



**Alberta  
Barley**

November 15, 2013

Attention: Amanda Houssin, Policy Analyst  
Canadian Grain Commission  
303 Main Street  
Winnipeg, Manitoba R3C 3G8

**Re: Canadian Grain Commission's Proposed Changes to Producer Payment Protection Regulations**

Dear Ms. Houssin,

Alberta Barley, a farmer-directed, not-for-profit organization representing Alberta's barley farmers, is pleased to have the opportunity to provide feedback to the Canadian Grain Commission on the proposed changes to the producer payment protection model and regulations.

The proposed changes, as outlined in the Canada Gazette on October 5, 2013, seek to implement an aggregate insurance-based security model for producer payment protection, in order to reduce the cost and administrative burden of the current individual, security-based model.

Alberta Barley has reviewed the proposed changes, assessed the desired outcomes, and supports the Canadian Grain Commission's effort to increase efficiency and reduce the costs associated with the current model. Alberta Barley producers look forward to operating in a more efficient, transparent and secure model of producer protection. We also welcome the promise of cost savings that will come as a result of the elimination of the monthly reporting requirements, and reduced licensing fees.

The proposed insurance model, which would provide farmers with 95 per cent payment security coverage, represents a significant reduction in the risk associated with the current security based program. Between 2009 and 2012, the Licensing Program identified 819 security shortfalls, representing, on average, 34 per cent of security tendered. According to the CGC's report, these security shortfalls were attributed to "the lack of information in the time gap between the period where licensees have reported their previous month's liabilities to the CGC and the amount of producer purchases being made in the current month." The model being

proposed by the CGC will eliminate the monthly reporting requirement, replacing it with consistent, reliable insurance coverage.

With regards to the claim period time frame, which proposes a reduction from 90 days to 45 days, Alberta Barley encourages the CGC to maintain the current 90 day coverage period. Some grain buyers can take 30 days to issue payment. The 90 day claim period time frame provides producers with the extra coverage that is sometimes needed during busy seasons.

Alberta Barley is pleased to have had the opportunity to participate in the stakeholder consultation process, and looks forward to working with the Canadian Grain Commission to create greater efficiencies and cost savings for Canadian grain farmers.

Sincerely,

A handwritten signature in black ink, appearing to read 'Matt Sawyer', is positioned above the typed name.

Matt Sawyer  
Chairman of the Board  
Alberta Barley Commission

cc: Chuanliang Su, Domestic Policy Analyst  
Domestic and International Trade Policy Branch  
Alberta Agriculture and Rural Development