
News Release

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RELIEF COMING TO MANITOBA PRODUCERS AFFECTED BY SEVERE DROUGHT

Producers in Manitoba facing severe drought conditions can expect relief with several initiatives announced by federal Agriculture and Agri-Food Canada Minister Marie-Claude Bibeau and Manitoba Agriculture and Resource Development Minister Ralph Eichler.

“Our government is working around the clock with the provinces to help farm families coping with extreme weather conditions exacerbated by climate change,” said Bibeau. “The support through the Hay Disaster Benefit is one way we are helping Manitoba producers, who are under tremendous stress, to get through this crisis and toward a sustainable future.”

The first of the initiatives, available through Manitoba Agricultural Services Corporation’s (MASC) Hay Disaster Benefit, will provide an additional \$44/tonne (for every tonne below coverage) to insured forage producers to help offset the additional cost of replacement feed and transportation due to the severe shortage of forage throughout the province. The benefit was last triggered in 2019 when over \$5 million was paid on close to 1,200 claims. Typically, the determination of payments for this benefit would not be made until January, once the majority of claim and harvested production report data is processed.

“We recognize that this has been an extremely difficult year for many producers with the lack of precipitation and extreme heat,” said Eichler. “With pastures drying up and minimal sources of feed for livestock, it’s important to give producers the resources they need to secure feed to maintain their herds. All livestock producers play a critical role in our food supply and provincial economy, we’re proud to support them with early release of this benefit.”

MASC is also applying a quality adjustment factor to appraisals on crops that are being put to alternate use under the AgriInsurance program. A 60 per cent adjustment factor to in-field appraisals will be applied on small grain cereal crops (all varieties of wheat, oats, fall rye, barley, and triticale). Reducing the appraisal of claims by 40 per cent reflects the expected reduction in quality resulting from the drought conditions. The full yield appraisal will be used to calculate future coverage, which provides producers who repurpose their crops for livestock feed an added benefit. This reduction will apply retroactively to producers who have already put their cereal crop to an alternate use this year.

Under the Canadian Agricultural Partnership, AgriInsurance premiums for most programs are shared 40 per cent by participating producers, 36 per cent by the Government of Canada and 24 per cent by the Manitoba government. Administrative expenses are paid 60 per cent by Canada and 40 per cent by Manitoba.

Discussions are also underway to expedite the completion of the AgriRecovery Assessment process and the implementation of a Livestock Tax Deferral to assist impacted livestock producers.