



Growing Forward 2

A federal-provincial-territorial initiative

Growing Forward 2 is a five-year policy framework for Canada’s agriculture and agri-food sector and the basis for the delivery of federal-provincial-territorial programs. *Growing Forward 2* includes ongoing funding for a comprehensive suite of Business Risk Management programs and an investment of \$3 billion in strategic initiatives to foster innovation, competitiveness and market development.

BUSINESS RISK MANAGEMENT PROGRAMS

Under *Growing Forward 2 (GF2)*, producers continue to have access to a comprehensive suite of Business Risk Management (BRM) programs that offer protection against severe market volatility and disasters. Governments will also assist the industry in its efforts to research, develop and implement new agricultural risk management tools.

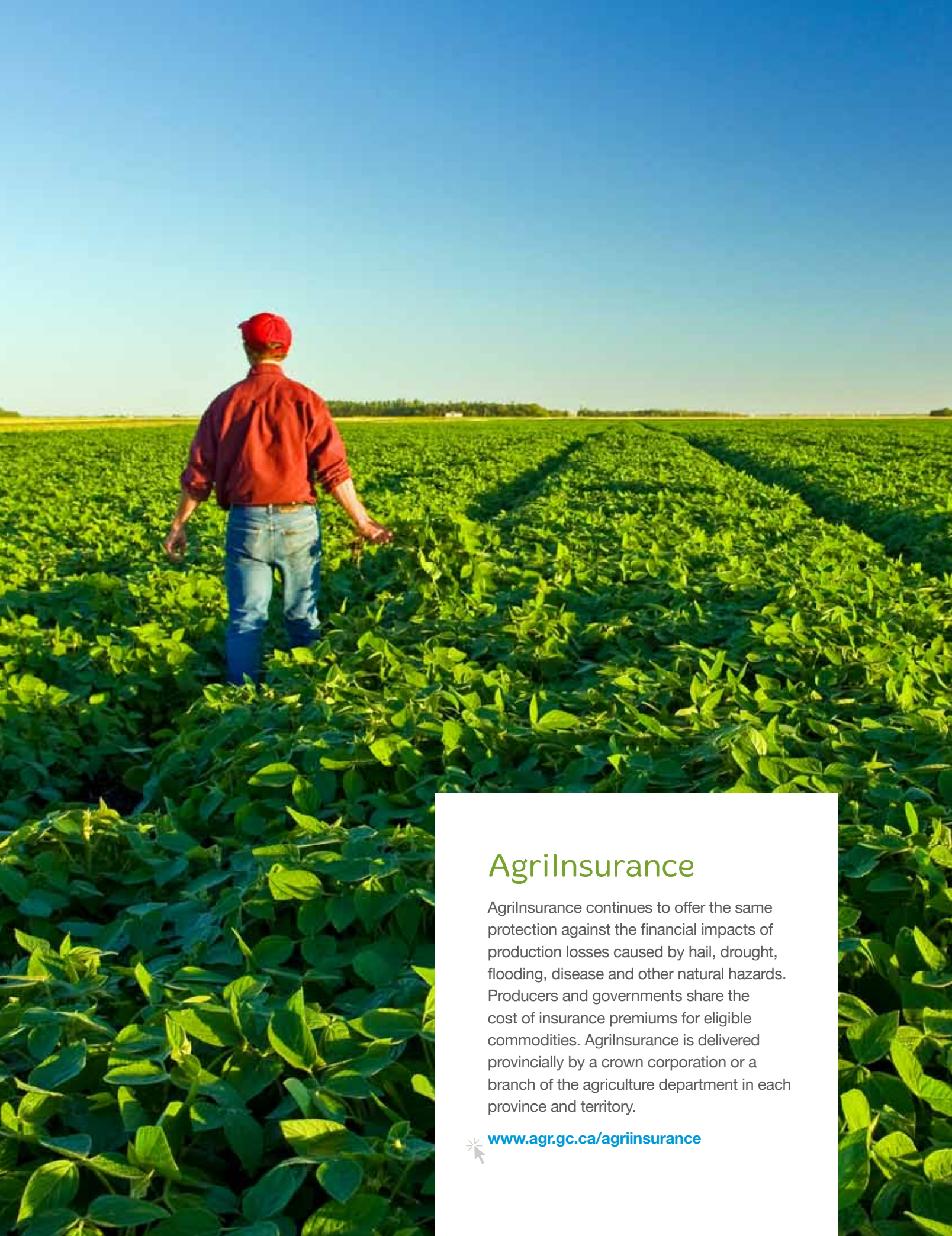
GF2 aims to help the agricultural industry position itself to take advantage of future opportunities, respond to challenges, and achieve its full potential as a productive and profitable sector of the Canadian economy.

BRM Programs – What to Expect for the 2013 Program Year

Changes to BRM programs come into effect for the 2013 program year. The existing program rules remain in effect for the 2011 and 2012 program years.

For contact information on BRM programs, see page 6.





AgrilInsurance

AgrilInsurance continues to offer the same protection against the financial impacts of production losses caused by hail, drought, flooding, disease and other natural hazards. Producers and governments share the cost of insurance premiums for eligible commodities. AgrilInsurance is delivered provincially by a crown corporation or a branch of the agriculture department in each province and territory.



www.agr.gc.ca/agriinsurance

BRM programs

have provided over \$11 billion in support to producers across Canada since 2007.



AgriStability

AgriStability offers protection against large declines in farm income caused by circumstances such as low prices, rising input costs and production losses.

70% Margin Coverage: Beginning in the 2013 program year, governments will provide assistance once a producer's margin falls below 70% of their historical reference margin – calculated as the average program margin over three of the previous five years, excluding both the highest and lowest years. This change will target assistance to farm operations facing the most severe income losses. The annual AgriStability fee to protect a farming operation is lowered to reflect this level of coverage, at \$315 for every \$100,000 of the reference margin.

Harmonized Assistance Rates: For the 2013 program year, governments will provide support for both the positive and the negative portions of a margin decline at 70% of the loss. Harmonizing assistance at 70% simplifies the payment calculation and increases assistance in cases of negative margins to those who are eligible.

Reference Margin Limit: For the 2013 program year, payment calculations will be based on the lower of the historical reference margin or the average allowable expenses in the years used to calculate the reference margin. This limit has been introduced to better target AgriStability assistance to cases of severe income losses, rather than to profit fluctuations. This change will reduce payments to producers who remain profitable when experiencing a margin drop, while ensuring that the program continues to respond to disaster situations.

The reference margin limit calculation will be applied to all operations, but not all operations will see their reference margins reduced as a result.



AgrilInvest

AgrilInvest helps cover income declines and supports investments that help mitigate risks.

For the 2013 program year, producers can now contribute up to 100% of their Allowable Net Sales (ANS) once per year, with the first 1% matched by governments. Annual government matching contributions are subject to a limit of \$15,000 per AgrilInvest account. Recognizing producers' increased contributions to their accounts, the maximum AgrilInvest account balance has been increased to 400% of historical average ANS. These increases in the AgrilInvest contribution and account limits will allow producers to make better use of AgrilInvest to address income declines or make investments to better manage risks. The interest earned on both producer and government contributions remains tax free until withdrawn.

Producers continue to have the flexibility to withdraw their AgrilInvest funds at any time. Withdrawals are first drawn from the taxable government contributions and interest earned, and then from the non-taxable producer deposits.

A province or territory may choose to implement specific requirements for producers to undertake one or more activities related to traceability, environment, business development and innovation, before they are eligible to receive the matching government contributions.

 www.agr.gc.ca/agriinvest

AgriRecovery

AgriRecovery helps producers with the cost of activities necessary for recovery following natural disaster events.

The AgriRecovery Framework allows governments to collaborate, on a case-by-case basis, to:

- assess the impacts of natural disasters (e.g., disease, pests, weather events, etc.); and
- help affected producers with extraordinary costs of recovery where there is need for assistance beyond existing programs.

AgriRecovery is intended to complement, rather than duplicate or replace, existing programs. Producers are strongly encouraged to make full use of existing BRM programs to help with income and production losses resulting from disasters.

As part of *GF2*, governments have agreed to refine the parameters of the AgriRecovery Framework to clarify when and how AgriRecovery can respond to disaster events and to ensure assistance is aimed at helping producers with the extraordinary cost of recovering from a disaster.

 www.agr.gc.ca/agrirecovery

Advance Payments Program

Producers also have access to the Advance Payments Program (APP), a federally funded program that complements the BRM suite. The APP helps crop and livestock producers with low interest guaranteed loans which provide them with greater flexibility in the marketing of their commodities.

 www.agr.gc.ca/app





IMPORTANT DEADLINES

For individual producers, AgriInvest and AgriStability forms are jointly filed with their income tax forms (except in Quebec). For corporations, co-operatives, special individuals and producers in Quebec, AgriInvest and AgriStability applications can be obtained through the AgriStability administration in their province. See contact information on the next page for websites and telephone numbers.

AgriStability

APRIL
30
2013

Deadline to enrol in AgriStability and pay the fee for the 2013 program year. Fees paid after this date will have a 20% penalty added. The final deadline with penalty is December 31, 2013.

SEPT
30
2013

Deadline to submit the 2012 AgriStability/AgriInvest Harmonized Form without penalty*

These deadlines apply where the federal government delivers AgriStability. Provincial AgriStability administrations may have different deadlines. Producers in British Columbia, Alberta, Saskatchewan, Ontario, Quebec or Prince Edward Island should contact their provincial administration for more information on AgriStability deadlines.

*If producers miss the September 30, 2013 deadline, they can still submit the form until December 31, 2013 with a \$500/month reduction to their AgriStability payment.

AgriInvest

SEPT
30
2013

Deadline to submit the 2012 AgriInvest application without penalty*

Producers have 90 days from the date of their Deposit Notice to make a deposit to their account.

In Quebec, AgriInvest is delivered by La Financière agricole du Québec.

*If producers miss the September 30, 2013 deadline, they have until December 31, 2013 to submit the form with penalty; however, the Maximum Matchable Deposit will be reduced by 5% for each month (or each part of the month) that the application was late.



CONTACT INFORMATION FOR BUSINESS RISK MANAGEMENT PROGRAMS

Agriculture and
Agri-Food Canada

www.agr.gc.ca/gf2
1-866-367-8506

Manitoba, Nova Scotia,
New Brunswick, Yukon,
Newfoundland and
Labrador

www.agr.gc.ca/gf2
1-866-367-8506

British Columbia

www.agf.gov.bc.ca
1-877-343-2767

Alberta

www.afsc.ca
1-877-899-2372

Saskatchewan

www.saskcropinsurance.com
1-866-270-8450

Ontario

www.agricorp.com
1-888-247-4999

Prince Edward Island

www.gov.pe.ca
1-902-620-3091

Quebec

www.fadq.qc.ca
1-800-749-3646