

News Release

for immediate release

PRODUCERS CAN NOW ACCESS ALL FUNDS IN CAIS ACCOUNTS

OTTAWA, ON, June 10, 2005 – New amendments to the Canadian Agriculture Income Stabilization (CAIS) program, which will significantly benefit producers, are now in place.

Responding to the concerns of producers, the Government of Canada, along with provincial and territorial governments, announced the following changes to the CAIS program, effective immediately:

- Producers can now access all funds in their CAIS accounts. This will provide approximately 62,600 producers with access to more than \$603 million (current as of June 7). This will ease the cash flow issues which many producers are facing. Producers can contact the CAIS administration in their province, for information on how to access their funds.
- The one third deposit will be extended for the 2005 program year. Alternatives to the deposit are currently under discussion. The deposit deadline is March 31, 2006.

The CAIS program is delivered by the Government of Canada's CAIS Administration in British Columbia, Saskatchewan, Manitoba, New Brunswick, Yukon, Nova Scotia, and Newfoundland and Labrador. Producers in these provinces can contact the CAIS administration toll free at 1-866-367-8506

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.

To date, more than \$1.6 billion has been distributed to producers through the CAIS program. Governments are committed to providing effective programming that meets the needs of producers across the country.

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For more information, contact:

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CAIS ACCOUNT WITHDRAWALS

Backgrounder

Amendments have been made to the CAIS program so that producers can access all funds in their CAIS accounts.

Producers in British Columbia, Saskatchewan, Manitoba, New Brunswick, Nova Scotia, Newfoundland & Labrador, and the Yukon will receive a letter from the CAIS administration on how to access their funds.

Producers can contact the federal CAIS Administration to request a withdrawal. The administration will then authorize the financial institution to issue a payment from the producer's CAIS account. Every effort will be made to process requests and have financial institutions issue payments to producers within 30 days.

Producers can submit their requests in writing by mail, fax, or by telephone to:

The CAIS Administration
P.O. Box 3200 Station Main
Winnipeg MB
R3C 5R7 Telephone toll free: 1-866-367-8506
Facsimile: (204) 983-3947

At their meeting in Ottawa, in March 2005, ministers directed officials to develop alternatives to the current CAIS deposit in consultation with industry. Options will be presented to ministers for consideration at their annual meeting planned for July.

Producers will be notified as soon as possible of any changes. Producers may wish to leave their CAIS account in place with a zero balance in the event that a deposit is required in the future. Under current program rules, producers need to have one-third of the required deposit in their account by March 31, 2006.

In non-federal-delivery provinces, producers can request a withdrawal through their provincial CAIS administration:

- In Alberta contact the Agriculture Financial Services Corporation (AFSC) toll free at 1-877-744-7900.
- In Ontario contact AGRICORP toll free at 1-877-838-5144.
- On Prince Edward Island contact the Prince Edward Island Agricultural Insurance Corporation at 1-902-368-4842.