

Patton Poultry Breeders Inc.
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Simcoe County Federation of Agriculture
Board of Directors,

Please accept this letter as a consideration to increase the efficiency to our faulty Crop Insurance system in Ontario.

As the cash crop farming industry evolves in Ontario, we are finding ourselves less and less likely to reap the benefits of our current insurance system. We pay hefty insurance premiums to be a part of safety net that will currently only save us from catastrophic events. This is what keeps us involved in the system at all.

As farms increase in size and efficiencies themselves, the geographic regions they cover naturally increase. It is not uncommon to have a single operation cover 3 or more distinct geographic regions. These regions may or may not be quite far from one another. Weather patterns, soil conditions, and heat units can all vary from region to region. If all three regions are farmed under one operation, they are lumped together by crop with a single average farm yield per crop. Even on a "normal year", that average farm yield that the grower has worked up to over the course of this farming career, may not be realistic for all of his three growing regions. A corn crop in north Simcoe has a much different potential than one in south Simcoe. And the same can be said for any crop. The problem in that, is when a grower has a challenge in one of the growing areas, whether it be drought, overly wet conditions, hail, frost, etc. but not in the others, the other areas make up the difference as far as the yield is concerned, and suddenly there is no claim. Unless all regions suffer the same catastrophic event, the law of averages will continue to prevent any region from reaching its true area average.

Over the years, Agricorp has attempted to address this issue. With little advertising, they offered different strategies including an option to hold 2 policies with different AFY/policy, under a single grower. There was a "cost" of 2% of the guaranteed production, to carry this option of insurance. Currently, there is no option like this or otherwise to address the issue.

Having pleaded with them on a customer side, they suggest to contact our local farm organization to advocate on our behalf. They believe it carries much more weight coming from a common voice. What we would propose is an option of "spot loss" that could be added to existing policies. So to maintain existing policies, with their associated AFY, and trusted discounts per grower. This option would allow specified regions with a growers operation, to create a new AFY more accurate per region. This would allow each region to reach their own potential's on any given year, and allow for any region to benefit from a claim as needed. There would have to be a cost associated with this option. It was suggested that it would work the same as the USAB, in that there would be a charge per workable acre to hold this type of insurance benefit.

Be it Resolved that crop insurance will offer separate coverages for different geographical regions within an operation. Whereas, each region will hold a respective average farm yield per crop, as identified for each area. Whereas, crop insurance can charge a premium to the growers that choose

to purchase this optional upgrade. Therefore, increasing opportunity for each operation to maximize yield potential in each individual growing region.

Thank you for your time and consideration,
Martha Patton
Patton Poultry Breeders Inc.