



April 7, 2015

Katch Koch
Clerk, Standing Committee on Finance and Economic Affairs
Room 1405, Whitney Block
Queen's Park
Toronto, ON M7A 1A2

Dear Mr. Koch,

Re: Bill 40, Agriculture Insurance Act (Amending the Crop Insurance Act, 1996), 2014

The Beef Farmers of Ontario (BFO) appreciates the opportunity to comment on *Bill 40, Agriculture Insurance Act (Amending the Crop Insurance Act, 1996), 2014*. BFO represents the 19,000 beef producers in Ontario by advocating in the areas of policy planning, industry development and research, and domestic and export market development.

Expanding the scope of the *Crop Insurance Act* to include all agricultural products, including beef cattle, is good news for Ontario beef farmers. Production risks related to weather, feed production and animal health can present significant challenges for beef operations and has a direct and consequential impact on farm gross margins. Opportunities to mitigate these risks through the development of a yield-based production insurance program for cattle, similar to what is available for Ontario crop farmers through AgrilInsurance, would be a welcomed and much needed addition to the Business Risk Management (BRM) toolbox.

Currently, there are no existing insurance programs, publicly or privately offered, that provide the type of production insurance protection which the crop sector receives under AgrilInsurance. This has created an uneven playing field and significant disparity among commodities, and has allowed sectors with such protections to gain competitive advantages over other sectors not afforded such access. Expanding the *Crop Insurance Act* to include all agricultural products demonstrates strong leadership and commitment by the province to address this inequity in BRM programming.

BFO fully supports Bill 40 and the amendment to the *Crop Insurance Act*, and we look forward to working collaboratively with the province on the development of innovative solutions to reduce production related risks for Ontario beef farmers. We would like to thank Minister Leal for his leadership on this file and the Standing Committee on Finance and Economic Affairs for the opportunity to comment.

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The Beef Farmers of Ontario would be pleased to meet with members of the Committee to further discuss the contents of this letter.

Sincerely,

A handwritten signature in black ink that reads "Bob Gordanier". The signature is written in a cursive, flowing style.

Bob Gordanier
President

cc: BFO Board of Directors

