



2020 OSCIA *Resolution Package*



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Resolution #3 – Algoma & Cochrane SCIA – Forage Production Insurance

WHEREAS Agricorp delivers a variety of programs and payments on behalf of the federal and provincial governments to protect Ontario producers against many of the business and agricultural risks they face every day, and;

WHEREAS Production Insurance covers production losses and yield reductions caused by insured perils, and;

WHEREAS Agricorp’s Forage Production Insurance has failed to protect farmers from weather related risks resulting in low forage (hay) yields, and;

WHEREAS many farms have the ability to record and document on farm hay yields.

THEREFORE, BE IT RESOLVED that OSCIA encourage Agricorp to modify hay insurance so that it is yield & quality based rather than relying on a rainfall only model.

MOVED BY: Warren Schneckenburger

SECONDED BY: Ray Prestedge (Algoma SCIA)
CARRIED

SEND TO: Doug LaRose, CEO and Debbie Brander, Manager, Product Management and Industry Relations, Agricorp

RESPONSE FROM:

Debbie Brander, Manager, Product Management and Industry Relations, Agricorp



An agency of the Government of Ontario
Un organisme du gouvernement de l'Ontario

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Andrew Graham, Executive Director
Ontario Soil and Crop Improvement Association
1 Stone Rd. West, 1st Floor
Guelph, ON N1G 4Y2

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October 26, 2020

Dear Mr. Graham,

Re: Formal resolutions #3

Thank you for your letter outlining the following resolution. We appreciate the input we receive from the Ontario Soil and Crop Improvement Association (OSCIA) to help ensure Ontario producers get the support they need.

Resolution #3 – Algoma & Cochrane OSCIA – Forage Production Insurance: *Be it resolved that OSCIA encourage Agricorp to modify hay insurance so that it is yield and quality based rather than relying on a rainfall only model.*

Agricorp works with stakeholders and the Ontario Ministry of Agriculture, Food and Rural Affairs (OMAFRA) to review and change coverage provided by Production Insurance. Priorities for change are determined with OMAFRA and require approval from both provincial and federal governments.

Rainfall based plans are used across North America to estimate hay and pasture yields and offer producers a simple and easy way to insure their forage. Ontario's forage insurance plan has been reviewed and updated several times based on stakeholder and customer feedback. Most recently in 2013, there were a number of enhancements made to the plan to make it more responsive. Some of those included updating the claim trigger to 85 per cent from 80 and adding minimum daily rainfall thresholds. The plan has paid over \$60 million to date, including the largest payouts in the driest years 2012, 2016 and 2020.

Agricorp is supporting an Agri-Risk project lead by the Canadian Cattlemen's Association and the Beef Farmers of Ontario. The primary focus of this feasibility study is to determine forage yields using satellite imagery. The feasibility study has been taking place in the Western provinces for a couple of growing seasons and is now continuing and being expanded to other provinces with the hope of producing sufficient robustness and accuracy of data. This type of research could help form the basis for a forage insurance program that is equal in concept to coverage available for annual crops.

This requires the ability to measure pasture production at the individual farm level. Agricorp will be collecting the samples and spectrometer readings from pasture locations in Ontario and providing expertise to the technical committee. The project is scheduled to run from May 2020 to August 2021. For more information on this project, please contact Dan Ferguson, Producer Relations Manager, Beef Farmers of Ontario at Dan@ontariobeef.com.

I recognize the need to keep these programs relevant and I appreciate the feedback of your members and board. If you have any questions, you can contact me by phone or email.

Sincerely,



Debbie Brander
Manager, Product Management and Industry Relations, Agricorp

Debbie.Brande@agricorp.com,
519-826-3616

Cc. Doug LaRose, CEO
Mike Vlcek, Senior Director, Program Development, Agricorp
Heather Cassidy, Acting Director, Farm Finance Branch, OMAFRA

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