

## **BCGPA Safety Nets Committee Report March 31, 1999 to March 31, 2000**

This is the majority of the activities of the Safety Nets Committee from Mar.31, 1999 to Mar.31, 2000. It does not include hours spent: preparing for meetings, writing letters, attending meetings (locally and provincially), conference calls, and other phone calls. It is obvious this committee was very busy this past year.

In regards to **general Safety Nets** activities we:

- gave our position to the Federal Select Standing Committee for Agriculture.
- wrote letters (prov/ fed) re: \$400 M for Sask. & Manitoba.
- wrote letters again (prov/ fed) re: \$145 M for Alberta.
- had numerous phone calls in regards to grain and oilseed position re: changes to federal Safety Nets envelope allocations.
- attended BC Agriculture Council meeting re: BCGPA's further involvement and membership.

More specifically, **our role in NISA:**

Through the BC All Commodities Safety Nets Committee, we continue to look at ways of improving NISA. Points discussed were more effective triggers, enhanced NISA, bonus interest, etc. We continue to support this program as a rainy day fund and not a retirement fund. We also feel NISA should have a strong linkage to any disaster program, but must not penalize an enrolled producer versus a non-enrolled producer.

**Our role in Crop Insurance:**

We continue to work with private industry and the possibility of private delivery. We are also involved with the Alberta Review of Crop Insurance and have attended one meeting to date. We have also:

- attended advisory meetings in Dawson Creek/ Vancouver
- attended Alberta review of CI in Calgary
- written a letter re: reduced input help (provincially)
- written letter re: reduced hail and plus coverage for 2000
- participated in numerous phone calls.

We continue to feel there must be a strong linkage to any disaster program and again must not penalize an enrolled producer versus a non-enrolled producer.

**Our role in Whole Farm Insurance Program:**

Despite participating on numerous conference calls and attending a number of meetings in Vancouver, this program is not meeting the needs of the grain and oilseed sector. It does however appear that the feds are looking at a new 2 to 3 year disaster program, but modeling it on the strengths of AIDA. We feel that WFIP/ AIDA was designed for stable commodities that experience a short cycle decline. This is far from the case in grain. We have in no uncertain terms voiced our concern in this regard, and remain challenged to put the interests of the grain and oilseed sector at the forefront.

In terms of accomplishments over the past couple years, the Safety Nets Committee asked, fought for and **changed the way NISA was linked to the WFI Program**. We initiated the change where only the government contribution to your NISA accounts in the claim year was used as income in the calculation, rather than the entire government portion of your NISA account.

Alberta or Old Model:

- WFIP claim – total \$ gov't side NISA = WFIP Indemnity

BCGPA Changed Model:

- WFIP claim – gov't contribution (claim year/ max \$7500) = WFIP Indemnity

This change not only created fairness, but also became the model for AIDA, when it was announced a year later.

The other benefit, that we fought for and received for the 2000/2001 years, will be the **extension to the reduced hail/ plus coverage rates**. Although we did not initiate the program last year, we did work with and support the tree fruit industry to have it introduced. We did however initiate and work towards having the program extended one more year. The program was announced last year with a 45% reduction in hail rates and a 45% reduction in plus coverage rates for 2000. This will now be extended to give a producer a 45% reduction in both hail and plus coverage for 2000, and a 45% reduction in plus coverage rates for 2001.

The new reduced hail rates for 2000 will be:

Wheat, barley, oats:	1.6%
Canola:	3.19%
All fine seeds:	2.81%

Other accomplishments, although not as noteworthy, still benefit our sector. In terms of total effect, these major and minor achievements of the Safety Nets Committee have literally put millions of dollars into farmers' pockets as well as into the entire BC Peace.

Submitted by: Jim Smolik  
Co-Chair Safety Nets Committee, BCGPA

**BC GRAIN PRODUCERS ASSOCIATION  
SAFETY NETS PROJECT  
INCOME & EXPENSE STATEMENTS  
APRIL 01, 1999 TO MARCH 31, 2000**

**Income**

BC Grain Industry Development Council	874.00
Peace River Agriculture Development Council	<u>3,496.00</u>

**Total Income** 4,370.00

**Expenses**

BCAC Direct Membership	1,000.00
Project Management	570.00
Travel	<u>889.04</u>

**Total Expenses** 2,459.04

**Excess of Income over Expenditures** 1,910.96

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**Accounts Receivable**

BC Grain Industry Development Council (HB-10%)	87.40
Peace River Agriculture Development Council (HB-10%)	<u>350.00</u>

**Total** 437.40