



August 30, 2016

Mike Vlcek  
Senior Director of Program Development  
Agricorp  
1 Stone Rd. West  
Guelph, ON N1H 8M4

Dear Mike,

Re: Measured "Yield-Based" Forage Production Insurance Pilot

The production and management of forages play a critical role in the success of most livestock operations. However, there are risks in forage production that extend beyond the control of producers. Ensuring producers have access to programs that help manage these risks in a timely and predictable manner is of paramount importance to Ontario's livestock and agricultural industry.

While recent improvements to the forage rainfall program have been viewed favourably by many producers, the program remains limited in its ability to accurately quantify and compensate production losses specific to a farming operation. As such, participation has been limited.

To address this concern, and to encourage more producers to enroll, the Beef Farmers of Ontario (BFO) has promoted the need to develop a yield-based forage production insurance program, similar to what is offered under production insurance plans for grains, oilseed and other crop commodities. BFO has heard repeatedly from producers of the need to move away from rainfall-based insurance to the more traditional yield-based production insurance offered to other crop commodities.

There are more than 2.5 million acres of forage and close to 1.75 million acres of pasture in Ontario, spanning every county and district in the province. The size of this industry and its impact on the broader Ontario economy warrants access to an effective insurance program that is tied to specific production, which will help protect producers from yield reductions and crop losses caused by factors beyond their control. When producers enroll in grains, oilseeds and many other crop production insurance plans, they are guaranteed a level of production based on their yield history and chosen level of coverage. Forage and pasture producers who choose to enroll should have access to the same guarantee.

In response to calls by BFO and other agricultural groups to develop a yield-based forage production insurance program, Agricorp committed to running a forage yield collection trial to determine how

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forage yield data could be accurately collected and how yield data correlated with the current forage rainfall program. It is our understanding that the trial failed to secure sufficient participation from producers to warrant further resource commitment from Agricorp. BFO believes an insurance program that is tied to specific production is still very much needed. As such, we formally request that the forage yield collection trial go ahead as originally planned to provide industry, Agricorp and OMAFRA with data to assist in the development of a measured forage yield production insurance program. BFO would be more than happy to assist Agricorp in securing trial participants.

On behalf of the Beef Farmers of Ontario membership, thank you for your consideration of this important request.

Sincerely,



Matt Bowman  
President

cc: BFO Board of Directors  
David Hagarty, OMAFRA  
James Mitchell, OMAFRA  
Ellen Blenkiron, Agricorp  
Rob Scott, OSMA  
Ralph Dietrich, DFO  
Don McCabe, OFA  
Ray Robertson, OFC

