



**KEYSTONE
AGRICULTURAL
PRODUCERS**
1984 - 2024

February 29, 2024

Deputy Minister Ryan Klos
Department of Transportation and Infrastructure
dmmti@manitoba.ca

RE: Disaster Financial Assistance Program

Dear Deputy Minister Klos:

Keystone Agricultural Producers (KAP) is Manitoba's general farm policy organization, providing a unified voice for farmers on issues that affect agriculture. KAP represents and promotes the interests of all Manitoba farmers and 19 commodity associations.

The Disaster Financial Assistance (DFA) program provides valuable support to Manitoba producers in the event of a natural disaster. Upon reviewing the Disaster Financial Assistance Policies and Guidelines (Private Sector) Regulation along with the federal DFAA guidelines we have noted an area requiring clarity.

The federal DFAA guidelines (5.3.1) define a small business as "an owner-operated enterprise where the individual owner-operator is acting as a day-to-day manager and owns at least 50% of the business." 5.4.1 of the same guidelines clarify that farmers fall under the realm of the small business category. In comparison, the provincial regulation defines a small business as "an operation which is owner-operated and where the owner/operator is acting as a day-to-day manager of the operation and derives his/her major source of income from the operation." A farmer, under the regulation, "means a person who derives his/her sole or major source of income from farming."

Based on the provided definition there appears to be ambiguity between the federal and provincial guidelines. In Manitoba it is possible for a farmer to be a day-to-day manager of the business, derive the majority of their income from the business and not be a majority shareholder of the business. Under this circumstance a farmer would fit the provincial definition of small business and farmer, but would not fit the federal DFAA guidelines of a small business. This reality, coupled with the guidelines provided by both levels of government, creates a lack of clarity whether farmers would be eligible for a DFA claim based on their diverse share structure and varying provincial/federal guidelines. Our concern is that farmers who have applied or will apply for DFA may be ineligible based on the said inconsistencies.

KAP is requesting clarity regarding the application of federal and provincial guidelines for the DFA program involving the definition of small business/farmer. We would welcome the opportunity to meet with you and your department staff to better understand this issue. Please contact Olivia Klus if you would like to setup up a meeting: olivia.klus@kap.ca

Sincerely,

A handwritten signature in cursive script that reads "Brenna Mahoney". The signature is written in a dark ink and is positioned above the typed name.

Brenna Mahoney

General Manager, Keystone Agricultural Producers Inc.

CC: Deputy Minister Brenda DeSerranno – Manitoba Agriculture