



September 24, 2012

re. AgriRecovery Assessment for Drought in Ontario

The NFU – Ontario sent a survey to members and received responses from farmers across the province including Bruce, Elgin, Grey, Huron, Lanark, Lennox and Addington, Ottawa, Oxford and Renfrew counties. Those who responded are working anywhere from 8 to 500 acres. Their crops/activities include beef, sheep, pork, pasture/hay, wheat, spring grains, soybeans, spelt, corn, mixed vegetables, strawberries and horse breeding.

Losses/impact of the drought:

- ⤴ hay yields 30 – 50% of normal for own livestock or for sale;
- ⤴ grazing days reduced by 2/3 with hay being fed for an extra three to four months;
- ⤴ 75% of livestock farmers already culling or planning to cull animals;
- ⤴ loss of new seedings of underseeded barley, alfalfa, clover, hay/pasture;
- ⤴ shortage of water for livestock;
- ⤴ no fresh produce to market for three weeks during height of season;
- ⤴ yield reductions of cash crops resulted in losses ranging from \$14,000 to \$200,000 per farm
- ⤴ yield reductions of vegetable crops from blossom drop and lack of pollination due to high temperatures and lack of moisture;
- ⤴ beekeepers faced reduced yield due to lack of pollen and increased parasite problems, including mites and beetles;
- ⤴ poor quality hay due to frost, army worm and alfalfa weevil damage compounded by drought;
- ⤴ additional parasite/health problems in livestock from eating too close to the ground.

Extra-ordinary activities and costs due to drought:

- ⤴ purchase of hay, with costs ranging from \$3,000 to \$14,000 per farm;
- ⤴ purchase of grain to feed instead of hay, with costs of \$330 to \$460 per tonne;
- ⤴ costs due to water shortages for pumps, storage tanks, irrigation equipment, and additional fuel, ranging from \$500 to \$10,000 per farm;
- ⤴ fuel and machinery costs to harvest a very poor second cut of hay and then the costs of taking a third cut, for those farmers who do not normally take a third cut;
- ⤴ cost of planting oats for silage into wheat and spring grain stubble and then the harvest cost;
- ⤴ purchasing ingredients to use in TMR mixes including WDGS, DDGS, straw;
- ⤴ additional time that all of the above activities require, which means a lower return to the farmer and that other projects have been neglected – as an example – one farmer noted

watering took an extra 1-2 hours per day after the well ran short, in addition feeding livestock takes longer when hay needs to be transported around the farm and from other locations.

Long-term impact:

NFU members are deeply concerned about the long term impact of the drought. Without support farmers are forced to make decisions to survive now, instead of making the best decisions for the future of their own farms, their communities and providing food to the citizens of Ontario.

Concerns noted in the survey include:

- ⤴ beef herds and sheep flocks are being culled, leading to the loss of breeding stock;
- ⤴ the culling of breeding stock will mean that less beef and lamb will be produced in Ontario, even though the demand for Ontario lamb is already greater than the supply;
- ⤴ herd/flock reductions will lead to a loss of income to farmers in future years;
- ⤴ flock and herd reductions will result in the loss of hay/pasture land and lead to more cash cropping – this has environmental impacts, eg erosion, habitat for wildlife;
- ⤴ with some farmers taking the extraordinary step of taking a third cut of hay, and pushing that cut into the critical period, there is concern about the impact next year on alfalfa fields and a potential drop in yield;
- ⤴ extra costs next year to re-seed hay/pasture lost due to overgrazing or extra harvests;
- ⤴ loss of customers at farm stalls, market stalls, in community supported agriculture (CSA) membership because of shortage of produce this season.

Recommended Crop Insurance Changes:

- ⤴ allow for pre-harvest payouts for crop losses determined by the adjuster, as is allowed in Manitoba/Saskatchewan;
- ⤴ most livestock producers, especially small producers, do not carry hay/pasture insurance because rainfall is so variable and it is hard to record how well yields are running in comparison to running corn over a scale at the elevator;
- ⤴ if this type of summer becomes more common, long term averages will decline, meaning insurance payments are going to be less and less helpful;
- ⤴ too many surcharges;
- ⤴ need low winter snow load and high temperature moisture evaporation factored into drought calculations;
- ⤴ in the event of a disaster, there should be 100% coverage, including inputs
- ⤴ quicker response times, faster processing of payments;
- ⤴ crop insurance is not an option for smaller, diverse farms with a wide variety of vegetables, field crops, livestock and other products;

Note: that several of these recommendations point to the need to maintain a strong disaster relief/AgriRecovery program within the BRM suite of programs since other BRM are not able to meet the needs of some farmers.