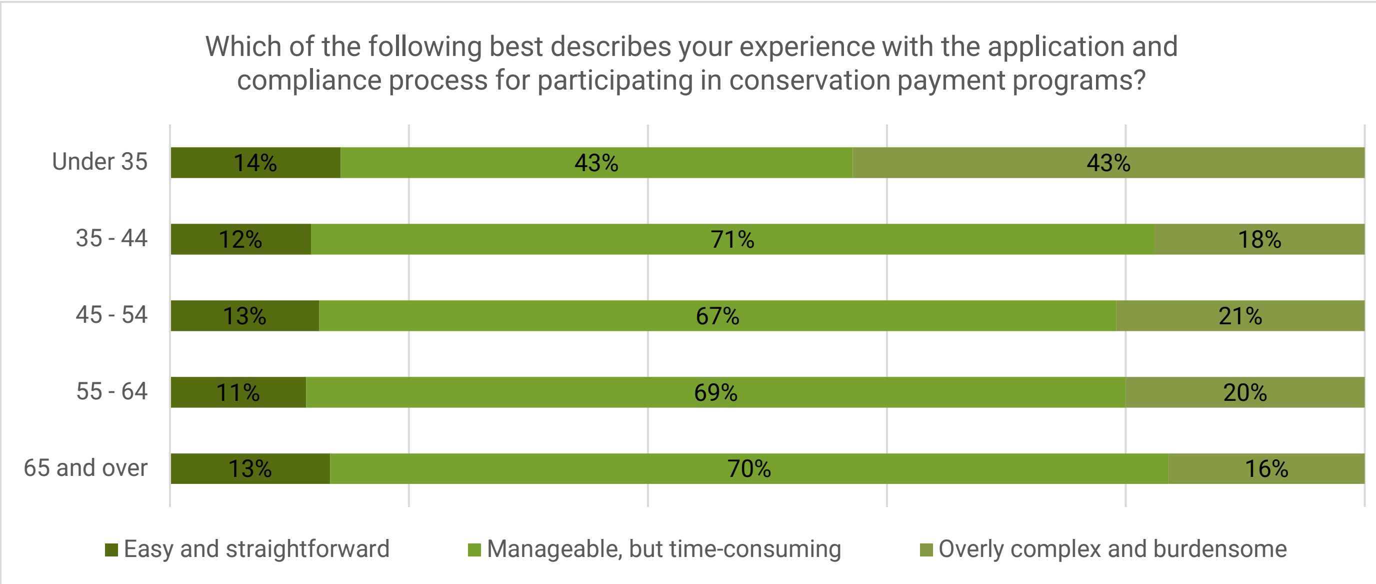
Many conservation programs in Canada follow uniform rules, payment rates, and application steps regardless of farm size or location. While this has enabled wide geographic coverage, survey data indicates it has not translated into strong participation or meaningful impact across all farm types.

Such one-size-fits-all approaches often fail to reflect the diverse realities farmers face, from regional conditions to differing operational capacities. Without adjustments for these differences, many producers either cannot or choose not to engage deeply with these programs.

A more tailored, tiered system could better address this gap. By offering a variety of program options that match different levels of farm experience, resource availability, and regional needs, conservation efforts stand a better chance of becoming relevant and accessible to a wider range of producers.

Farm size and farmer's experience affecting conservation decisions

Survey responses reveal wide differences in how farmers experience conservation programs. Young farmers and those running small operations are more likely to report barriers. For example, 43% of farmers under age 35 said application and compliance processes are burdensome. In contrast, only 16% of farmers aged 65 and over reported the same issue.



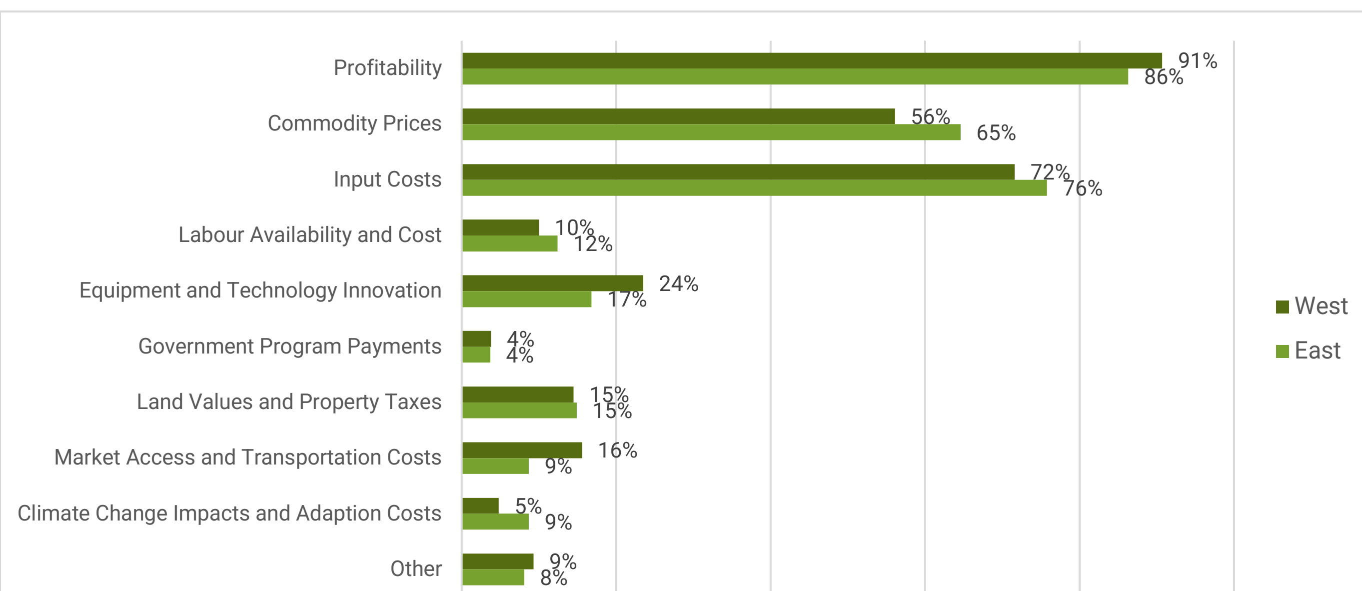
Larger and more established farms are also more likely to join and stay in programs. This may reflect greater experience navigating government systems, or greater capacity to absorb administrative tasks. Smaller farms, or those new to the sector, may lack staff or time to manage detailed paperwork and reporting.

Program structures that allow for simpler entry points could make participation more practical for smaller or time-strapped operations. In contrast, more advanced or outcome-focused options could appeal to larger farms able to take on added complexity or risk. This approach helps spread participation more evenly while reducing barriers for underrepresented groups.

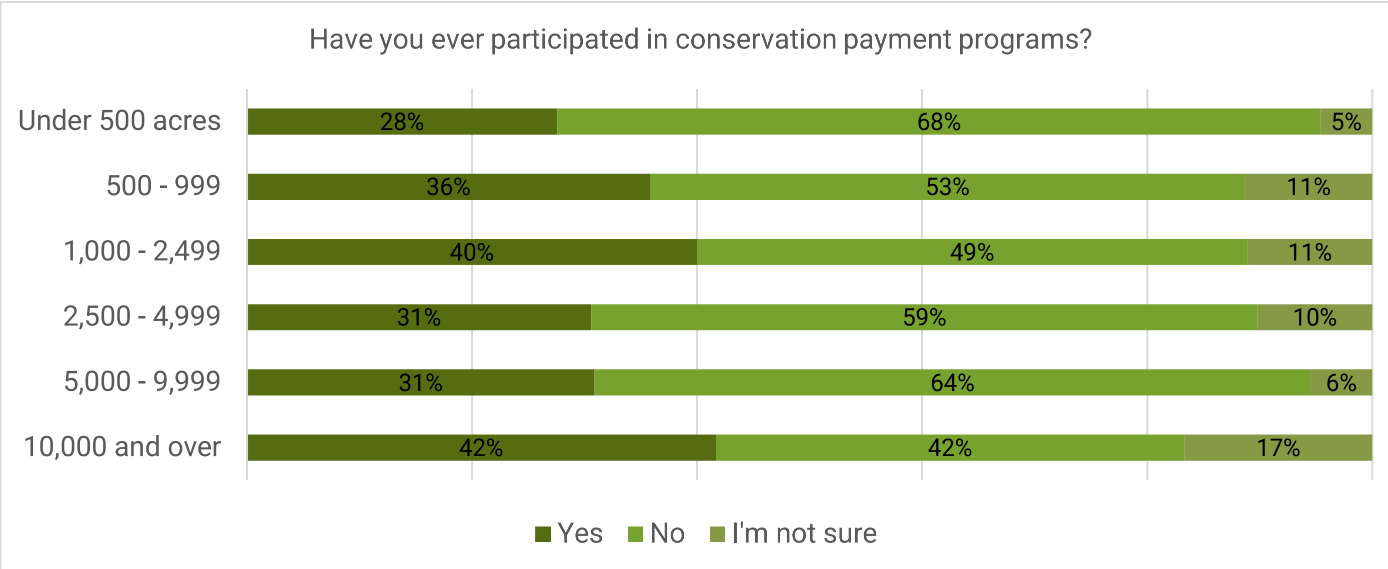
Regional and economic factors affecting conservation decisions

Economic conditions vary across Canadian agriculture. Farmers manage different costs depending on where they are located and what they grow. Fertilizer, feed, contract risk, or loss of farmland all affect farmers differently across provinces and sectors.

For instance, transportation and market access are top concerns in Western Canada. Input costs and land development pressure score higher in Eastern regions. These differences shape how farmers think about risk, investment, and environmental goals.



Economic considerations for land use



Larger farms may be able to take on more costs and try longer-term practices. Smaller or younger operations often face tighter cash flow, fewer financing options, and higher exposure to day-to-day price volatility. A flexible approach could match payment levels, reporting needs, and program goals to these local and farm-level realities.

Consesrvation needs also differ across farm sectors. Large grain operations, particularly in the Prairies, face different barriers and incentives than livestock producers who manage grazing lands. While this report does not attempt a sector-by-sector breakdown, recognizing that the livestock sector often operates with different ecological thresholds and management practices can help shape more targeted program options in the future.

Policy recommendations

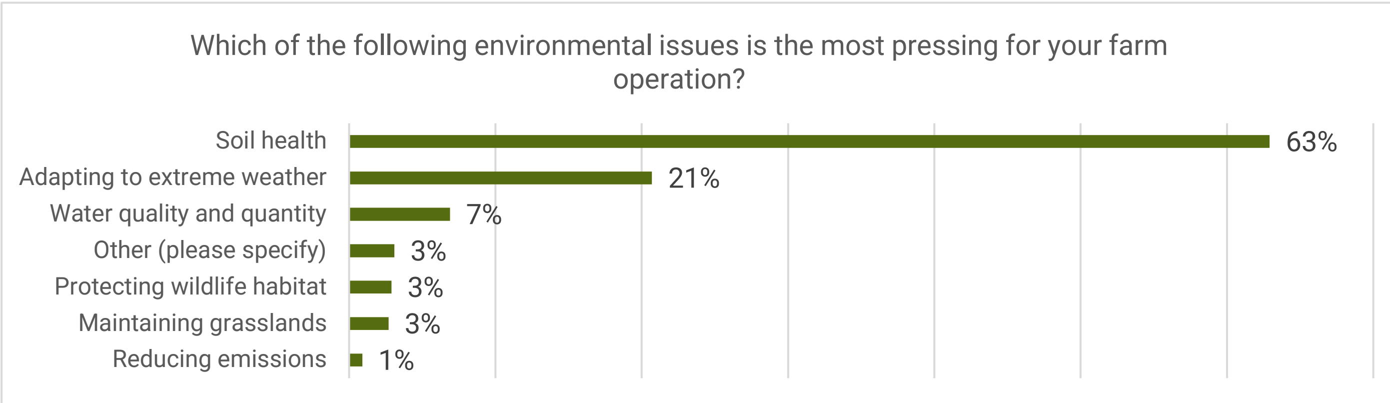
Designing more effective conservation programs begins with recognizing what current approaches miss. Survey insights and sector experience offer options for building support that matches the realities faced by Canadian farmers and achieves meaningful results for both agriculture and the environment.

Focus incesntives on change that would not happen otherwise

Public conservation funding is most effective when it leads to change beyond what farmers already do as part of standard stewardship. Programs are most impactful if they target new, challenging, or costly practices, such as wetland restoration, grassland management, or establishing habitat for wildlife. These activities often require farmers to take land out of production or invest in new practices, with limited direct financial return. Evidence from Ducks Unlimited Canada (DUC), including the Natural Heritage Conservation Program and Rescue Our Wetlands campaign, demonstrates that public incentives for these actions lead to real, measurable gains, such as increased carbon storage, better watershed health, and stronger habitat for at-risk wildlife.

Incentives should prioritize these types of outcomes, as markets or regulations alone rarely deliver them. For example, initiatives like DUC's Marginal Areas Program provide payments to convert less-productive cropland into perennial forage; steps that typically would not occur without targeted support.

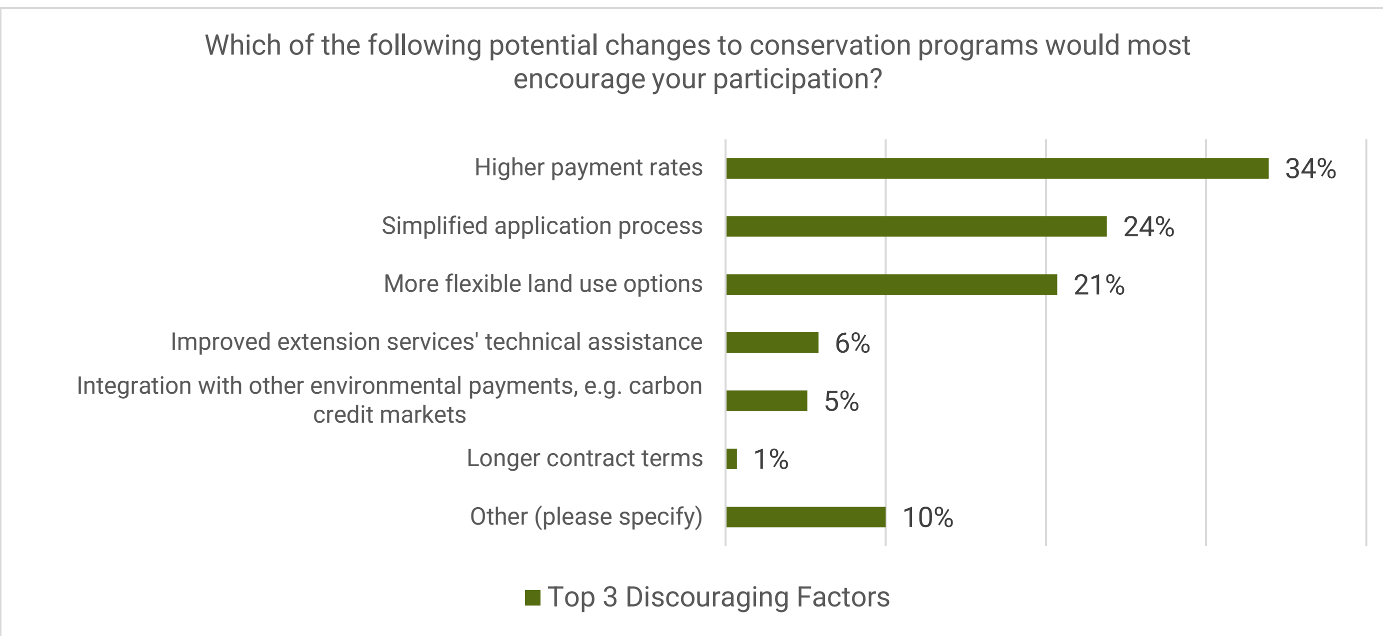
At the same time, survey results show that soil health is the top concern for more than 60% of farmers. Aligning this priority with the "additionality" principle means designing programs that do not simply reward standard practices, but instead help farmers adopt advanced or costly soil practices that they would not pursue without support. In this way, business goals and farmer priorities can reinforce, rather than dilute.



Make programs relevant to producers

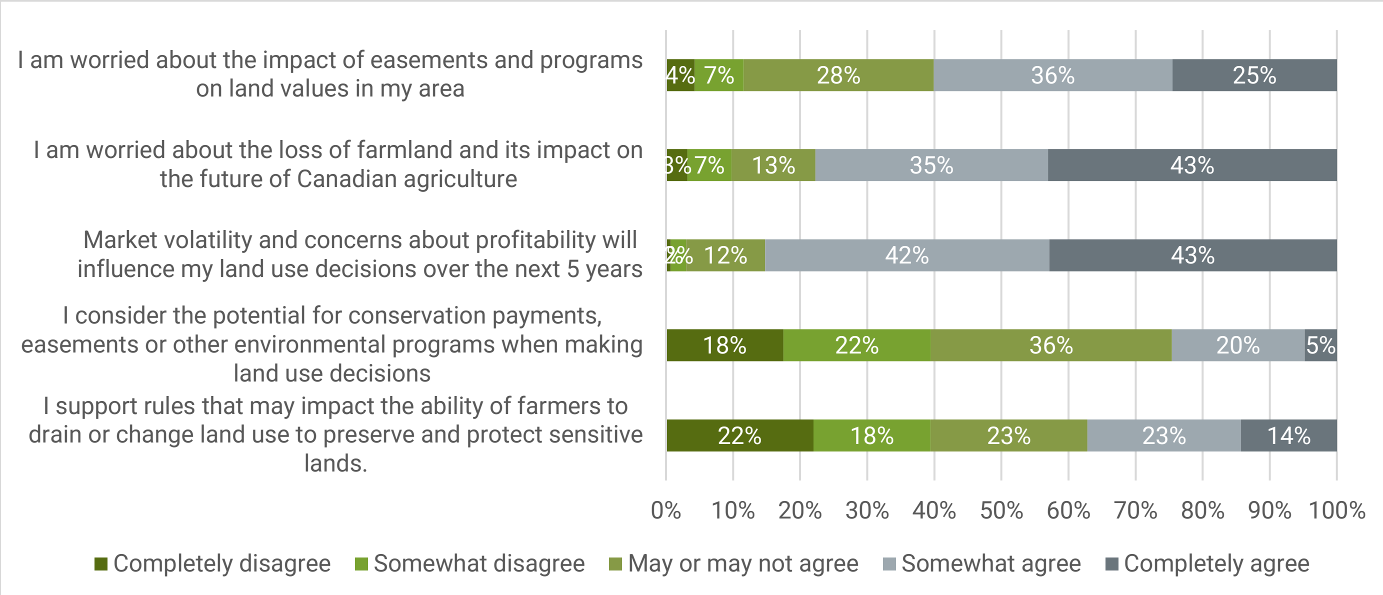
Once incentive programs focus on actions that truly need support, the next step is designing them to work for the people delivering the change: farmers.

Survey results show that most farmers want programs that are easier to access, offer timely and adequate payments, and allow more flexibility in how outcomes are achieved.



Farmers also highlight important regional differences. In Eastern Canada, higher payment rates are a top issue, which may reflect the region's elevated farmland values and resulting opportunity costs. Provinces like Ontario and Quebec experience some of the highest land values in Canada, driven by urban development pressures and competition for land. This increases the financial opportunity cost of taking farmland out of production or making conservation-focused changes, maning higher incentives are often needed to make these options viable for farmers. By contrast, farmers in Western Canada note that application complexity and reporting burdens are bigger barriers. These comments suggest a need for programs that use a common national direction, but provide flexibility to adjust to distinct regional realities.

Farmers are open to new ideas. Many say they would be more likely to participate in programs if they could use precision agriculture tools or access digital support for tracking conservation outcomes. They also prefer options that link payments to environmental results rather than only the completion of specific tasks.



Design effective and adaptable conservation programs

Improving conservation outcomes in Canada depends on practical programs that deliver measurable results across a diverse range of farm sizes, sectors, and regions. Nationally uniform models have clear limits, as costs, cliamtes, and landscape pressures vary widely. Tiered options, flexible payment levels, and region-specific requirements that reflect on-the-ground realities are approaches that could make programs more relevant.

Investments in training, technology transfer, and applied research would also help producers adopt effective new practices. Markets and regulations alone do not always address all conservation needs. Initiatives like marginal land programs and ecosystem service incentives are needed to reach producers facing the greatest barriers.

Collaboration is another area with room for improvement. Programs often operate in isolation, creating risks of duplication or competition. Coordinated efforts among governments, producers, and conservation groups could reduce overlap, improve efficiency, and strengthen trust in the system.

Emerging challenges, such as urban sprawl and evolving international sustainability standards, mean future programs should be strategically adaptable to support both environmental and market outcomes for Canadian agriculture.

Conclusion

The findings presented in this report suggest that conservation programs face difficulties in matching support with the realities faced by farmers across regions and farm types. Participation continues to be shaped by practical barriers, regional variation, and farm-level priorities rather than by program design alone.

Survey insights indicate that approaches which account for financial constraints, administrative complexity, and regional differences may be better positioned to encourage broader engagement and more durable outcomes. While conservation payment programs have demonstrated promise in some contexts, experience shows that a uniform approach may overlook the diversity and evolving nature of Canadian agriculture.

As conservation policy continues to develop, a flexible and evidence-informed strategy that is attentive to business pressures and ecological needs could help programs remain relevant and effective. Future dialogue among farmers, policymakers, and conservation groups is important in refining these approaches for both agriucultural and environmental benefit.