



For Immediate Release

Economic Study Confirms Ontario's Risk Management Program (RMP) is Growing Ontario's Economy and Protecting Agriculture Related Jobs

TORONTO, ON (November 16, 2015) - The Ontario Agriculture Sustainability Coalition (OASC) today released an Economic Impact Assessment of the Risk Management Program (RMP) undertaken by Harry Cummings and Associates (HCA) on their behalf. Conducted this past summer, the study examined the economic value of the RMP to Ontario farmers who partnered with the Government of Ontario to design the cost-shared insurance program in 2011.

"This landmark economic study confirms what farmers know all too well - Ontario's RMP program is helping farmers grow Ontario's economy and protect good farm and agri-food jobs through unsettled markets," OASC Chairman and Beef Farmers of Ontario President Bob Gordanier said.

The economic study found:

- Without RMP, 62% of producers indicated they would not have maintained all their employees; 36% might have down-sized or left the industry, while a further 24% reported they would have sacrificed maintenance, expansion and farm improvements.
- Without RMP, even a modest resulting contraction in economic activity and employment would lead to a loss of approximately 3,250 jobs from the Ontario economy.
- Over the past four years, every dollar in payments generated \$2.24 in positive economic activity.

"We are pleased to complete this study which clearly demonstrates the value of the program to our broader agri-food industry and the entire province," said Gordanier. "It is vital that the public is aware of the benefits of this important government investment as we continue to work with government to strengthen the program and ensure it meets the needs of Ontario's farmers."

"Our economic study confirms the provincial risk management program provides participating farmers with the financial confidence needed to make new investments and grow their businesses," said the report author and veteran economic analyst Harry Cummings.

In the spring of 2011, farmer leaders across commodity groups came together with the provincial government to design a made-in-Ontario solution to help bring predictability, stability and bankability to their business operations. The RMP program is jointly funded by the provincial government and through premiums paid by participating farmers.

RMP provides partial financial protection for farmers against downturns in commodity market prices by triggering payments (of up to 40%) when market prices fall below a producer's support level. The program has seen a variety of changes in its short history, and currently rests among one of the key business risk management services available to Ontario farmers.

The study can be downloaded at: oasc.ca/docs/impactRMP2015.pdf

The Ontario Agriculture Sustainability Coalition (OASC) is comprised of the Beef Farmers of Ontario, Grain Farmers of Ontario, Ontario Pork, Ontario Sheep, and the Veal Farmers of Ontario. The coalition was formed in 2009 to develop and implement the Risk Management Program (RMP) in Ontario at the request of the Government of Ontario.

Incorporated in 1997, Guelph-based **Harry Cummings and Associates (HCA)** is a Consultant for project planning and development, including social impact assessments, for government and private sector organizations and has conducted over 25 studies and economic assessments throughout the Province of Ontario.

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