

OMAFRA Ag Business Update

ISSUE # 72 – June 2011

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

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Announcements

2010 RMP market prices now available

[Post-harvest market prices](#) are now available for the 2010 Risk Management Program (RMP) pilot extension. Payments for this pricing period will be made on the following crops, for all coverage levels:

Black beans
Cranberry beans
Japan/other beans
Kidney beans
Spring grain
White beans

Agricorp will deliver 2010 post-harvest payments to eligible participants in June.

Online acreage reporting now available

Ontario grain and oilseed producers with Production Insurance can [report their acreage](#) on [Agricorp.com](#) from May 13 until the June 30 reporting deadline.

With online reporting, producers can:

Report their acres any time, 24 hours a day, 7 days a week
Report more than one crop at a time
Get an immediate confirmation number for their acreage report.

Producers with new account information or landlord/sharecrop arrangements must [contact Agricorp](#) to report.

Coverage for small hive beetle infestation

Ontario producers with Production Insurance or AgriStability coverage who have been affected by small hive beetle (and associated quarantines) may be eligible for a claim or



benefit.

[Production Insurance](#) customers with pest infestation damage should [contact Agricorp](#) as soon as it occurs.

[AgriStability](#) participants may qualify to have a structural change adjustment related to small hive beetle waived. Applications are due by June 30, 2011 and producers can contact Agricorp to request priority processing of their files.

For more information about small hive beetle, please visit the [OMAFRA website](#).

Farm Credit Canada Accepting Applications for its Agrispirit Fund



Farm Credit Canada (FCC) is accepting applications for the Agrispirit fund from now until June 20, 2011. The corporation is donating \$1 million in funding to rural community groups across Canada for building projects. Rural groups can receive between \$5,000 and \$25,000 for projects such as emergency services equipment, playgrounds, recreation centres and care homes in communities with populations under 100 thousand. Last year, 104 community groups received funding and more than 900 applications were received. Non-profit groups are asked to apply online by going to the [FCC website](#).

Wilson Loree Award

Do you know someone who's made a difference in the field of farm business management?



The Canadian Farm Business Management Council is seeking to honour them with the [Wilson Loree Award](#).

The award recognizes individuals or groups who have made an extraordinary contribution to developing and promoting new and positive change in agricultural business management practices and expertise in Canada. The Wilson Loree Award is now in its seventh year.

The Council is looking for individuals or teams that:

- have made significant contributions in the area of business management regionally or nationally
- have demonstrated innovation in areas such as turning research into practical management tools, adapting best practices from other sectors to agriculture; and finding new ways to deliver training, information and resources to farm managers
- have served as a role model and a mentor to colleagues, partners and clients, inspiring them to achieve their full potential
- have demonstrated the abilities to network and develop partnerships to include others in furthering the shared goals and vision of the agriculture industry

Any individual or group can nominate one or more persons whom you feel should be recognized. Nominations are due by July 1 2011.

Please send your completed [2011 Wilson Loree Award Nomination Form](#) by fax, email or snail mail to:

Nancy Pirie, Program Manager
Canadian Farm Business Management Council
250 City Centre Avenue, Suite 300
Ottawa, Ontario
K1R 6K7
Telephone: 1-888-232-3262
Fax: 1-800-270-8301
E-mail: Nancy.Pirie@cfbmc.com

The winner will be revealed at this year's Annual General Meeting August 4-5 in Ottawa.

Publications and Online Resources

New/Updated OMAFRA Publications



Starting a Farm in Ontario, Publication 61; the cost is \$15.00; the 2011 edition replaces the 2000 version

Farm Partnerships, Order No. 11-019: replaces Order No. 02-047

All Ontario publications can be ordered through ServiceOntario

Online at www.publications.serviceontario.ca

Telephone the ServiceOntario Contact Centre

Monday to Friday, 8:30 AM to 5:00 PM

416-326-5300

416-325-3408 (TTY)

1-800-668-9938 Toll-free across Canada

1-800-268-7095 TTY Toll-free across Ontario

In person at ServiceOntario Centres throughout the province.



[A Global Hub for Food Processing: Agri-Food Asset Map](#) *New!*

With its competitive costs, innovative research climate and easy access to ingredients and global markets, Ontario's agri-food industry is a leading North American hub for world-class food processing. Read the [Agri-Food Asset Map](#) to learn more. (PDF - 2.4MB)

University of Guelph, Agriculture & Food Laboratory (AFL)

Invites You to Check Out the New AFL Website!

As part of their effort to enhance the AFL client experience, they have launched a new website and invite you to have a look at all the new features and information. New features include an updated search function for easy access to testing information, detailed sampling and shipping instructions, and a fabulous, new feature: 'Picture of the Week':

<http://www.guelphlabservices.com/>

Agricultural Software Directory – Alberta Agriculture and Rural Development

Locating and selecting the right agricultural software for the farm or agri-business can be difficult and occasionally frustrating. The Agricultural Software Directory on Ropin' the Web makes this an easier task. This directory lists agricultural software packages for agro-electronics to financial record keeping.

[Click to View Agriculture Software Listings. >](#)



Human Resources

Take 25 minutes to define your leadership capacity.

Agrileadership is CAHRC's online self-assessment tool designed to measure your agricultural leadership skills and knowledge. In just 25 minutes, get feedback on your strengths and weaknesses, plus a customized index of regional training options to increase your agricultural leadership capacity.



Labour Market Information on Small Farms under \$100 000 – Canadian Agricultural Human Resource Council

The objective of this project was to conduct a labour market study of small farm operations (defined as farm operations with annual gross receipts less than \$100,000) with the purpose of identifying key human resource issues they might be facing.

For more information on the project, download the [Labour Market Information Report - Focus on Small Farms in Canada 2011](#). In addition, the Executive Summary is also available online.

Statistics and Market Information

Statistics Canada

[Farm income](#)

Realized net farm income amounted to \$4.5 billion in 2010, an increase of \$1.4 billion (+46.1%) from 2009 as the decline in operating costs outpaced a slight decrease in receipts. The increase in 2010 followed a 16.6% drop in 2009. **Ontario saw an increase in realized net farm income from \$49.6 million in 2009 to \$764.7 million in 2010.**

[Farm cash receipts](#)

Farm cash receipts for Canadian farmers totalled a record high of \$12.1 billion during the first quarter, an 8.8% increase from the first quarter of 2010. This follows a 7.5% decline between the first quarters of 2009 and 2010.

New products

[Net Farm Income - Agriculture Economic Statistics, May 2011, Volume 10, Number 1](#)

Nationally, farmers last year paid roughly 78 cents in operating expenses for every \$1 in receipts they earned, down from 81 cents in 2009. During the past decade, this expenses-to-receipts ratio has fluctuated between 78 cents in 2001 and 85 cents in 2003. **In Ontario,**



farmers spent 81 cents on expenses for every \$1 earned in 2010 compared to 85 cents in 2009. (The ratio is calculated by dividing operating expenses by total farm cash receipts.) **When depreciation charges are taken into account, the 2010 ratio fell to 90 cents for every \$1 of receipts nationally and 93 cents in Ontario.**

[Farm Cash Receipts - Agriculture Economic Statistics, May 2011, Volume 10, Number 1](#)

Farm cash receipts, which include crop and livestock revenues plus program payments, fell 0.2% to \$44.4 billion in 2010, the second consecutive annual decline. **Ontario, which accounts for 23% of Canadian receipts, had a 5% increase from 2009 to 2010.**

[Farm Operating Expenses and Depreciation Charges - Agriculture Economic Statistics, May 2011, Volume 10, Number 1](#)

Farm operating expenses decreased in 2010 for the second consecutive year, falling 4.2% to \$34.5 billion. Lower fertilizer, feed and pesticide expenses more than offset higher labour and machinery fuel costs. Prices for most crop inputs fell and their use was reduced in areas of Saskatchewan and Manitoba where wet conditions precluded the seeding of a crop. Feed prices as well as cattle and hog inventories were lower throughout much of the year, leading to an 8.5% drop in commercial feed costs. **Operating expenses were down 2% for Ontario farmers in 2010 when compared to 2009.**

[Value of Farm Capital - Agriculture Economic Statistics, May 2011, Volume 10, Number 1](#)

In 2010, Canada's farm capital value increased by 4.6% to \$308.0 billion, continuing a long upward trend which began in 1993. The total farm capital was 16.4% above the previous five-year average (2005 to 2009). **The value of farm capital rose 5.6% in Ontario from 2009 to 2010.**

[Farm Debt Outstanding - Agriculture Economic Statistics, May 2011, Volume 10, Number 1](#)

Farm debt outstanding at December 31, 2010 rose to \$66.4 billion, up 6.1% from December 31, 2009, continuing the steady upswing since 1993. For the fifth consecutive year, mortgage debt was greater than non-mortgage debt. In 2010, mortgaged debt rose 5.6% to \$35.0 billion, while non-mortgaged debt rose 6.7% to \$31.4 billion. **Ontario has \$16.4 billion in debt outstanding. A 1 % increase in interest rates on this debt would increase total interest payments close to 32%. Interest payments represent around 6% of total operating expenses.**

[Direct Payments to Agriculture Producers - Agriculture Economic Statistics, May 2011, Volume 9, Number 2](#)

Direct program payments to producers totaled \$3.1 billion in 2010, declining 4.7% from 2009, but 25.3% above the previous five-year average (2005-2009). From 2009 to 2010, program payments fell in all provinces except Newfoundland and Labrador and Saskatchewan. **Ontario saw a 22% decline from 2009 to 2010.**

[Agriculture Value Added Account - Agriculture Economic Statistics, May 2011, Volume 10, Number 1](#)

Agriculture's net value added rose by 0.9% to \$11.0 billion in 2010. A decrease in expenses on inputs (-\$1.4 billion) outweighed the decline in the value of production (-\$1.3 billion). Only two provinces, Saskatchewan and Manitoba, recorded decreases in net value

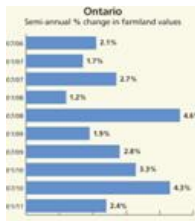
added. Ontario increased 29% in 2010 from 2009.



Production Interactive Map – Grain Farmers of Ontario

Grain Farmers of Ontario has launched this interactive map to help farmers and industry stakeholders keep track of up to date harvest situations. With the help of a network of farmers strategically placed across the province, the interactive map shows county by county information on the amount of acreage harvested at any given time. Updated weekly, this tool will help farmers stay informed of the situation throughout the harvest season and it will also help stakeholders adjust plans according to the state of harvest

<http://www.gfo.ca/Production/ProductionInteractiveMap.aspx>



Farmland Values Report – Farm Credit Canada

Ontario farmland values increased an average of 2.4 per cent during the second half of 2010 following gains of 4.3 and 3.3 per cent in the two previous reporting periods. This translates to an average monthly increase of 0.6 per cent in 2010, the highest across Canada.

Farmland values in Ontario have been rising since 1993.

Stable to upward trends were noted across the province. Southwestern and Eastern Ontario saw the most significant increases. [More>>](#)



Premier's Award for Agri-Food Innovation Excellence

Celebrating agri-food innovators in Southwestern Ontario

Ontario's local farmers are growing innovative ideas that drive our local economies and strengthen our agri-food industry.

These ideas were celebrated at a ceremony in Wingham honouring local winners of the Premier's Award for Agri-Food Innovation Excellence. On-farm innovations are helping Ontario farmers provide more of the healthy food that is grown, processed, and sold across the province. [Click here to see the winners>>](#)

These ideas were celebrated at a ceremony in Strathroy honouring local winners of the Premier's Award for Agri-Food Innovation Excellence. [Click here to see the winners>>](#)



Conferences, Workshops and Seminars

Solar Energy Information Sessions

Considering OR Getting Started in Solar?

Four solar sessions are planned for Ontario in July. These will provide information to those who are recent solar generators or to those considering solar installations. Back by popular demand, Thomas Boehni, a Swiss pioneer in solar energy with over 16 years experience in solar systems will share his expertise and tips. Invited speakers to join Mr. Boehni include: OMAFRA and Hydro One.

Schedule of Dates:

All Sessions begin at 7PM

Tuesday, July 5: Ridgetown

Wednesday, July 6: Woodstock

Thursday, July 7: Guelph

Monday, July 11: Kingston

To Register

Register [ONLINE](#) or by [MAIL](#)  or by PHONE.

To register by phone, please call 519-674-1500 x63295

Soybeans "Finding Opportunities on your Farm and in the Community"

Tuesday, June 21st & Wednesday, June 22nd, 2011 8:30 a.m. - 4:30 p.m.

University of Guelph, Ridgetown Campus Engineering Building and Portable Classroom E1

Course Fees - 1 day course fee \$250.00 (\$180.00 if registered before June 13th, 2011); 2 day course fee \$450.00 (\$325.00 if registered before June 13th, 2011). Lunch and Refreshments are included.

This course is designed to assist Soybean producers in Ontario to derive additional value from their crops. Course sponsors are Energrow, CARES - The Centre for Agricultural Renewable Energy and Sustainability, Grain Farmers of Ontario, and the University of Guelph Ridgetown Campus in partnership with Canadian International Grains Institute.

To register online, [click here>>](#)



Ontario Pork Congress

The 38th Annual **Ontario Pork Congress** will be held in Stratford at the Stratford Agricultural and Recreational Complex on **Tuesday June 21st & Wednesday June 22nd, 2011.**

For details visit www.porkcongress.on.ca !



Celebrating solutions - Showcasing the tools!

The Canadian Agricultural Human Resource Council is holding this year's Annual Forum at the Rodd Charlottetown in Prince Edward Island, July 5-7, 2011

Most agricultural producers agree that labour and skills development issues in their operations are important but few agricultural employers have the training or the resources necessary to successfully recruit and retain staff. That's why CAHRC is holding a forum to showcase tools that assist producers in addressing HR challenges in primary agriculture.

Who should attend

Anyone involved in primary agriculture and human resource management in Canada, including producers, farm and commodity associations, learning institutions, government, suppliers and manufacturers. Come and share your solutions to the HR challenges in Canada's agricultural sector. [More>>](#)



This 2-day conference is open to all human resource professionals, career services staff and relevant association representatives within the agriculture, food science, natural resources and biotechnology industries and is an excellent networking opportunity. Plan to attend this informative meeting addressing topics and areas of high interest that you'll find nowhere else. [More>>](#)



CFBMC's Annual Meeting & Farm Business Management Showcase

August 4-5, 2011

Ottawa, ON

The Annual General Meeting (AGM) will take place in Ottawa, Ontario August 4th – 5th, 2011.

The event will kick-off with Thursday's welcome reception and keynote speaker along with a launch of CFBMC's new look, leading into Friday's AGM and an Ontario Showcase of Farm Business Management Success Stories!

For more information, visit www.farmcentre.com and click on the AGM Event Listing or contact Mary Blue (Mary@cfbmc.com).

CFBMC members and non-members are invited to this event.

Interested in becoming a member? Visit our [membership centre](#) to find out more!



Growing Your Farm Profits workshops

Growing Your Farm Profits is the place to start planning for your business success.

The two-day workshop will give you the tools needed to assess your current farm management practices and understand how proactive planning can influence effective

decision making.

[Workshop dates, locations and more information>>](#)

Thanks for reading the OMAFRA Ag Business Update.

Questions or Comments: contact the editor, **John Molenhuis** at john.molenhuis@ontario.ca.

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