Farm Finance Branch – Who are we?

• FFB provides policy advice and options for programs that directly and indirectly help producers manage financial risk:
  – AgriStability, AgrilInsurance (Production Insurance), AgrilInvest, AgriRecovery, AgriRisk
  – Risk Management Program (RMP) for cattle, hogs, sheep, veal, grains and oilseeds and Self-Directed Risk Management Program for edible horticulture
  – Wildlife Damage Compensation, Farm Business Registration, Farm Property Class Tax Rate, Financial Protection and Loan Guarantee Programs
  – This involves contact with industry stakeholders as well as with the federal and other provincial governments

• FFB works closely with Agricorp, which delivers most of the BRM programs on behalf of the ministry.
Farm Finance Branch Database Inventory

• Farm Business Registration (FBR)
  – Farm businesses register in order to receive the farm tax rate
  – Contains virtually every farm in Ontario that meets the minimum requirement of $7,000 gross income
  – Data is application based – self-declared
  – “Long-form” survey is administered once every 5 years (2020)

• Tax Database (Including AgrilInvest)
  – Contains all farms that file a T1163 or Statement A tax form
    • Requirement for AgrilInvest and AgriStability participation
  – Itemized income and expense data

• AgriStability Database
  – Contains all farms that participate in the AgriStability program
  – In addition to above data sets, includes production and inventory data
  – Data is verifiable tax information, subject to audits when necessary

• Production Insurance Database
  – Planting and yield data for G&O and horticulture operations
**Strengths:**

- **Reliability**
  - Income / expense data is a part of CRA tax data
  - Data verified by qualified staff, audits conducted by CRA and Agricorp

- **Trustworthy**
  - Participants must sign a consent form allowing OMAFRA to use their data
  - Data is not sold to advertisers or any other 3rd party sources

- **Modern**
  - Allows for multiple analytical tools to be used (SAS, excel, Cognos)

**Limitations:**

- **Database Populations**
  - Dependant on farmers participating in government programs
  - Participation has been steadily declining

- **Unrepresented Groups**
  - Supply-Managed Operations and Mennonite Farmers

- **Cash accounting**
  - Affects the accuracy of income/expense data
2015

- FBR: 47,500
- Tax Data: 31,300
- AgrilInvest: 20,700
- AgriStability: 12,000
- Production Insurance Customers: 14,200
- Endorsements: 33,200
How We Currently Use Data

Primary Purposes

• Administration of programs (AgriStability, Production Insurance, RMP, FBR), including underwriting, risk analysis, and processing of claims
• Program budgeting, forecasts, and projections
• Program design options and alternatives
• Ad hoc analysis (e.g. scenario analysis how events would impact farm income, production, and/or BRM program payments)

Other Uses

• Provides input and analysis as a part of evidence-based decision making on other Ministry and Government initiatives
  – Premier’s Agri-Food Growth Challenge
  – Pollinator Health Strategy
  – Impact of Government-wide initiatives on the Agricultural sector
    • e.g. climate change mitigation
• Agreement with University of Guelph
  – Unique arrangement in Canada
  – U of G researcher trained to use our database to assist in research
  – Has resulted in journal articles, international presentations
Potential Future Uses – Integration

Improved integration with other ministry / government initiatives

– Integrating our farm income data with other ministry and government databases (non-BRM) contributes to our understanding of policy issues and aid in evidence-based decision making
  • Better understanding the risks posed by climate change on the agricultural sector
– Partnering with Agricorp to link producers across all BRM programs, allowing for single view of each customer. This will allow for a reduction in customer burden, as well as a robust view of the entire BRM suite

Example: Growing Forward 2 Strategic Initiatives

– What impact does participating in GF2 non-BRM programs have on:
  • Ability to self-manage risks
  • Future farm income
  • Efficiency (yields, birth / death rates)
  • Farm business growth / expansion
Potential Future Uses – Open Data

- Ontario is striving to be a global leader in the areas of open government and transparency

- Our farm income database is large, complex, and contains private financial data – also, some limitations in use
  - Consideration must be given to individual privacy, as well as industry/sector specific trade-sensitivities

- Open data unlocks the possibility of making our data available (in one form or another) to more researchers – and for us to complement our analysis with broader data sets

- “Crowd sourcing” analysis, and possible integration / correlation with outside data sources

- In order to excel at this initiative, the data must be both representative and meaningful
1. Thoughts on other data sources that would be good fits to integrate with Farm Finance Branch’s data?

2. Ideas for apps or tools could be created with Farm Finance Branch databases?