



May 16, 2019

Scott Pellow
Director
Financial Guarantee Programs Division
Agriculture and Agri-Food Canada
1341 Baseline Road, Tower 7, 7th Floor
Ottawa, ON K1A 0C5

Dear Scott,

Re: Enhancing Security Requirements under the Advance Payments Program (APP)

The Advance Payments Program (APP) provides a valuable tool to producers seeking to access low-interest cash advances on the sale of livestock, and other commodities in Ontario.

Advances under the program may be secured in a number of ways, including enrollment in programs like AgriInsurance and AgriStability. In some provinces, programs like the Western Livestock Price Insurance Program (WLPIP) and the Farm Income Stabilization Insurance Program (ASRA) may also be used to secure an advance under the APP. Allowing producers to secure an advance through enrollment in programs like WLPIP or ASRA provides additional choice to producers, particularly for those not enrolled in AgriStability, and for sectors not eligible under AgriInsurance.

To broaden access to funding options for beef, sheep, and veal farmers in Ontario, we are requesting that enrollment in the Ontario Risk Management Program (RMP) be recognized as security for an advance under the APP. A resolution supporting this request was passed by a majority of delegates at the 2019 Beef Farmers of Ontario Annual General Meeting in February.

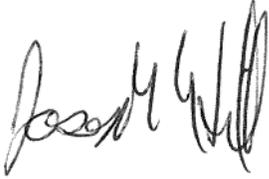
RMP is a cost-shared insurance program that has been offered to Ontario's beef, veal, pork, sheep, and grains and oilseed producers since the program's inception in 2011. The program is designed to provide financial protection against downturns in commodity market prices by providing assistance when market prices fall below a participating producer's support level.

The Agricultural Credit Corporation (ACC), which operates as the main APP administrator in Ontario, supports this request.

.../2

Thank you for your consideration of our collective request. We would be pleased to meet with you at your convenience to discuss the matter in further detail.

Sincerely,



Joe Hill
President
Beef Farmers of Ontario



Marc Carere
Chair
Ontario Sheep Farmers



Tom Kroesbergen
Chair
Veal Farmers of Ontario

cc: Jaye Atkins, CEO, Agricultural Credit Corporation
Cheryl Russwurm, APP Administrator, Feeder and Breeder Loan Programs
BFO Board of Directors
Eric Schwindt, Chair, Ontario Pork