

OFA – Policy Advisory Council (PAC) Meeting

August 24, 2021

Virtual via Zoom

Comments from Breakout Room Discussions – Session 1

Attendees were divided into eight separate breakout rooms providing feedback on the following questions:

1. What should be the top priority for the Next policy Framework (NFP)?

- Improving the CAP (including BRM) programs
- Make the programs more beneficial and feasible to small farms, not just the large-scale farms
- Tile drain programs
- Fencing
- Drill well programs
- Increasing Ontario's manufacturing capacity
- flexibility is extremely important and should be a top priority. More specifically the movement of funds according to pressing needs
- important to be proactive rather than reactive
- Increase funding to ensure sufficient program dollars to meet growers' needs
- Emergency funding program that is easily accessible and easy to administer
- Labour issues (recruitment and retaining)- governmental issue of focusing on trades- Need to make ag work more attractive to people, especially the younger demographic.
- Need infrastructure for irrigation and access to water (i.e., drought situation) Water management programming
- Drastic climate changes impact on agriculture landscape and practices
- Farmland preservation
- Farm succession planning, transferring of assets

2. What is new that needs to be considered in the Next policy Framework (NFP)?

- Covid showed need for quickly adapting & flexible programs
- Budget 2020 – direct rebate for carbon, how are they going to deliver the direct rebates. Rebates will be only going to certain industries, not all producers will initially receive it.
- Climate change and new variety development (tender fruit - extreme heat is cooking fruit inside out on the plants) will become important – new marketing for new development, new drought resistance for field crops
- Processors – do we need more going forward? No sense having processors if we don't have companies that can deal with the by products. i.e., Limited number of dead stock removal companies.
- Good farmland being changed into residential land – how do we preserve it?
- Machinery needs – can we retire all those plows and discs? New technology is so expensive, but it helps reduce costs i.e., spray only a specific section of the farm now, as opposed to spraying the whole field. Sometimes new technology is good but is only good for the big farmers that can justify purchasing it. Need some type of rebates/incentive programs for smaller operations to be able to take advantage of it.
- Extreme climate and weather fluctuations
- Transferring of vehicles to Electric in the move from petrol vehicles. Impact on farm machinery -biodiesel or electric -how will we get there, and what is possible? Phased switch over as entire “fleets” cannot change in one year
- Carbon Tax – impact, not just on business, but tax on gas is punitive to Rural areas where fuel is necessary transportation component
- Municipal tools- grants encourage certain practices like electric charge stations being installed. Are there other investment opportunities for encouraging municipal investment infrastructure?
- Local focuses necessary not a “one size fits all” solution
- Shifting farm demographics. Need for Farm succession planning, transferring of assets. Ensure there is support for the younger generation as well as proper succession planning. So many farmers don't succession plan early enough and then major issues follow later when things are too late.
- need to focus on environmental initiatives. Still a lot of work to do here. Dollars being collected from pollution tax but hasn't gone back towards pollution efforts. Going forward programs need to be implemented
- farmers should be credited at the farm gate for carbon reduction
- focus on public trust initiatives. Need to build additional confidence from local consumers in the domestic market
- Bring more visibility to what farmers do for the environment, show some recognition for the positive aspects they are providing i.e., farm property tax reduction- Cultivate more public trust.
- Ag technology- is it advancing fast enough? Programs to fund technology to help the livestock industry i.e., pressure washing technology for hog operations.

3. What are the challenges, both current and emerging, that you see creating pressure for the sector?

- Climate Change
- Challenge covering Carbon costs/taxes
- Environment
- availability of supplies, affordability of fertilizer. Etc.
- Need trades willing to work in north
- government regs on crop breeding programs, need access to new varieties especially with changing climate
- Transportation/Trade issue – provincial and federal issue – cheap import pricing on products, how do we as Ontario producers compete?
- Trade partnerships (China)
- Energy supplies
- pressure to have diversity of food that may not be produced in Canada. Should develop more in house processing. Seeking investment for this processing
- Processing plants (need more) (beef - meat, dairy – milk); lack of inspectors, also need option for second opinion (vets?)
- Finite land suitable for ag production; require hard urban boundaries for infill versus expansion
- Land use – losing prime ag land to residential. Buying/selling off smaller parcels for residential. At 175 acres a day, won't be long till the whole province is covered. When people move out to the country, they start to tell the local council on what should be done i.e., don't want combines running on the weekends, planes spraying chemicals are trying to make us ill. Need to have farmers involved in local politics.
- Urban sprawl – encourage cities/planners to stop spreading out, go up instead
- Labour Shortages – finding the “right” people, being able to train people, transportation, housing, and remuneration mindset.
- School board pairing for training and awareness in secondary school aged for post secondary actions of students
- Proactive positioning/mindset versus reactive on changing overall policies
- Increased values and costs (i.e., land, supplies and inputs)
- Supply and demand – what tools, and farms are often asset rich, cash poor
- Public scrutiny of Livestock Treatment

4. How can the Next Policy Framework (NPF) best advance Canada's environmental and sustainability goals?

- Promoting Green technology
- Making Wi-Fi available in rural areas
- Expanding access to Natural Gas
- Funding for ecological goods & services
- Support for ongoing ecosystem services – like buffers taken out of production, no till cover crop grazing system, etc. (multi-year programs)
- Improving Soil health – cover crops, effective manure management.
- Soil management & conservation
- Adoption of climate change practices in cropping, livestock, etc.
- Conducting more research regarding sequestration
- Enabling the recycling of Bale wrap
- Recognition of initiatives such as ALUS, municipal (Huron Clean Water) and Conservation authority programs, Environmental Farm Plan
- Address waste e.g., Batteries -recycling, disposal, and production practices

Other comments:

- What are Canada's environmental & sustainability goals? We don't know what the goals are, so we can't answer it. Most of environmental issues are a double-edged sword, it is good for one and bad for another one i.e., hydro dams – not using fossil fuels but we are flooding lands
- Need clear & realistic goals
- agriculture needs to be a big part of the discussion
- Through the next policy framework, governments need to recognize that ag plays a big role in the solution – the government needs to recognize this though.
- Challenge is there are lots of initiatives. Part of NPF needs to circle back to check that investments are being utilized otherwise funding is essentially being wasted
- Vertical farming – where does it come into play i.e., greenhouses that go 5-8 stories high. If we can produce inhouse vertical crops on something that we import, why don't we produce these crops in vertical greenhouses year-round i.e. the public wants free range chicken, but caged cabbage
- Put people on ground not just promotions

5. What is working well with CAP?

- program is good at a high-level, issues with the on-ground implementation, including intake timeline, approval responsiveness
- Helpful for single commodity producers BUT many are now diversified
- CAP was used to modernize calf handling facility and was relatively stress free
- Funding working well to add some implements to your system, make some small advancements on your farm, like cover crop application equipment, etc.
- Farmers are certainly appreciative of having access to cost-share funding

6. Where can improvements with CAP be found?

- Comments related to improving the CAP (including BRM) programs. (Comments were consolidated below.)

7. What would help programs be more useful, or used more readily by our members?

- Application Process:
 - Can be a barrier to participation
 - Application process for subsidy is onerous, should be easier to apply for if the intent is to help
 - Streamlined program paperwork, programs should be linked so info submitted once/easier
 - Application process often requires an accountant and it's very difficult and confusing to fit your operation to fit into the application's boxes and make projections. Everyone in my group has an accountant or advisor to fill out the application for them.
 - Very difficult to predict what you will get back from it IF anything.
 - Need to streamline the application process and make it more user friendly
 - Should make application process simple, user- friendly, with no outside help needed if proper records are kept on farm.
 - Wish for a simplified application process, particularly for smaller projects
 - Provide one-on-one guidance to farmers completing their applications themselves - Hard to get approval if writing application yourself
 - Have intakes at times that are outside of busy farming periods, and quicker turnaround of project approvals so that applicants are not waiting so long for approval - Timing is impractical – for intake openings and waiting on approvals
 - Provide examples of complete written applications for projects that align with OMAFRA policy goals - Is there a way for industry to provide templates/pre-written submissions that align with OMAFRA policy goals – so each producer doesn't need to become a specialist or hire a consultant to complete applications
 - Reduce the application requirements for projects seeking funding under a specified threshold - Consultants can cost the same as the project itself for small projects; simplified applications for smaller projects could incentivize more to participate
- Eligibility criteria
 - Too restrictive.
 - CAP programs should not be restricted to specific regions but available to all producers. (Target certain areas for environmental issues, restricts others from implementing those programs too)
 - reducing red tape – they are making us jump through hoops to get. Smaller farmer doesn't have the help or time to do all the paperwork. Otherwise, it becomes a make work project for the accountants and the accountants get richer.
 - You only qualify if you took a workshop in the past and when you finally decide to apply, workshops are done. Better training on what is available, better advertising needs to be done.

- Expense eligibility & approval timing – project funds can't be spent until approval received but project approvals are often delayed; doesn't align with use/need for equipment purchases, in particular
- make fees paid to consultants to draft the application eligible project expenses for successful projects. I think consultants will continue to be used, particularly for larger, complex project applications.
- Should subsidize existing business practices (why can't we support best management, etc.), culture shift to shift from 'innovation' to sustainable practices, encouraging BMP's rather than invent something new every time
- Shouldn't need to show how creative and new the project is; many people looking to do the same things should be okay.
- Approvals
 - Consistency of program application approvals- transparency- i.e., same applications, different outcome regarding support
 - Can take an extended period to get an application approved which may not be timely to a project
 - Can't spend until approved slows down any innovation on-farm, if farm wants to improve, might go ahead anyway and program could allow eligible costs to be included before project is approved (if farmer is ok taking on the risk of incurred expenses)
 - Approve CAP project applications on the project's merit not on having included key words in the written application - Consultants make money on writing application, before any money flows to applicants; farmers feel like expertise & labour help is needed from consultants to complete the application & be successful; applications are long & involved; makes sense to use a consultant if you are approved; good gig for consultants; could the consultant fees be made an eligible expense?
 - More practical assessments need to be done to qualify more producers.
- Delivery
 - those chosen to facilitate programs are not always fit – very frustrating for producers and a waste of money
 - need to build in commodity support for these programs. We don't know what we can get, there is no one to advise us – i.e., dairy producer use dairy industry. Make it more accessible and advise them on it is out there.
 - different programs should work together / complement each other better.
 - programs are very bureaucratic, invest in more local extension work that helps encourage more at the local/regional level
 - Government needs a better understanding of farming cycles and timelines; intake too quick; using CAP funding for beekeepers (used grain in the past, e-commerce), very spoon-fed approach and has poor understanding of ag timelines, quick intake doesn't align with on-farm priorities, creates a very reactive framework (rather than proactive); pivoted Spring 2020 because of COVID for e-commerce, applied in March, approved in mid-September (neighbour learned in Oct), had to complete by November when hives were already put away, people who qualified had to go to same few qualified contractors, which limited type of projects and participants, need to better understand farming cycles; some product doesn't come in in-time, which impacts their access to approved funding (beekeeper product); program is good at high-level, challenging at the ground level
- Other Comments
 - Simplify programs

- Flexibility/simple
- many details overlooked in programs- need some flexibility in the programs and how they are applied to be made more efficient and effective i.e., LED light program but doesn't apply to all types of bulbs, need to be streamlined to enhance the program.
- Programs need to be easier to access and apply for.
- Any programs happening in other countries that Canada could emulate? Hog Industry- Incentives to go to loose housing in Europe
- Make programs more effective to help members
- Some programs are too complicated
- programs would be more useful if funding was available for what is actually needed on-farm (rather than encouraging farmers to apply for funding for initiatives that aren't necessarily a priority for farmers).
- programs would be more useful if they were tailored/available to smaller, diversified farming operations, rather than just larger, multi-generational farms.
- to what extent could these programs be geared to new entrants into the system? Getting started with new, modern tech that farmer understands but can't afford; have applied but don't run enough acres for program to kick-in, would be nice to leverage CAP to buy strip-tiller, etc. and start a business to offer service to other farmers, but without the acres, program views fewer impacts resulting from funding.
- more planning is necessary to ensure that intake, approval timelines, etc. align with farming cycles, etc. (the specific details within CAP programs don't lend themselves to actual implementation with tight intake deadlines, long approval windows, etc.).
- missing venture capital fund (i.e., here is funding, go try stuff); innovative tech exists but don't know how to use CAP to tap into the non-standard space
- how to meet the needs of smaller farmers or service providers who don't have FBR's but provide services that farmers need to access to improve their sustainability, farm footprint, etc.; smaller acreages, not looking to invest in machinery, etc., rely on custom work and shared machinery, don't necessarily have an FBR but have incorporated in other ways, will have challenges applying because income isn't considered agriculture (but farming under a different business model); not always feasible to apply even though offering the service itself; CAP has issues providing funding to non-FBR/farmers, but if objective is to improve farm footprint or efficiency, need to consider ways that current farmers are accessing their services (i.e.. custom work instead of purchasing expensive equipment)
- interested in environmental goals, need to think about the goals of farmers and how they align with the goals of the taxpayer, should be emphasized (i.e., carbon credits & importance) and get message to the public
- barriers to entry for new/small farmers; EFP is also provided through CAP (and GFP, biosecurity)
- is there a size of operation where these programs make sense? Too much of a burden, tailed to larger, multi-generational farms
- Multi-year programs; longer term support

8. Can any of these priorities for agriculture also feed into our election priorities?

- Seek improvements to BRM programs (e.g., Agri-Stability trigger %)
- Political parties don't really understand agricultural programs
- Push the Federal Government for programs to become more effective for the agriculture sector
- need to engage politicians to understand who we are and what our struggles are (and that not every farm is the same), but would help generalize some of the challenges and issues – they only know what they know, so need to educate why these implications and choices are important (i.e. if you have livestock, you have deadstock); considerate of the fact that they are running a country/province, but that ag is an important component
- Streamlining of processes- mailing the information x2 doubles the cost of mailings and stamps
- Sustainability & viability of the food supply chain; we produce much but there is still waste; can we produce more of what we import to reduce dependence on outside sources
- Farmers blamed for ruining the environment rather than being stewards of the land – need support for this & support for best management practices for environmental sustainability
- High expectations in farmers housing workers – need financial support for the programs that farmers are required to meet, particularly to meet new national standards
- Ministers of Education/Agriculture – currently not taught in school how to complete forms like CAP applications or others; or how to be successful farming in general; could we address this in the education system? Importance of farming, how to be successful

Business Risk Management

Comments from Breakout Room Discussions – Session 2

1. What are the main business risks challenging farm operations?

- Climate Change & extreme weather
 - biggest threat is weather, in 50 years of farming, only about 2 or 3 years have been average. No matter what, backup is needed to help with severe weather.
 - production risks, weather (relationship between).
- Succession: bringing in new generation (how to encourage entrants) given land prices, etc., what support is available for new entrants?
 - Succession issue there is no one to take over their operation or to join the operation, there can be major financial challenges a grower/producer could face and future planning
 - need to plan for succession long before necessary, planning ties into so much of the farm (i.e., debt load, etc.), should include how new farmers are brought into industry
- Financing
 - Accessing longer term financing options for growth considerations. If operations don't fit a mold, face numerous challenges obtaining support especially in commodities not supported with industry numbers
 - changing cost of capital – only so much to mitigate increasing inflation/interest (i.e., locked in a 10-year rate for a 30-year mortgage, unknown is a risk)
 - expectations of capital repayment and the implications for the next generation of farmers
 - Interest rates- if they were to rise drastically it would greatly impact farm operations with large debts
 - Inflation (increased input costs, transportation costs, etc.)
 - Deflation (potentially decreased value of farmland)
- Input costs
 - Processes we use in Canada (chemicals, technology, etc.) are totally different than other countries and come with a higher input cost
 - Cost of products in northern regions
 - Land rent inflation major challenge for tenant farmers
- Trade disruptions/Agreements
 - trade agreements that are deemed necessary (negotiated without ag input).
 - The size of Canada in relation to the world- we are a small country and produce more than we need domestically- have a surplus we can trade internationally
 - International competition for our products, other countries unfair subsidies
 - Cheap products coming in from the United States i.e., tender fruits. Specialty crops in the US are getting subsidy.
 - Foreign diseases- major trade disruptions, emergency funding would be first and foremost

- Federal programs make us non-competitive with other countries in a trade environment
- Land use planning challenges
 - Loss of farmland, rural residential expansion; risks associated with losing most productive ag land. With federal parties looking to build more housing and growth targets is a major threat
- ag land going to residential use. Government can encourage cities to develop up instead of out.
- Labour challenges
 - difficult to recruit and retain.
 - Offshore workers, TFW regulations over burdening fruit, veggie, and livestock producers. The process is very cumbersome and expensive. An estimated \$8000 per person to start
 - Labour cost – horticulture, vegetables, greenhouse – can't get people to work for you, availability not being available when you need them – if you want them only for a specific time and they are available you must pay more. Can you tie social assistance payments with working in various fields? Can you make the social program, so it isn't the most attractive not to work? Don't make it specific to agriculture, other sectors are needing workers as well. Could look at people saying that we need to form a union, and payment would start around \$20-25/hr. and a whole lot of other problems could develop very quickly.
 - Fruit & Veg farmers – losing labour on short notice,
 - Labour – finding – retaining – supporting – effective management – human resources and policy awareness
 - Employers need to take a chance on workers that don't have experience.
- Lack of service/access to inputs
 - need more processing (i.e., beef), need regional access with demand for locally produced food (especially evident since COVID)
 - Limited quality testing options for operations
 - lack of necessary 'service' providers (or potential lack of) to move raw product into marketplace, programming necessary to provide support for these services or encourage involvement in the upstream markets
 - lack of new seed varieties
 - Accessibility of inputs and new varieties
 - Lack of infrastructure i.e., abattoirs, grain silos, transportation, etc. bottleneck that doesn't allow product to market can be a risk
- Public trust. Something that really interrupts agriculture, especially when it comes to modern technologies. The public drives the way they think farming should be done which interferes with how it is done.
 - Public trust needs to come into play and do a better job of promoting that.
- Changing consumer preferences
- Market change/disruptions
- Product health and quality – disease and predator pressures (biosecurity for both plant and animal welfare)
- Knowing where to access funding to improve tech on-farm

- lack of resiliency within industry to adapt.
- how to mitigate lack/loss of margins at the producer end (some have eliminated middle-man and sell direct to consumer instead)
- risk = opportunity and if we can manage the risk, we can benefit
- New/emerging issues and lack of preparation/knowledge to deal with them
- Livestock challenges (disease, biosecurity); Reportable livestock diseases
- unexpected gov't intervention through policy/regulation
 - government involvement in establishing on-farm markets. Not if it involves tons of red tape

2. Do the existing government Business Risk Management (BRM) programs provide farm operations with adequate tools to mitigate these business risks?

- area farmers not using a lot of BRM programs because difficult/expensive
- programs are lacking, need to take fluctuations into better account
- Agri-Stability – very difficult to get into, apply, uncertain results
- Best program is Agri-Invest, under funded
- don't work if you are diversified
- need to be more flexible & timelier
- Need to account for weather events
- Crop insurance typically works well, but doesn't cover wildlife damage
- 30% losses too big
- The programs already won't cover the risks we discussed so they won't cover future risks. The program is a decade behind and haven't been kept up to date properly
- Ex. Succession planning – next generation can't access BRM program. Haven't designed programs to allow for succession planning
- A lot of younger farmers are frustrated with this program
- It is too restrictive- any type of insurance policy needs to pay in a practical sense- timing and on deliverables – up the percentages to make it worthwhile.
- anyone having negative impacts from the programs? Most ppl who use them, understand them and like them, those who do not, may have had a singular bad experience- maybe a graduated scale should be considered
- programs exist but are too cumbersome to access or use
- some of the programs aren't understood, so not accessible (and how to get help)
- support for larger local presence (i.e., OMAFRA) to present on programs, etc. so a business could access the programs themselves (Rather than hiring out)? Agricorp reps are invited to local meetings & do a good job explaining, but must be invited
- so many opportunities to explore, how to choose which one is worth it (tend to make more money listening to the big farmers and getting better interest rates)
- Yes- a lot of farms are still operating due to assistance from these programs. Crop insurance is a major program that keeps farmers moving. Oldest, most consistent, and unchanged program around*
- Timeliness - it is tricky to wait for a year or more to receive payments in a bad year
- Not across the board work to adequately protect us BUT crop insurance and RMP do
- Crop insurance and RMP have major impacts, the others are minor
- Crop insurance runs on a NEEDS basis and is effective, other programs sometimes trigger payments when producer is not in need

- Tricky balance to ensure qualification but also simplified process
- There is a need for a better understanding of the programs out there, and how they apply to farm businesses of different sizes
- Farmers left to gamble with market prices – some type of insurance to cover the ‘playing the market’ approach we are driven to
- Existing programs not likely well positioned to deal with new, emerging issues (like COVID); however, acknowledge that crop insurance was made applicable to cover labour disruption during the pandemic; need to retain this going forward
- Consumer preferences are fickle and can change quickly, not covered well by existing programs
- If they did address them, then they wouldn’t be problems.
- Limited insurance for pasture/forages for livestock operations
- No market garden operation coverages (i.e., CSA, must have variety)
- Size limitations, niche/specialty operations limited options
- Seems limited for smaller operations – is time worth results?

3. How could governments better assist farm operations facing these business risks?

- R&D funding for current and future challenges
- more support for varieties and breeding/crop development
- Prices being compared province wide, this doesn’t take regional differences into account
- Wildlife concerns
 - Environmental goods & services – farmers should be paid for doing good
- Need to be more involved in industries, interact with staff and understand specific ongoing challenges
- Need to update understanding of current challenges and technologies
- 243 crops grown in Canada- we cover maybe 20- need to consider recognition on a more national level be made applicable to all – government insists on “winners and losers” geared on the trade side of things.
- On the other hand, vast production in Canada makes it tough to find a specific program for each crop.
- needs to promote more processing in Canada: need to mitigate issues around labour, but will help mitigate external market risks (we can manage the farm bit, need support for upstream)
- farm labour – large greenhouse operations can’t find labour (even if offering decent wage), easier to work for nothing as a farmer when you reap the capital benefit, less benefit/incentive as farm labour; potential of farmers providing shares to incentivize employees to work?
- ask a lot of farmers already, asking to extend knowledge, etc. to get people engaged to work is a stretch (place for government to support)
- impact of some commodities existing in a global commodity market – challenges of Cdn based regs increasing the cost of products on a global market (i.e., carbon tax), how can government address? Market as a premier product (race to the bottom if market as a commodity provider)

- carbon tax implications for corn drying (used to use alternative methods to dry, ways to innovate 'older' tech that improves its effectiveness)
- invest in research to address ways of dealing with these issues, support venture capital funding, especially as we deal with the new realities of climate change
- help farmers participate in farming related activities (and not penalize participation in BRM programs), incentivize ways to green production, reduce fuel costs, etc. without risk of removal, make some of income allowable to improve reference margin
- how to encourage agri-entertainment aspect? Farm credit won't support certain initiatives for diversified income, potential program through CAP to provide funding support for Agri-related initiatives, potential to use AgriStability to also encourage this type of diversification
- historical push to one-commodity, supported by the bureaucracy of the system, but a diversified farm mitigates risk
- Well managed government that keeps their debt and spending under control
- Well operated economy takes a lot of risk out of running a business
- Decrease costs of TFW programs for producers
- CERB funding has impacted the potential for our sector to source employees (3 days off if you get the vaccine- well intended). Processors, livestock, and crop farmers have tight timelines and need staff timely. Struggling to find employees
- Better respond to & help farmers plan for/cover Plan B, in the case of new/emerging issues like ones we've seen during COVID i.e., livestock processing, farm labour
- Impose taxation on inputs or levies on cheap imports. Taxation/tariffs could impact on items that we receive back.
- Import tariffs – can we try to do a buy local Canadian products that are in season?
- Labour costs – social assistance programs, support of government that agriculture is a program to get into. How can we attract more people? Change the job title so it doesn't sound like labour. Ag Scape promotes agriculture jobs, some of the colleges are starting to promote them. We need to promote it better. Encourage perks i.e., "x" number of hours worked allows you to take part in this fun trip (white water rafting) at the end of the season. More access to summer student funding for employers – has a short window to access the funds.
- processing plants – need Canadian ownership incentive programs – finding government money to help i.e., money was put into General Motors to keep it in the province, but they don't put money into agriculture to keep plants here. We need to remind the government how many dollars are invested into agriculture i.e., trucks that deliver the product, farmers to grow it, seed companies, mechanics to fix equipment, etc.

Comments Specific to Business Risk Management program design

- Programs need to take farm diversity into account
- Recognize diversifying in operations as a benefit (credit), not punitive for programs (i.e., good year for grain does not cancel down beef coverage). When always averaging out always paying in not seeing coverage benefit
- Many members run diversified operations and do not solely farm one commodity. They shared that because of the diversification of their farm, when they have bad years for 1 or 2 of their commodities, they DO NOT trigger a payment. They find this frustrating because in lean or difficult years, they do not trigger payments, even though they have paid into the program since its establishment. Several of them voiced that when they

need financial help due to a lean year, the program criteria disqualify them due to their diversification.

- Programs can be slow to react to emergencies/drought
- RMP works better, many have triggered and used it and crop insurance
- Provincial RMP more effective if Federal government would contribute their 60% to it- would improve an already good program
- Making the programs more reactive and timelier. Not dragging payments out over more than one production year.
- Cheque comes in the mail for each commodity, easier to combine. (RMP?)
- wish Agricorp would update system to access own account without going to front office.
- payout for RMP (if using a diverse rotation, works well), tied to acres & commodity prices, not overall farm income.
- ACC is the reason for being entered into these programs
- If there's a payout when you have a bad year it would encourage people to opt into the program. Does not seem to payout when you have a lean or bad year i.e., people enrolled for 25+ years and never trigger a payment
- Timeliness of the payment- when you do not know if or when you are going to receive the payment it is cumbersome to fill out the paperwork. Payment is often a year down the road, which is too long to wait when having a bad year
- If you don't know if you're getting a payment or able to figure out the payment- probably too difficult of a process
- Another point of frustration was the delay in payment- several group members shared that when they triggered a payment it often came up to a year later. In difficult years waiting a year for the payment is detrimental to their farming operations AND not knowing when/if you are going to receive the payment makes it hard to financially plan. When the payment does come- they voiced that it's often confusing what the cheque is for and that the multiple cheques is a waste of postage and confusing.
- Contract livestock feeder has financial risk and must meet his contracts, but since he does not own his livestock, he does not qualify for program coverage. He finds this frustrating as operations now have different set ups, ownership %, etc.
- There is so much paperwork from Agricorp – the pieces that are needed can get lost in this; lots of money spent on mailing; could this be handled electronically?
- Can the communications be streamlined and focused on what's needed?
- Could there be more access to field staff, like the former hands-on model with OMAFRA staff – help with making the right connection to the right program, since the programs are complex (extension staff through Agricorp)
- When payments are made, no explanation arrives with the cheque; instead, it comes separately
- Need to improve transparency & reporting of how payments are calculated
- Generally, farmers want a decent price for their commodity; prices are finally good, but input costs seem to be increasing, capturing any increase in crop prices so farmers are coming out no further ahead – is there a way to reflect this in BRM programming?
- Weather concerns are only going to increase, need to have BRM programs keep up with this

- Do not go to only online – paper and phone options must remain viable options for producer's enrollment and involvement

Agri-Stability

- Improve Agri-Stability
- Whole-farm programs don't really do anything for farms that have multiple crops i.e., grains & fruits
- diversified farms are punished by programs, magnified by 30% reference margin
- If you're diversified you rarely trigger CAP if ever, but one commodity you could easily trigger the programs
- Many have been enrolled in the program since the beginning and have never triggered a payment
- Programs don't work together i.e., RMP and Agri-Stability do not complement each other
- Agri-Stability can be refined to help with reduced production, structures i.e., building codes, biosecurity will be coming down the line for producers to incorporate into their businesses
- Reference margins change a welcome change
- Joined Agri-Stability when no longer in supply management
- Agri-Stability with diversified business – pay high premiums, challenges during audit & claim, etc. (i.e., timing of harvest & commodity sale, etc.), burdensome and bureaucratic.
- Agri-Stability is a cumbersome program- we need to look closely at the advantages to participate-85% coverage of margin only kicks in at 70% have to a 30% decline in your margin in order to qualify for payment. If this changed, they could rely on more in a business sense, you would have to endure quite a loss to get that 30% decline. Always participated in Agri-Stability, but never been able to receive anything – relies on crop insurance more for business decisions in general.
- Declining Agri-Stability enrollments indicate some feel participation is not worthwhile for their operation
- Can try to trigger a raise of percentages from 70%
- Nice to have the trigger and payout value at 80% you must have more of an impact financially to hit the 70%
- Federal and Provincial need to be on the same page regarding the %
- Changes have been made to the scales i.e., large maintenance expense really designed to not pay out can be seen as pointless due to the 70% threshold
- Custom work & related expenses don't directly fit under current program structure, but are part of the farm diversification strategy – could a diversified whole-farm approach to BRM programs capture this?

Agri-Invest

- Agri-Invest (like no specific criteria, open for personal farm needs) flexibility
- Agri-Invest – popular because it is simple, not a lot of work to use it
- Agri-Invest is great, max out every year
- Want increased funding to Agri-Invest

- Agri-Invest is the simplest to understand but harder to qualify for (matching percentage for small operations hardly makes it worthwhile to go through the paperwork to apply)
- Agri-Invest- needs to have some consideration for family farms- tough to match minimum match deposit associated with it.

Crop Insurance

- Crop insurance program, viability & cost of program
- Crop insurance needs to adapt for climate & cover crops
- Crop insurance too expensive for northern producers
- programs used: production insurance (felt like we couldn't afford not to), not perfect but much better than not having, responsive and willing to work with, winter kill in hay followed by dry year, really short hay but couldn't get hay insurance because enough rainfall, but winter kill is what impacted yield (insurance related to rainfall), have improved measurements, but no provisions for winter kill; needs to look at winter kill in hay fields
- high debt load on family farm, bank often required production insurance; when it works it's great, hard for new farmers to access (lots of pressure to get insurance this year).
- RMP program is easy to navigate and understand. You have an idea as to how much \$\$ is coming back. Crop insurance is similar- you know if there's a drought year you are going to trigger a payment.
- How the percentages are applied: need to be fully enrolled in crop insurance to be in the risk management- percentages need to be increased- percentages are applied on the total property, 10% is still a significant loss on 1000 acres, for example.
- Crop insurance – you know what you're getting
- specialty crops as seed producers can only purchase insurance at crop price not premium seed production prices
- Need Crop insurance for animal/wildlife damage (cranes, bears, deer)
- Livestock injured/killed by wildlife, need a simple program to cover this
- Crop insurance programs don't recognize new or specialty crops (e.g., green peppers, Buffalo)

Agri-Recovery

- It is quite rare that an area is eligible for Agri-Recovery - it is too localized and unpredictable
- Feds have never turned down a provincial ask for Agri-Recovery – Despite issues, the ask has never been made, which makes it more of a political issue more so than a program flaw.
- Governments can play a more proactive role. Funding dollars come a little too late or reactions can be delayed
- In example of NW Ontario drought – reacted quickly but now lack funding. Politics also gets in the way which takes away from supporting farmers and addressing issues
- Speed up response time e.g., drought in the north – decision speed on how quick a program is put in place, but how quickly does the money get into the hands of the producers.

4. In addition to (or instead of) participating in government BRM programs, how are farm operations managing these business risks?

- Farmers renting extra land in north in place of crop insurance
- Private crop insurance
- crop rotations, diversification, soil management techniques
- need to promote & encourage innovation
- being diversified covers farm risks, but is punished by programs
- Blueberries mitigate risk by managing water – pumped water avoids frost, drought & drain water
- From cash crop perspective – a lot of succession plans that will not work with current BRM plan. Some farmers take money and put it into a specific bank account that builds up as an insurance plan
- Operations will diversify to manage these risks
- These programs aren't designed to work under these circumstances and essentially punish farmers for diversifying
- If producers keep up with technologies, it helps mitigate weather challenges, among others
- Crop farmers diversify to spread their risk across different crops or diversify with livestock
- Some farmers have off farm jobs, or their spouse has an off-farm job to mitigate risk
- Streamline business operation with least profitable portion being diversified, least profitable area is dropped or suspended for a year. Lower your risk and go with the more profitable areas. Not always the best answer to the problem
- Some operations seek outside help from advisors and consultants to overcome some of the business risks
- Locking in at lower interest rates to protect the business from future rising interest rates
- forward contract crops, marketing plans
- working with local abattoir/butcher & direct sales
- hog industry – long term supply contracts with processors; challenges with Canadian pricing formula; but disconnect between supply of pigs and processing space, further complicated by impact of US pricing
- fruit & veg – keep debt levels low, diversify crops, diversify production locations (to deal with weather impacts)
- Seeking other funding option supports (limited expansion support for non-mainstream commodities requirement of retiring facilities does not allow transition)
- Restructure of operation components to spread risk
- Diversified other aspects of operation to minimize risks
- Analyzed what yearly cost to participate in programs cost, then chose to invest the same amount annually, and have made more money