

April 12, 2019

Dear Industry Partners:

Re: 2019 AgriStability Program

As the growing season approaches, so do many unknown factors that can impact Saskatchewan producers. With sights on a successful year, we know there are no guarantees and 2019 brings many uncertainties for our agriculture industry. I would like to take this opportunity to remind producers of the AgriStability Program available through Saskatchewan Crop Insurance Corporation (SCIC).

I encourage producers to consider participating in AgriStability, a low-cost risk management program offering financial assistance to producers who experience large margin declines. AgriStability can help protect your bottom line against uncontrollable factors like market price drops, harsh weather conditions and increases in input costs.

As a margin-based program, AgriStability accounts for the whole farming operation and coverage is personalized for each farm by using historical information, based on income tax and supplementary information. AgriStability calculates a program year margin and a reference margin for each farming operation. If your program year margin falls more than 30 per cent below the reference margin, due to any combination of production loss, adverse market condition or increased costs, AgriStability could provide a payment.

In Saskatchewan, SCIC has administered the AgriStability Program since the 2009 program year. In the last three program years, AgriStability paid benefits of over \$200 million to Saskatchewan producers. These benefits were paid as a result of uncontrollable factors that negatively impacted producers' farms, such as price drops in the cattle market, dry conditions reducing yields, market access issues in the lentil market and a difficult harvest with crop left out over winter.

The deadline to enrol in AgriStability is April 30, 2019. To enrol, simply call the AgriStability Call Centre (1-866-270-8450) and request a new participant package. You will be asked a few simple questions over the phone, with no initial requirement of supplying historical farm information. This request must be made by April 30, 2019. Once enrolled, new participants then have the option of submitting either their previous three years or five years of historical information for processing their final application.

Producers in Crop Insurance can also participate in AgriStability to maximize their coverage. While Crop Insurance provides coverage for in-season crops, from the start of seeding until harvest is complete, AgriStability provides further coverage for other risks to your farming income. Since AgriStability accounts for the whole farm, the Program can provide a benefit even if you receive a Crop Insurance payment. When combined, Crop Insurance and AgriStability offer extensive coverage protecting the bottom line for Saskatchewan farms and ranches.

I also want to mention the Advance Payments Program, a federal loan guarantee program. This cash advance program can help farmers and ranchers meet their immediate financial needs, such as farm input costs and product marketing. Your advance can be secured by Crop Insurance, AgriStability or the Western Livestock Price Insurance Program (WLPIP). If you are planning to use AgriStability for security with the Advance Payment Program, you will need to be enrolled in AgriStability by April 30.

I hope I have provided some more insight about these risk management programs available through SCIC. Please feel free to share this with your members and if there are any questions, please let me know or reach out to your local SCIC customer service office.

For questions about AgriStability or to enrol in the Program, please contact the AgriStability Call Centre at 1-866-270-8450.

Sincerely,



Shawn Jaques
President and CEO