

Risk Management



What risk does this program address

The Risk Management Program helps protect producers from fluctuations in costs and market prices. It is available for cattle, edible horticulture, grains and oilseeds, hogs, sheep and veal. Producers can choose their coverage level for the year. Coverage levels include, 80%, 90%, 95% and 100%.

What payment will I receive and when

Program payments are made if average market prices fall below your support level, which is based on industry averages. As there are a number of sectors eligible for this program and various categories within each sector, the timing of payments varies.

For all sectors, an interim payment rate is used to calculate payments to ensure producers who sell at different times during the year will have equal access to the funding. You will receive an interim payment for each quarter and then an adjustment to actual payment in the following quarter.

Eligibility

Livestock

- Produce livestock in at least one eligible category in Ontario
- Enrol all your eligible production within a livestock category
- Pay premium
- Have a premises identification number
- Be able to demonstrate ownership (right of possession and risk)

Grains and Oilseeds

- Grow at least one eligible grain or oilseed crop
- Enrol your entire acreage of each eligible gain and oilseed crop grown in the crop year
- Pay premium
- Participate in Production Insurance and meet all Production Insurance requirements and deadlines
- Have a premises identification number

Fees: Premiums are due annually based on the coverage level chosen and insured production for the year. Premium rates are available on the Agricorp website under the Risk Management Program link. <https://www.agricorp.com/en-ca/programs/Default.aspx>

Forms: Quarterly reports for livestock must be reported to Agricorp by the program deadlines even if you had no sales during that reporting period. Failing to do so may result in the cancellation of your coverage.

<https://www.agricorp.com/en-ca/Programs/RMP/Pages/Overview.aspx>

Deadlines

RMP-Livestock

- April 15: Submit completed application or make any coverage changes
- April 30: Report first quarter sales
- July 31: Pay livestock premium and report quarterly sales.
- October 31: Report quarterly sales
- January 31: Report livestock sales (and pay premium if semi-annual premium payment was chosen).

RMP-Grains and Oilseeds

- May 10: Apply for Production Insurance
- June 15: Report unseeded acres
- June 30: Report planted acres. Submit completed application or make any coverage changes
- August 8: Pay premium

Additional details

- If a farmer participates in AgriStability as well as RMP, any RMP payment is considered an advance on the provision portion of any AgriStability payment received. The producer will keep the greater of the RMP payment or the provincial portion of the AgriStability payment.
- RMP premiums are managed by the Farmer's Risk Management Premium Fund which is made up of participating commodity groups. The Farmer's Risk Management Premium Fund may be used to supplement payments in years of greater need.

Pros

- Your individual operation may have positive margins but if the industry has negative margins you can still obtain funding as is based on markets and not your specific margins.
- Easier program to administer on your own compared to AgriStability.

Cons

- Additional administrative work and time completing the required forms and record keeping throughout the year.
- Payments from the program are not immediate. For livestock, first and second quarter interim payments will not be received until September and adjustments to actual payments for those quarters will not be received until December. Third quarter payments are received in December. Fourth quarter payments are received in March with any adjustment to the third quarter payment.
- Risk Management Program is only provincially supported so funding at 40% level instead of 100%.