



I.D.E.A. Industry Update - February 16, 2004

***Upcoming I.D.E.A. Regional Meetings

I.D.E.A. is planning a regional meeting on credit issues on **February 27, 2004 in Red Deer**, Alberta. All I.D.E.A. members are welcome. Watch for a complete agenda and registration details coming soon.

Also plan to attend an I.D.E.A. gathering on **March 2, 2004 in Calgary**, Alberta, just prior to the CAAR convention. The meeting will deal with the new privacy laws and what independent dealers need to do to comply with the legislation, with reference to both your customers and your employees. The complete agenda and registrations details will be available soon. All I.D.E.A. members are welcome to attend.

***Attention I.D.E.A. Members in Saskatchewan

Would you be interested in attending an I.D.E.A. regional meeting in conjunction with the Nokia Briar 2004? We are proposing a breakfast meeting on Saturday, March 13 in Saskatoon. In the space below, please indicate whether you would be available to attend and list the topics you would like to see covered. Fax your responses to the I.D.E.A. office at 306-244-4497 by February 23, 2004.

- YES, I would be interested in attending an I.D.E.A. Regional Breakfast meeting during the Nokia Briar on Saturday March 13, 2004.
- NO, I would be NOT be interested in attending an I.D.E.A. Regional Breakfast meeting during the Nokia Briar on Saturday March 13, 2004.

I am interested in the following topics: _____

Alternative meeting times: _____

Name of Organization: _____

***The New Privacy Legislation

The new *Personal Information Protection and Electronic Documents Act* (PIPEDA) affects us all. By now, you have received a letter from I.D.E.A. with our privacy form, outlining our privacy policy (www.independentdealers.com/privacy.htm). Canada's new privacy legislation will be the topic of a regional meeting to be held March 2, 2004 in Calgary. Independent retailers must have a process in place to protect the privacy of their clients and employees. Jeff Farr of Farr-Mor Fertilizer Services Ltd. in Lewvan, Saskatchewan, has shared his privacy forms with the I.D.E.A. office, which are available upon request by contacting I.D.E.A.

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*****Farmers Urged to Maximize their CAIS Coverage**

Farmers should maximize their CAIS (Canadian Agricultural Income Stabilization) program coverage, advises Saskatoon accountant Allyn Tastad.

Tastad has followed the program closely. On February 3, he attended a day long public meeting organized by the University of Saskatchewan's Agricultural Economics Department at which the program was analyzed and criticized on a number of fronts.

Tastad says he senses considerable frustration at the complexity of the program and its deficiencies. For instance, with no allowance for changes in the value of inventory, the program will be of much less help to cow-calf producers than it could be.

However, Tastad says producers shouldn't walk away from the program and they should make the necessary deposit to access the maximum level of coverage. Producers must make a deposit by the end of March for the 2003 fiscal year.

Since producers will be able to know if they qualify for a 2003 payment, they can make a decision about whether or not to put this first deposit in place. However, the end of March is also the deadline for deciding on 2004 coverage. That money doesn't have to be in place until the end of 2004.

Tastad also has other advice for producers. He says it's important to take time to accurately record inventory. For instance, recording the difference between bred and open cows can make a big difference.

He is also advising producers to continue to be involved in Crop Insurance, since it's more bankable and timely than CAIS support will be. Crop Insurance payouts will also support CAIS reference margins. *(By Kevin Hursh; Reprinted in part from the AgExpert Express newsletter by permission of AgExpert Management Software and Farm Credit Canada.)*

*****Linkages Likely Between CAIS and Crop Insurance**

Speaking at the annual meeting of Keystone Agricultural Producers (KAP) in Winnipeg, Neil Hamilton of Manitoba Crop Insurance said there are likely to be linkages between the new CAIS (Canadian Agricultural Income Stabilization) program and the established Crop Insurance programs across the country.

Hamilton said without a link between the two, farmers might be encouraged to exit Crop Insurance and rely solely on CAIS. CAIS has been designed to stabilize farm income levels. Changes proposed to the program will see it cover 60 per cent of negative margins, which would seem to further reduce the need to also participate in Crop Insurance.

Crop Insurance has annual premiums. In CAIS, there are deposits that remain the farmer's money. Some producers may be tempted to save their crop insurance premium money and rely solely on CAIS.

Hamilton told KAP delegates that governments don't want this happen, but they're hesitant to require farmers to be in both programs.

One suggestion being considered is that for farmers not in Crop Insurance, there would be a calculation of what would have received from Crop Insurance in any particular year and then this value will be deducted from any CAIS payment. This would provide an incentive for grain producers to be in both programs.

Nothing has been finalized on this issue. In fact, there are a number of issues regarding CAIS that remain unresolved, even though the deadline for farmers to make participation decisions is March 31. *(By Kevin Hursh; Reprinted in part from the AgExpert Express newsletter by permission of AgExpert Management Software and Farm Credit Canada.)*