

OMAFRA Agricultural Business Update

Ministry of Agriculture,
Food and Rural Affairs



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This update is designed to provide you with concise, up to date agricultural business information with links to where you can find the details.

Programs

Cull Breeding Swine Program – Applications Now Available

Canadian hog producers can now apply for compensation under the Cull Breeding Swine Program. Funds available for Program Payments are limited to \$46,000,000 and applications under the program will be ranked based on the “date sent” by the eligible producer.

Qualifying producers, subject to application approval, will receive \$225 per breeding swine culled after April 14th. Reimbursement will be made for costs of slaughter and carcass disposal.

A payment of \$225 per breeding swine less the selling price will be available for approved producers that sold animals from November 1, 2007 until April 13th, 2008 (receipts and supporting documents required).

To participate in the program, approved producers must:

- not sell potentially eligible breeding stock through commercial channels after April 14th,
- agree to depopulate an entire breeding barn and
- commit to not housing swine breeding stock in the same barn for three years.

For further details and program applications for the Cull Breeding Swine Program are available on the Canadian Pork Council website at http://www.cpc-ccp.com/industry/CSBP_e.cfm

Producers can also contact their provincial pork producer association for copies of the application. Producers can also call 1-877-655-2567 if they have questions about the application process.

2008 Advance Payments Program for Livestock (Regular)

Cattle, hog, lamb and market sheep producers can now benefit from the Advance Payments Program which features up to \$100,000 in interest-free loans. Producers may also qualify for an additional \$300,000 at prime -1/4% under the same program. To access factsheets explaining how the program works go to:

http://www.accfarmersfinancial.ca/advance_payments_program_livestock.html

2008 Advance Payments Program for Livestock (Emergency)

This Agriculture and Agri-Food Canada program was announced in March 2008 due to the severe economic hardship in the cattle and hog sectors.

The program is similar to the “Regular” Advance Payment Program, but has some significant differences.

Key Differences in the Emergency Advance Program:

- The Emergency Advance Payment Program advances (loans) are based on the expected (not the current) number of animals to be produced over a 12 month period e.g. between April 1, 2008 and March 31, 2009 or June 1, to May 31.
- ACC Farmers’ Financial receives a 100% guarantee from Agriculture and Agri-Food Canada. So there is no 2% holdback.
- Advances are repaid at the end of the twelve month period (or maximum of a twelve month period) by two installments (minimum of 50% for first installment). The first installment is due no later than 15 calendar days following the period of twelve months from the date that the advance was issued. The second

installment is due 30 calendar days following the first installment. However, all advances must be fully repaid no later than September 15, 2009.

- Priority agreements with banks, credit unions or other creditors are not required. For Emergency Advances, the federal government takes secondary security to liens for loans already registered by banks, credit unions, and other creditors.

To access factsheets explaining how the emergency advance payment program works for cattle and swine producers go to: http://www.accfarmersfinancial.ca/advance_payments_program_livestock_emergency.html

Other Advance Payment Programs

2008 Advance Payments Program for Fresh Market Vegetables

The Advance Payments Program for Fresh Market Vegetables provides producers with access up to \$400,000 of input financing with the first \$100,000 interest-free and next \$300,000 at prime -1/4%. The deadline for application is August 1st, 2008. For more information visit:

http://www.accfarmersfinancial.ca/advance_payments_program_fmfv.html

2008 Advance Payments Program for Crop Inputs

The Advance Payments Program for Crop Inputs provides opportunities to save. Producers can access up to \$400,000 of input financing with the first \$100,000 interest-free and next \$300,000 at prime -1/4%.

- Up to 18 months of financing available if used with Advance Payments Program for Crops in Storage
- Must apply for storage program if crop not sold by December 31, 2008
- Amount of financing is related to Production Insurance or Canadian Agricultural Income Stabilization (CAIS)/AgriStability Program coverage

The program also includes:

- Fresh Market Grapes & Tender Fruits,
- Processing Grapes and Strawberries,
- Raspberries & Blueberries

For more information visit: http://www.accfarmersfinancial.ca/advance_payments_program_crops_input.html

Agricultural Taxation Information

Ministry Of Revenue Notice: Corporations Tax Returns

The Ministry of Revenue has indicated that they will not be issuing distinct 2008 versions of the CT23 Corporations Tax and Annual Return (CT23), CT23 Short Form Corporations Tax and Annual Return (CT23 Short-Form) and the Corporations Tax Return for insurance corporations (CT8). The 2007 CT23, 2006 CT23 Short-Form and the 2006 CT8 are available for use for the 2008 taxation year.

For further information on this release visit <http://www.rev.gov.on.ca/english/notices/ct/6028.html>

Calendar

June 4, 2008 - Canadian Association of Farm Advisors (CAFA) - Ontario Provincial Conference, Guelph - For conference details including the agenda and registration visit <http://www.cafanet.com/>

June 18-19, 2008 – 35th Annual Ontario Pork Congress. Details available at <http://www.porkcongress.on.ca/>

July 3 & 4, 2008 – Farm\$mart, Elora Research Station. July 3rd is farmer and ag industry day; July 4th – 4-H and rural youth day. Watch www.uoguelph.ca/farmsmart for details.

July 6 – 13, 2008 – 2008 American Quarter Horse Youth World Cup, Western Fair, London. Visit <http://www.aghayouthworldcup.com/> for details.

August 12, 13 & 14, 2008 – Third Annual International Goat Symposium & Caprine Classic, Stratford Rotary Complex. Watch for details at <http://www.goatsymposium.com/>

August 18 – 21, 2008 – Innovative Farmers Association of Ontario, 2008 Bus Trip. For further details or to download a brochure, visit <http://www.ifao.com/>

Thanks for reading the OMAFRA Business Update.

Questions or Comments: contact the editor, Rob Gamble at rob.gamble@ontario.ca.

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