



Resolution #4, Rainy River SCIA -Spot Damage– AGRICORP

WHEREAS the current claim process, used by AGRICORP, is yield based and will generate a claim only when a producer's yield falls below the producer's guaranteed production for a particular crop; and,

WHEREAS spot damage in a crop caused by hail, wind, wildlife, flood, or any other insured or non -insured peril may cause significant damage to a particular portion of a growing area, but not lower the total yield of an insured crop sufficiently to generate a claim under the current yield-based format used by AGRICORP; and,

WHEREAS the producer has incurred substantial costs in seed, tillage, fertilizer, sprays etc. to establish and grow a crop and yet has no yield on a portion of a crop area but still has enough yield to meet his guaranteed production as agreed to in his production insurance agreement with AGRICORP; and,

WHEREAS no remuneration for these out of pocket expenses can be generated through the current yield-based system.

THEREFORE, BE IT RESOLVED that OSCIA propose and encourage AGRICORP to include SPOT DAMAGE protection as an option in all production insurance contracts

Moved by Birgit Martin, Seconded by John Sawatzky (Rainy River).

Carried

SENT TO Doug LaRose, CEO, Agricorp

RESPONSE FROM AGRICORP

As part of the normal business planning process, Agricorp reviews input from industry including OSCIA and Grain Farmers of Ontario, OMAFRA and other industry groups to prioritize requests for future program coverage and will follow up to determine the priority of potential coverage for spot loss damage.

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Agricorp conducted some pilots in 1999 in collaboration with the Ontario Corn Producers Association, Ontario Soybean Growers and Ontario Wheat Producers Marketing Board to investigate potential coverage for spot loss damage as well as determine potential program uptake and costs as investments to implement such a change are significant. Agricorp could share the results of this pilot with OSCIA.

Debbie Brander
Manager, Product Management and Industry Relations