

Summary of National Farmers Union recommendations for Business Risk Management Programs – August 2012



- 1. The National Farmers Union recommends that the maximum payment under AgriStability be reduced from the current \$3 million per farm to \$300,000 per farm.*
- 2. The National Farmers Union also recommends that the program cap for AgriInvest be lowered to \$1 million of eligible sales, and access to matching grants be provided on a sliding scale based on the total eligible sales per farm up to the maximum of \$1 million/farm/year.*
- 3. The National Farmers Union recommends that all subsidiaries of a corporate entity be considered a single farm for BRM program purposes. In other words, an agribusiness corporation could not subdivide its operations into a series of smaller spin-off companies in order to maximize its payout under GF2 BRM programs.*
- 4. The National Farmers Union recommends maintaining the 15% margin loss trigger for AgriStability*
- 5. The NFU recommends that AgriInvest lower the eligible sales cap to \$1 million per year. This would still include 95% of Canadian farms in the program.*
- 6. The NFU recommends a sliding scale for the government contributions to AgriInvest accounts. On deposits based on eligible sales up to \$250,000 AgriInvest would continue to match 100% of farmers' deposits. On sales from \$250,000 to \$500,000, 75% of deposits would be matched, and on sales over \$500,000 up to the cap of \$1 million, 25% of deposits would be matched.*
- 7. AgriInsurance is a valuable program and the National Farmers Union recommends that it be maintained with the same level of government support.*
- 8. The National Farmers Union recommends that the federal and provincial governments make climate change mitigation and adaptation a top priority.*
- 9. The National Farmers Union recommends that all farmers affected by a disaster be eligible for disaster relief under AgriRecovery regardless of their participation in other BRM programs.*
- 10. The NFU recommends that any price insurance proposal be presented in detail for meaningful farmer consultation and approval, that any proposed price insurance scheme be publicly funded, and that it not be used as a replacement for other risk management programs.*