

New Brunswick Crop Insurance Commission

Canada

New Brunswick
Nouveau Brunswick



What are the benefits of enrolling in Crop Insurance?

- Peace of mind (production level is guaranteed)
- Dependable collateral with financial institutions
- Premiums that are tax deductible as an operating expense
- Individual crop plans that accommodate unique aspects of each insurable crop
- Payments are normally made within the crop year the loss occurred (immediately after harvest).



Eligible Crops

- Apples
- Apple Trees
- Blueberries
- Strawberries
- Potatoes
- Processing Carrots
- Sweet Corn
- Mixed Grain
- Barley
- Oat & Hullless Oat
- Wheat
- Soybean
- Grain Corn
- Canola

Insurance Options

You can select a plan that guarantees 60%, 70%, 80% or 90% of an average yield. This is designed to provide flexibility in choosing coverage that best fits your financial needs, budget and personal tolerance for risk.

The insurance plan for apples and potatoes is designed to cover loss of quality due to an insured peril. Reduced quality could in some cases result in indemnity payments when yields are not affected.

Dollars and Cents

Crop insurance premiums are shared between you the producer, the New Brunswick Department of Agriculture and Aquaculture and Agriculture, and Agri-Food Canada. The two levels of government share all costs associated with the administration of the program.

To determine the value of your production guarantee you need to know your probable yield, the acreage you have in production, the coverage level you have chosen as well as the dollar value at which you choose to be paid at. The dollar values for each of the eligible crops are published prior to the application deadline. The deadline for purchasing insurance varies according to crop. In general, perennial crop insurance is sold in the fall. All others are generally sold prior to planting.

Crop Insurance and the CAIS Program

Crop Insurance and the Canadian Agricultural Income Stabilization (CAIS) program are designed to work together to help producers manage the business risks associated with farming. Participation in both, although not required, provides you with more assistance than either one does individually.

1. By participating in both programs, you are better protected against both production and income losses. While the CAIS program addresses overall income losses, Crop Insurance protects producers from production losses related to specific commodities or crops.
2. Crop Insurance payments (indemnities) are included as income in a producer's reference margin under the CAIS program. Maintaining a higher reference margin benefits you over time, since a higher reference margin allows you to protect a higher level of income.
3. Crop Insurance losses are generally paid before the end of the production year, while CAIS Program payments are made after the end of the production year.

4. The CAIS program provides protection against overall income losses not covered by Crop Insurance.
5. Crop Insurance coverage may be used to qualify for the Advance Payments Program.

There are also direct linkages between the two programs.

1. Crop Insurance premium adjustments may be made if:
 - the net benefits you received from CAIS and Crop Insurance are lower because you participated in crop insurance,
 - you have received a crop insurance payment in the program year, and
 - you are eligible for benefits under CAIS in the program year.
2. Under the CAIS program a percentage of negative margin losses may be covered. A negative margin occurs when whole farm allowable income falls below eligible expenses. A negative margin linkage has been established to ensure that losses insurable through crop insurance are not paid for under negative margin CAIS.

Need More Information?

Contact your local Crop Insurance Representative in the Bouctouche, Fredericton, Grand Falls, Tracadie-Sheila, or Wicklow offices of the New Brunswick Department of Agriculture and Aquaculture, call (506) 453-2185 for general information, or, www.gnb.ca/0027/00012-e.asp.



Agriculture is a Risky Business!

Risks are encountered whenever production or financial resources are exposed to the uncertainty of loss or damage. The money invested in crop production is at risk. Rising input costs means more money at risk each year.

Risk Management is the process of identifying and controlling the risks facing a farm business to ensure that losses are kept to a minimum.

Crop Insurance

In New Brunswick, crop insurance is a risk management tool to assist producers with the loss of production or yield caused by uncontrollable natural hazards. Mother Nature is impossible to predict and Crop Insurance protects you against a full range of natural hazards. It is not a revenue guarantee, it is a yield guarantee.