

July 2017



# MuckerNews

Monthly Articles & Updates For HMGA Members

For July we felt that we would pass on some links that OMAFRA has that could help some growers. As well, we have working with Agricorp to help provide more information about crop insurance and we have included some info on that as well.

## PLEASE SEND US YOUR INFO

We continue to work with the Ministry of Agriculture, OMAFRA, OFVGA and OFA to keep them informed of all the damage from the inclement weather this year. Earlier we sent everyone a request to provide us with in how many acres they farm and how many acres have been damaged so far this year. If you have not already done this, please take the time to do so. This information helps us to give accurate numbers to the government agencies trying to assess programs and assist us.

## CROP INSURANCE

For the past few weeks we have been working closely with OMAFRA to assist farmers with damage from the weather we have been facing. Here is a collection of some of OMAFRA's resources that we have been asked to pass on. This will also be posted to the HMGA website under resources, should you wish to refer to it in the future. We encourage everyone to download and print the documents for your own reference. If you have any issues doing so, please contact OMAFRA or the HMGA for assistance.

OMAFRA's [Drainage resources](#)

Publications in the Best Management Practices Series:

[Water Management](#)

[Irrigation Management](#)

[Soil Erosion by Water](#)

[Cropland Drainage](#)

Ontario Soil and Crop Improvement Association's Low Water Conditions worksheet

[Environmental Farm Plan Emergency Plan](#)

Resources for water conservation, creating water storages, using irrigation systems and adapting to extreme weather and water conditions

[Adverse Weather](#)

[Low Water](#)

[Irrigation](#)

Contingency planning is an important way to plan for the future. OMAFRA encourages farmers to create water management contingency plans for their operations in order to be ready for whatever the future brings.

Plans can outline:

- for irrigation water supplies, apply well in advance for a Permit to Take Water through the [Ministry of the Environment and Climate Change](#) (special rules and circumstances apply).
- drainage options
- how to handle flooding in farm buildings

OMAFRA is working with other provincial ministries, conservation authorities and other partners to develop ways to help farmers manage water resources and to plan for periods of low and excessive water. While we can't predict the weather, we can plan for it's impacts.

Growers can also call OMAFRA'S Agricultural Information Contact Centre for any advice: 1-877-424-1300

## NEW MAILING ADDRESS

Holland Marsh Growers' Association  
140 Holland Street  
Box 13065  
Bradford, ON L3Z 1Y0

## CONTACTING THE ASSOCIATION

Please note the following for contacting Jody:  
Email: [hmgaexec@gmail.com](mailto:hmgaexec@gmail.com)  
Phone: 905-251-6786  
Office Hours: Monday – Friday, 9 am – 5 pm



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## AGRICORP

Below are some examples for growers who insure onions, carrots, potatoes, celery and lettuce.

### YIELD BASED EXAMPLES: (ONIONS, CARROTS, POTATOES)

These are all multi-peril plans where yield is collected and used to calculate a production loss. Perils include: drought, excessive moisture, excessive rainfall, flood, frost, hail, wind, wildlife, and insect infestation and plant disease provided good farm management practices are followed.

You will notice that premiums are higher per acre for the yield based plans however the value (total liability) of the crop being insured is also much higher. If a grower has a severe loss over all acres, then the claim payment will be much higher with this plan. Growers can select lower coverage levels to reduce this cost per acre which essentially increases the deductible before paying a claim. Lower coverage levels only reduces a production claim and does not impact the reseed benefit or the USAB benefit.

### FRESH MARKET VEGETABLE ACREAGE LOSS EXAMPLES: (ONIONS, CARROTS, CELERY, LETTUCE)

Fresh Market Vegetable Acreage Loss is a plan based on cost of production. No yield is collected from the grower. The loss is on an acre basis and is assessed prior to harvest. Predetermined abandonment thresholds are used to determine if a claim is paid or not. If the yield in a particular area (minimum 1 continuous acre) is lower than the abandonment threshold then a claim is paid. Premiums are lower because it is a basket approach and because insured values are lower.

### FOR MULTI-PERIL COVERAGE THE PERILS INCLUDE:

Drought (note: drought is not an insured peril for Spanish onions), snow, hail, tornado, excessive rainfall, frost, wildlife from which there is no adequate means of protection available, high winds, excessive moisture and excessive heat; infestation or epidemic due to insects or plant diseases from which there is no adequate means of protection (note: infestation or epidemic due to insects or plant diseases from which there is no adequate means of protection are not insured perils for double cropped zucchini); Flooding caused by nature and constituting an exceptional event.

There are also specific peril options for this plan including Hail only, Frost only and Hail and Frost Only. Claims will only be paid if one of those perils causes damage in these coverage levels. You will notice the cost per acre is much lower for these coverage options.

**Production Insurance Scenarios - FMV-AL**

Assume a grower has 100 acres of an individual crop and wants to insurance under the Fresh Market Vegetable Acreage Loss Program

The grower selects the highest price option and the highest percent coverage.

Minimum of 2 acres to be eligible

The minimum acreage eligible for a claim is one continuous acre of a crop class.

**Claim Types**

Special protection claim - inability to plant your crop by the planting deadline (# of acres x cost/acre x coverage level)

Emergency measures claim - may be paid when emergency work is done to reduce or eliminate the crop losses caused by an insured peril.

Abandonment claim - is authorized when your yield is lower than the abandonment threshold established for each crop class. It is evaluated in the season when damage occurs.

**Multi Peril Coverage**

Crop	Crop Class	Acres A	Insurable Value (Option 1) B	Total Insurable Value C= A x B	Premium rate (%/acre) D	Total Premium E= C x D	Premium Rate / Acre F = E / A	Coverage Level G	Insurance Guarantee / Acre H = B x G	Total Liability (Abandonment) I = A x H	Total Premium as a Percent of Total Liability J= E / I	Abandonment Threshold (units/acre)
Yellow Onions	R15.1-Yellow onions, mineral soil	100	\$ 2,300	\$ 230,000	3.85%	\$ 8,855	\$ 88.55	80%	\$ 1,840	\$ 184,000	4.81%	14,400 lbs
Yellow Onions	R15.2-Yellow onions, muck soil	100	\$ 2,600	\$ 260,000	3.85%	\$ 10,010	\$ 100.10	80%	\$ 2,080	\$ 208,000	4.81%	16,100 lbs
Carrots	R1.1-Carrots, mineral soil	100	\$ 1,800	\$ 180,000	3.85%	\$ 6,930	\$ 69.30	80%	\$ 1,440	\$ 144,000	4.81%	12,500 lbs
Carrots	R1.3-Carrots, muck soil	100	\$ 2,000	\$ 200,000	3.85%	\$ 7,700	\$ 77.00	80%	\$ 1,600	\$ 160,000	4.81%	14,000 lbs
Celery	L4.1-Celery	100	\$ 3,800	\$ 380,000	4.95%	\$ 18,810	\$ 188.10	80%	\$ 3,040	\$ 304,000	6.19%	7,200 units
Celery	L4.2 Celery, high density, processing	100	\$ 4,300	\$ 430,000	4.95%	\$ 21,285	\$ 212.85	80%	\$ 3,440	\$ 344,000	6.19%	11,700 units
Lettuce	L8.2-Lettuce, leaf, mineral soil	100	\$ 2,500	\$ 250,000	4.95%	\$ 12,375	\$ 123.75	80%	\$ 2,000	\$ 200,000	6.19%	6,600 units
Lettuce	L8.1-Lettuce, leaf, muck soil	100	\$ 2,600	\$ 260,000	4.95%	\$ 12,870	\$ 128.70	80%	\$ 2,080	\$ 208,000	6.19%	7,900 units
Lettuce	L10.2-Lettuce, romaine, transplant, mineral soil	100	\$ 2,700	\$ 270,000	4.95%	\$ 13,365	\$ 133.65	80%	\$ 2,160	\$ 216,000	6.19%	5,100 units
Lettuce	L10.3-Lettuce, romaine, transplant, muck soil	100	\$ 2,800	\$ 280,000	4.95%	\$ 13,860	\$ 138.60	80%	\$ 2,240	\$ 224,000	6.19%	7,300 units

**Hail Only**

Crop	Crop Class	Acres A	Insurable Value (Option 1) B	Total Insurable Value C= A x B	Premium rate (%/acre) D	Total Premium E= C x D	Premium Rate / Acre F = E / A	Coverage Level G	Insurance Guarantee / Acre H = B x G	Total Liability (Abandonment) I = A x H	Total Premium as a Percent of Total Liability J= E / I	Abandonment Threshold (units/acre)
Yellow Onions	R15.1-Yellow onions, mineral soil	100	\$ 2,300	\$ 230,000	0.52%	\$ 1,196	\$ 11.96	85%	\$ 1,955	\$ 195,500	0.61%	14,400 lbs
Yellow Onions	R15.2-Yellow onions, muck soil	100	\$ 2,600	\$ 260,000	0.52%	\$ 1,352	\$ 13.52	85%	\$ 2,210	\$ 221,000	0.61%	16,100 lbs
Carrots	R1.1-Carrots, mineral soil	100	\$ 1,800	\$ 180,000	0.52%	\$ 936	\$ 9.36	85%	\$ 1,530	\$ 153,000	0.61%	12,500 lbs
Carrots	R1.3-Carrots, muck soil	100	\$ 2,000	\$ 200,000	0.52%	\$ 1,040	\$ 10.40	85%	\$ 1,700	\$ 170,000	0.61%	14,000 lbs
Celery	L4.1-Celery	100	\$ 3,800	\$ 380,000	0.52%	\$ 1,976	\$ 19.76	85%	\$ 3,230	\$ 323,000	0.61%	7,200 units
Celery	L4.2 Celery, high density, processing	100	\$ 4,300	\$ 430,000	0.52%	\$ 2,236	\$ 22.36	85%	\$ 3,655	\$ 365,500	0.61%	11,700 units
Lettuce	L8.2-Lettuce, leaf, mineral soil	100	\$ 2,500	\$ 250,000	0.52%	\$ 1,300	\$ 13.00	85%	\$ 2,125	\$ 212,500	0.61%	6,600 units
Lettuce	L8.1-Lettuce, leaf, muck soil	100	\$ 2,600	\$ 260,000	0.52%	\$ 1,352	\$ 13.52	85%	\$ 2,210	\$ 221,000	0.61%	7,900 units
Lettuce	L10.2-Lettuce, romaine, transplant, mineral soil	100	\$ 2,700	\$ 270,000	0.52%	\$ 1,404	\$ 14.04	85%	\$ 2,295	\$ 229,500	0.61%	5,100 units
Lettuce	L10.3-Lettuce, romaine, transplant, muck soil	100	\$ 2,800	\$ 280,000	0.52%	\$ 1,456	\$ 14.56	85%	\$ 2,380	\$ 238,000	0.61%	7,300 units

**Frost Only**

Crop	Crop Class	Acres	Insurable Value (Option 1)	Total Insurable Value	Premium rate (%/acre)	Total Premium	Premium Rate / Acre	Coverage Level	Insurance Guarantee / Acre	Total Liability (Abandonment)	Total Premium as a Percent of Total Liability	Abandonment Threshold (units/acre)
		A	B	C= A x B	D	E= C x D	F = E / A	G	H = B x G	I = A x H	J= E / I	
Yellow Onions	R15.1-Yellow onions, mineral soil	100	\$ 2,300	\$ 230,000	0.15%	\$ 345	\$ 3.45	85%	\$ 1,955	\$ 195,500	0.18%	14,400 lbs
Yellow Onions	R15.2-Yellow onions, muck soil	100	\$ 2,600	\$ 260,000	0.15%	\$ 390	\$ 3.90	85%	\$ 2,210	\$ 221,000	0.18%	16,100 lbs
Carrots	R1.1-Carrots, mineral soil	100	\$ 1,800	\$ 180,000	0.15%	\$ 270	\$ 2.70	85%	\$ 1,530	\$ 153,000	0.18%	12,500 lbs
Carrots	R1.3-Carrots, muck soil	100	\$ 2,000	\$ 200,000	0.15%	\$ 300	\$ 3.00	85%	\$ 1,700	\$ 170,000	0.18%	14,000 lbs
Celery	L4.1-Celery	100	\$ 3,800	\$ 380,000	0.49%	\$ 1,862	\$ 18.62	85%	\$ 3,230	\$ 323,000	0.58%	7,200 units
Celery	L4.2 Celery, high density, processing	100	\$ 4,300	\$ 430,000	0.49%	\$ 2,107	\$ 21.07	85%	\$ 3,655	\$ 365,500	0.58%	11,700 units
Lettuce	L8.2-Lettuce, leaf, mineral soil	100	\$ 2,500	\$ 250,000	0.49%	\$ 1,225	\$ 12.25	85%	\$ 2,125	\$ 212,500	0.58%	6,600 units
Lettuce	L8.1-Lettuce, leaf, muck soil	100	\$ 2,600	\$ 260,000	0.49%	\$ 1,274	\$ 12.74	85%	\$ 2,210	\$ 221,000	0.58%	7,900 units
Lettuce	L10.2-Lettuce, romaine, transplant, mineral soil	100	\$ 2,700	\$ 270,000	0.49%	\$ 1,323	\$ 13.23	85%	\$ 2,295	\$ 229,500	0.58%	5,100 units
Lettuce	L10.3-Lettuce, romaine, transplant, muck soil	100	\$ 2,800	\$ 280,000	0.49%	\$ 1,372	\$ 13.72	85%	\$ 2,380	\$ 238,000	0.58%	7,300 units

**Hail and Frost Only**

Crop	Crop Class	Acres	Insurable Value (Option 1)	Total Insurable Value	Premium rate (%/acre)	Total Premium	Premium Rate / Acre	Coverage Level	Insurance Guarantee / Acre	Total Liability (Abandonment)	Total Premium as a Percent of Total Liability	Abandonment Threshold (units/acre)
		A	B	C= A x B	D	E= C x D	F = E / A	G	H = B x G	I = A x H	J= E / I	
Yellow Onions	R15.1-Yellow onions, mineral soil	100	\$ 2,300	\$ 230,000	0.67%	\$ 1,541	\$ 15.41	85%	\$ 1,955	\$ 195,500	0.79%	14,400 lbs
Yellow Onions	R15.2-Yellow onions, muck soil	100	\$ 2,600	\$ 260,000	0.67%	\$ 1,742	\$ 17.42	85%	\$ 2,210	\$ 221,000	0.79%	16,100 lbs
Carrots	R1.1-Carrots, mineral soil	100	\$ 1,800	\$ 180,000	0.67%	\$ 1,206	\$ 12.06	85%	\$ 1,530	\$ 153,000	0.79%	12,500 lbs
Carrots	R1.3-Carrots, muck soil	100	\$ 2,000	\$ 200,000	0.67%	\$ 1,340	\$ 13.40	85%	\$ 1,700	\$ 170,000	0.79%	14,000 lbs
Celery	L4.1-Celery	100	\$ 3,800	\$ 380,000	1.01%	\$ 3,838	\$ 38.38	85%	\$ 3,230	\$ 323,000	1.19%	7,200 units
Celery	L4.2 Celery, high density, processing	100	\$ 4,300	\$ 430,000	1.01%	\$ 4,343	\$ 43.43	85%	\$ 3,655	\$ 365,500	1.19%	11,700 units
Lettuce	L8.2-Lettuce, leaf, mineral soil	100	\$ 2,500	\$ 250,000	1.01%	\$ 2,525	\$ 25.25	85%	\$ 2,125	\$ 212,500	1.19%	6,600 units
Lettuce	L8.1-Lettuce, leaf, muck soil	100	\$ 2,600	\$ 260,000	1.01%	\$ 2,626	\$ 26.26	85%	\$ 2,210	\$ 221,000	1.19%	7,900 units
Lettuce	L10.2-Lettuce, romaine, transplant, mineral soil	100	\$ 2,700	\$ 270,000	1.01%	\$ 2,727	\$ 27.27	85%	\$ 2,295	\$ 229,500	1.19%	5,100 units
Lettuce	L10.3-Lettuce, romaine, transplant, muck soil	100	\$ 2,800	\$ 280,000	1.01%	\$ 2,828	\$ 28.28	85%	\$ 2,380	\$ 238,000	1.19%	7,300 units

**Production Insurance Scenarios - Yield Based**

Assume a grower has 100 acres and wants to purchase yield based coverage multi peril insurance.

Yield is collected at the end of the year. If a peril causes a yield shortfall then the grower may be eligible for a claim.

**Yield Based Production Insurance Coverage**

Crop	Acres	Premium Rate /Acre (\$/Acre)	Total Premium	Average Farm Yield / Acre	Units	Coverage Level	Guaranteed Production / Acre	Claim Price	Unit	Total Liability	Total Liability / Acre	Total Premium as a Percent of Total Liability
	A	B	C = A x B	D		F	E = D x F	G		H = A x E x G	I = H / A	J = C / H
Seed onions (70 % coverage)	100	\$ 192.33	\$ 19,233	950	50 lb. bags	70%	665	\$6.50	/50 lb. bags	\$432,250	\$4,322.50	4.4%
Seed onions (80 % coverage)	100	\$ 266.11	\$ 26,611	950	50 lb. bags	80%	760	\$6.50	/50 lb. bags	\$494,000	\$4,940.00	5.4%
Fresh Market Carrots (65 % coverage)	100	\$ 160.47	\$ 16,047	1100	50 lb. bags	65%	715	\$4.39	/50 lb. bags	\$313,885	\$3,138.85	5.1%
Fresh Market Carrots (80 % coverage)	100	\$ 260.22	\$ 26,022	1100	50 lb. bags	80%	880	\$4.39	/50 lb. bags	\$386,320	\$3,863.20	6.7%
Fresh Market Potatoes (70 % coverage & \$13/cwt)	100	\$ 53.72	\$ 5,372	225	cwt	70%	157.5	\$13.00	/cwt	\$204,750	\$2,047.50	2.6%
Fresh Market Potatoes (80 % coverage & \$13/cwt)	100	\$ 88.46	\$ 8,846	225	cwt	80%	180	\$13.00	/cwt	\$234,000	\$2,340.00	3.8%
Fresh Market Potatoes (70 % coverage & \$15/cwt)	100	\$ 61.98	\$ 6,198	225	cwt	70%	157.5	\$15.00	/cwt	\$236,250	\$2,362.50	2.6%
Fresh Market Potatoes (80 % coverage & \$15/cwt)	100	\$ 102.07	\$ 10,207	225	cwt	80%	180	\$15.00	/cwt	\$270,000	\$2,700.00	3.8%

Coverage levels range from 65-90% coverage depending on the crop plan.

Potatoes have two fresh market price options \$13/cwt and \$15/cwt.

Premium discount or surcharge is up to 25% on plans. Individual grower D/S depends on individual claim history in comparison to the plan claim history.

Your Average Farm Yield (AFY) is composed of up to 10 years of your own actual yields. If you are new to Production Insurance, Agricorp assigns you a five-year beginning AFY based on township averages, soil type, drainage, historical records, and other farm management criteria. Each year that you participate in the plan, one actual yield replaces an assigned yield until your AFY is composed entirely of your own actual yields.

Yields history is buffered to smooth out low and high yields over time.

cwt = hundred weight

**Claim Types**

Unseeded Acreage Benefit (USAB) available on onions and carrots paid at 1/3 AFY. A \$1/acre deductible is applied.

Reseed (up to planting deadline)

Production (at harvest)