



**national
farmers
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December 2, 2022

Hon. Marie-Claude Bibeau
Minister of Agriculture and AgriFood
1341 Baseline Road
Ottawa, Ontario K1A 0C5

Dear Minister Bibeau,

RE: Request that Advance Payment Program by life insured

The National Farmers Union hereby requests that advance payments under the Advance Payment Program be life insured at a reasonable cost to the producer.

Although we realize that the Advance Payment is not a loan, we feel it should be treated as many other loans are, i.e. when the producer dies, the loan is automatically considered paid.

Under the current Advance Payment Program, when a producer dies, their estate must pay off the amount owing which, in most cases amounts to hundreds of thousands of dollars. To do this, the family would have to sell off the cattle if it is a livestock operation. On other farms, cash crops would have to be sold to settle the debt right away. This places extreme, unnecessary hardship on the grieving farm family, and in the case of a beef operation, this could be very difficult, as raising beef is a long-term investment.

We trust that you will consider this request with compassion for farm families who find themselves in this situation, and that you will make the necessary changes to the Advance Payment Program.

We look forward to hearing from you regarding this request.

Sincerely

Jenn Pfenning,
President, National Farmers Union

Strong Communities. Sound Policies. Sustainable Farms.

Des communautés solidaires et des politiques sensées pour une agriculture durable.

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