

The CAIS Participation Fee

Replacing the deposit with a participation fee

The deposit has been eliminated and will be replaced by a fee for the 2006 CAIS program. CAIS participants will receive a letter from the administration this spring with details on how to join the program for 2006 and how to pay the fee.

Previously, producers had to set aside 22 per cent of the value of their reference margins in a CAIS account to have full protection under the program.

Now producers will pay \$4.50 per \$1,000 (0.45%) of reference margin protected. The Administrative Cost Share (ACS) of \$55.00 per account will remain in place and will be collected at the same time as the fee.

Producers still have the option to select a lower protection level and pay a lower fee. Producers who select lower levels of protection will receive payments for small declines in farm income but will not receive maximum benefits in the event of a larger decline in farm income.

Following are examples of how the fee is calculated for different levels of protection for a producer with a \$60,000 reference margin:

Maximum Protection

If you had a \$60,000 reference margin and you chose *Maximum Protection (100%)*, your participation fee would be \$270.00 ($\$60,000 \times .45\% \times 100\%$). You will also need to pay the \$55 Administrative Cost Share, for a total of \$325.00.

Medium Protection

If you had a \$60,000 reference margin and you chose *Medium Protection (85%)*, your participation fee would be \$229.50 ($\$60,000 \times .45\% \times 85\%$), plus the \$55.00 ACS, for a total of \$284.50.

Minimum Protection

If you had a \$60,000 reference margin and you chose *Minimum Protection (70%)*, your participation fee would be \$189 ($\$60,000 \times .45\% \times 70\%$) plus the \$55.00 ACS, for a total of \$244.00.



No deposit or fee for the 2003, 2004 and 2005 CAIS program years

You do not have to make a deposit or pay a fee for participating in CAIS for 2003, 2004 or 2005 program years. The deposit has been eliminated for these program years and the fee will be collected starting for 2006.

Your CAIS account will be closed and any CAIS funds remaining in the account will automatically be paid to you in approximately eight weeks. **You do not need to contact your financial institution or the CAIS Administration to access your funds or to close your account.** In the meantime, withdrawals from your CAIS account will no longer be permitted, nor will transfers from your NISA Fund 1 account to your CAIS account.

For More Information

The CAIS program is delivered by the Government of Canada's CAIS Administration in British Columbia, Saskatchewan, Manitoba, New Brunswick, Nova Scotia, Newfoundland and Labrador, and the Yukon. Producers in these provinces can contact the CAIS Administration toll free at **1-866-367-8506** or visit the CAIS program Web site at **www.agr.gc.ca/caisprogram**.

- In Alberta, producers can call Agriculture Financial Services Corporation (AFSC) at **1-877-744-7900**.
- In Ontario, producers can call AGRICORP at **1-877-838-5144**.
- In Québec, producers can call La Financière agricole du Québec at **1-800-749-3646**.
- On Prince Edward Island, producers can call **1-902-368-4842**.