



February 3, 2021

Hon. Ernie Hardeman
Minister of Agriculture, Food and Rural Affairs
77 Grenville St., 11th Floor
Toronto, ON M5S 1B3

Dear Minister Hardeman,

Re: Support for AgriStability Enhancements

We are writing to you as a follow-up to our letter dated December 21, 2020 regarding negotiations surrounding potential improvements to the AgriStability program.

Minister, we would like to express our sincere thanks and appreciation to you for your efforts to improve the AgriStability program. We know how much time and energy you have personally put into bringing FPT minister's together to build consensus around program improvements. We want you to know that your efforts have not gone unnoticed, and that they are appreciated by our respective organizations, and our members.

We are aware that you have joined Minister Bibeau in support of the proposal that was put on the table for FPT governments to consider. While these changes would represent meaningful improvements to the program, the absence of any change to the program trigger will leave many farmers without adequate coverage. Recognizing that Minister Bibeau's proposal falls short of what both you and industry groups had originally hoped for, and short of the spending authority that was granted by the Ontario Treasury Board for more robust improvements, including a return to an 85% trigger level, we reiterate our strong support for the following recommendation:

If a consensus on AgriStability enhancements cannot be reached, we collectively request that the funding that has been earmarked for AgriStability enhancements be redirected to augment the Ontario Risk Management Program / Self-Directed Risk Management Program starting in 2020 before the final program payments have been made.

Minister, we are grateful for your leadership on this issue. We were extremely pleased to learn that Treasury Board was supportive of your pitch last year for additional spending authority to accommodate anticipated AgriStability enhancements. However, it appears that the program improvements you fought so hard for will not be implemented in full this year. If a consensus is reached on either Minister Bibeau's proposal or an alternative approach, it will therefore likely represent a much smaller increase in the AgriStability liability for Ontario than was originally planned for when approval was sought from treasury.

In light of this, we urge you to consider redirecting or requesting a redirection of those funds into the RMP/SDRM program. This is the single most important and impactful decision that the Ontario government can make with respect to business risk management support in the absence of the more robust changes to AgriStability.

We will continue to support you and your efforts to improve the AgriStability program. We also would be remiss if we did not restate our sincere thanks for the decision to augment RMP/SDRM funding in 2020 with an additional \$50 million. We acknowledge this was a significant financial commitment by your government, and we thank you for that. However, we hope you will give serious consideration to our recommendation to redirect funds earmarked for AgriStability improvements to the RMP/SDRM program.

We would welcome the opportunity to discuss our recommendations in further detail at your convenience.

Sincerely,



Markus Haerle
Chair, Grain Farmers of Ontario



Rob Lipsett
President, Beef Farmers of Ontario



Bill George Jr.
Chair, Ontario Fruit and
Vegetable Growers' Association



Eric Schwindt
Chair, Ontario Pork



Marc Carere
Chair, Ontario Sheep Farmers



Pascal Bouilly
Chair, Veal Farmers of Ontario

Cc: Doug Ford, Premier of Ontario
Tara Barry, Chief of Staff, Office of the Hon. Minister of Agriculture, Food and Rural Affairs