

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.

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Business Strategy / Business Planning

2016 Census is on the horizon

At the beginning of May 2016, Canadian farm operators will have the chance to take part in a national dialogue by completing the Census of Agriculture questionnaire.

The Census of Agriculture is the definitive source of community-level data. By drawing on these data, decision makers will know that they are acting in the interests of farmers, farm communities and agricultural operations across Canada. Farm organizations are heavy users of census data and draw on this information when formulating policy requests, producing communication and outreach work, and conducting market research.

[More>>](#)

New study shows taking care of business leads to success for farmers

Successful farmers in Canada use seven business management practices that set them apart, according to a new ground-breaking study released today in Guelph.

The top 7 practices that drive farm financial success:

- Never stop learning
- Make business decisions using accurate financial data
- Seek the help of business advisors/consultants
- Have a written business plan, follow it, and review it annually
- Know and monitor your cost of production and what it means for your profits
- Assess risks and have a plan to manage and mitigate risk
- Use a budget and financial plan to monitor financial position and options

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FedDev Ontario Announces Support for Entrepreneurs and Early-stage Businesses in Southern Ontario

Federal Economic Development Agency for Southern Ontario (FedDev Ontario)

New entrepreneurs in southern Ontario will benefit from an investment of up to \$4.84 million in Bioenterprise Corporation announced by Lloyd Longfield, Member of Parliament for Guelph, on behalf of the Honourable Navdeep Bains, Minister of Innovation, Science and Economic Development and Minister responsible for FedDev Ontario.

Businesses need the right resources to grow, innovate and export so that they can create good quality jobs and wealth for Canadians. This joint initiative, between Bioenterprise Corporation and Innovation Guelph, will provide entrepreneurs and early-stage businesses with seed funding, access to specialized industry expertise and business coaching. These resources will help companies develop and commercialize new products and, as a result, will help build a strong and diversified southern Ontario economy.

Funding will be geared towards supporting entrepreneurs in the agriculture and agri-food technologies, sustainable and environmental technologies, advanced manufacturing, and social innovation industries.

[More>>](#)

Financial Management

Farming Forecast Remains Strong

Outlook for Agriculture Sector Released – Agriculture and Agri-Food Canada

Agriculture and Agri-Food Canada released the 2016 Canadian Agricultural Outlook. The report provides a forecast of farm income in the agricultural sector for the previous and current calendar years (2015 and 2016), and looks ahead ten years to longer term trends that could impact the agriculture sector. Farm incomes are forecasted to reach record levels for Canadian farmers in 2015, and to remain above average for 2016.

A projected increase in both crop and livestock receipts contributes to these strong income levels for the sector in both 2015 and 2016. An increase in global trade and greater demand for agricultural commodities by developing countries present opportunities to further grow the Canadian agriculture sector.

Quick Facts

Canadian Agricultural Outlook Highlights:

- Net cash income in 2015 is estimated to increase by 6% over 2014, reaching a record \$15.0 billion. A decline of 9% to \$13.6 billion is expected in 2016, still 14% higher than the 2010-2014 average.
- Average farm-level net operating income in 2015 is forecast to be \$77,287, which is 8% higher than 2014.
- Average net worth per farm is expected to reach \$2.7 million in 2016.
- The low Canadian dollar has improved the competitiveness of Canadian agriculture and food products in export markets, contributing to higher farm cash receipts.
- Livestock receipts in Canada are expected to increase by 2% to \$26.2 billion in 2015.
- Crop receipts are expected to have increased 2% to reach \$30.7 billion in 2015, and remain virtually unchanged at \$30.6 billion in 2016.
- Lower crude oil prices are significantly reducing farmers' diesel and gasoline expenses.
- Strong conditions over the past several years have contributed to a decline in program payments in 2015, down to \$2.1 billion.

[More>>](#)

Have your say! Seeking your help in developing Accounting Standards for Agriculture

Farm Management Canada (FMC) created an eight-book series "Accounting for Successful Farm Management - Model Financial Statements for Canadian Agricultural Producers" to provide the Canadian agricultural industry with guidelines for accounting in agriculture.

The series included Potatoes & Field Crops, Dairy, Trees & Vines, Grains & Oilseeds, Nurseries & Greenhouses, Beef, Poultry and Swine.

The Accounting Standards Board (AcSB) is now seeking to create an authoritative standard for accounting practices in agriculture. The goal is to replace the current voluntary guidelines with a new authoritative standard for accounting within the agricultural sector.

In doing so, the AcSB is seeking industry input.

[More>>](#)

Commodity Loan Program – Agricultural Credit Corporation

The Commodity Loan Program (CLP) was developed in 1992 to assist farmers in financing their crop planting, cultivating, and harvesting expenses in Ontario.

Financing is available for:

- Grains and oilseeds (i.e. corn, soybeans, wheat, barley, oats, mixed grain, canola)
- White & Coloured Beans
- Apples

- Grapes
- Processing Vegetables (i.e. tomatoes, cucumbers, sugar beets, beans, cabbage, carrots, cauliflower, sweet corn, onions, peas, peppers, potatoes, pumpkins, squash)
- Tobacco (dark-fired, burley, air-cured, flue-cured)
-

[Loan Rates: Product & Advance Rate List](#)

For a complete list of available agricultural products, loan rates use their 'Product and Rate List' below:

[2016-2017 Product and Rate List.pdf](#)

Human Resources

Apply now for a 2016 Premier's Award for Agri-Food Innovation Excellence!

The Premier's Award for Agri-Food Innovation Excellence program supports and recognizes the dedication, hard work and innovation of local agri-food businesses and individuals who are adding value to existing products, helping create jobs and contributing to economic growth.

Submit your application by 5:00 p.m. on April 15, 2016 to be eligible for a chance to win one of the following awards:

- Premier's Award - one \$75,000 award available
- Minister's Award - one \$50,000 award available
- Leaders in Innovation Award - three \$25,000 awards available
- Provincial award - 45 \$5,000 awards available

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Marketing

2015 Ontario Agri-Food Trade updates

In 2015, Ontario Agri-food exports reached \$14.1 billion a 12.9% increase since 2014. Ontario is the second largest Canadian province (after Saskatchewan) in agri-food exports. The highest value of monthly exports was recorded in October (1.4 billion). <http://www.omafra.gov.on.ca/english/stats/trade/agrifood.htm>.

Ontario's top exports are: grain products (\$3.1 billion), vegetables fresh and processed (\$1.3 billion) and oilseeds (\$1.2 billion). Ontario's top imports are fresh and processed fruit and nuts (\$4.0 billion), fresh and processed vegetables (\$2.9 billion) and grain products (\$2.6 billion). <http://www.omafra.gov.on.ca/english/stats/trade/commod.htm>

In 2015, Ontario's major export partner is US (74%) followed by Asia (excl. Japan) (11%) and EU (6%).

<http://www.omafra.gov.on.ca/english/stats/trade/region.htm>

Ontario's 2015 exports to the US include grain products (29%), fresh and processed vegetables (11%) and sugar and confectionary (9%). <http://www.omafra.gov.on.ca/english/stats/trade/us.htm>

Ontario's top exports to Asia are Other Animal Products (35%) and Oilseeds (25%).

<http://www.omafra.gov.on.ca/english/stats/trade/asia.htm>

Ontario exported 1.5 million of live pigs in 2015, a 25% increase from 1.2 million in 2014. Live cattle exports declined by 4% since 2014 to 141,300 in 2015.

In 2015 Ontario exported 142,900 tonnes of fresh and frozen pork, a 7% decline from 153,300 tonnes in 2014. Exports of beef also declined from 59,900 tonnes in 2014 to 58,000 thousand tonnes in 2015.

http://www.omafra.gov.on.ca/english/stats/trade/pig_cattle.htm

The US is the main destination of Ontario live cattle at 99.6% of total live cattle exports, cows for slaughter and heifers for slaughter represent 55% and 19% respectively.

<http://www.omafra.gov.on.ca/english/stats/trade/cattle.htm>

Majority of Ontario live hog exports are designated for US markets (99.9%). The top exports are pigs under 7kg (610,900), pigs over 50kg for slaughter (551,700) and pigs under 23 kg (180,700).

<http://www.omafra.gov.on.ca/english/stats/trade/pigs.htm>

Trade summaries can be accessed on the statistics section of the OMAFRA website

<http://www.omafra.gov.on.ca/english/stats/trade/index.html>

AgriMarketing Program – SME Component

The Agri-Marketing Program includes a component that provides funding to Small and medium-sized enterprises (SMEs) to undertake promotional and market development activities in international markets.

Details of the SME Component

Eligible applicants must:

- operate in the agriculture, agri-food or fish and seafood sectors;
- employ less than 250 people;
- have annual sales less than \$50 Million;
- be export ready (market research complete, distribution channels identified) and;
- be market ready (product modifications or alterations to packaging are complete, there is existing market access).

[More>>](#)

Production Management

Do you want to increase your crop yields by 10-15 per cent? Plant a windbreak!

Did you know that windbreaks:

- increase crop yield, improve soil moisture distribution over fields and reduce soil loss?
- provide shade and shelter for livestock?
- minimize spray drift and odours?
- decrease the amount of snow drift onto driveways and roads?
- enhance biodiversity and wildlife habitat
- can generate alternative income?

[More>>](#)

Summary of Ontario Custom Farmwork Rates charged in 2015 now available online

<http://www.omafra.gov.on.ca/english/busdev/2015customrates.htm>

Survey results of rates charged in 2015 by 220 Ontario custom farmwork operators are summarized on a provincial basis and also by 6 smaller regional areas. Where available the provincial average 2012 rates are also listed. The 2012 survey is the previous survey to the 2015 survey.

Updated Switchgrass Cost of Production

Updated Switchgrass Cost of Production with direct seeded and underseeded and conventional and no till scenarios now available online and in Excel calculator format.

[More>>](#)

Risk Management

Farm safety and Deadstock

The Ontario Office of the Fire Marshal and Emergency Management estimates that barn fires cost Ontario farmers more than \$25 million per year (2012-2014 average)

Do you know what to do in the event of a farm emergency? Do you know what to do if you have deadstock to manage?

Barn fires, natural disasters, equipment failures and diseases are devastating events for farmers, their families and workers, and the neighbouring community. Planning ahead to [reduce risks](#), and preventing accidents with a safe operation will help to protect employees, family members and animals.

[More>>](#)

Conferences, Workshops and Seminars

OMAFRA Dateline:

OMAFRA Dateline is an online resource for use by interested individuals and organizations across Ontario. Events may be hosted by OMAFRA or other groups. The events posted on this site are aimed at sharing information of interest to agriculture and regional economic development clients. Please check the calendar regularly for upcoming events, workshops, conferences and meetings.

Growing Forward 2 Educational Workshops

Register on-line for Environmental Farm Plan (EFP) and Growing Your Farm Profits (GYFP) workshops by clicking on the

link below to find dates and locations that suit you.

[More>>](#)

Traceability Workshops - Maximizing your Traceability Investment

This free one and a half day workshop focuses on how you can gain a competitive advantage and improve your bottom line with your traceability system. Real life examples and business profiles focused on traceability best practices will be examined throughout the workshop.

At the end of the Maximizing your Traceability Investment Workshop you will be able to:

- Discover how to make your traceability investment work to your advantage
- Evaluate how you currently collect and manage Traceability information in your business
- Identify methods for improving your traceability system to gain added value through reduced costs, improved profit margins and increased market potential

For more detail or to register, visit: <http://registration.wildapricot.org/>;

Upcoming Workshop Dates, SPRING 2016: March 17, 24, 2016, 10:00 am Elora

Integrated Pest Management (IPM) Course for Corn and Soybeans

The University of Guelph Ridgetown Campus will be offering the Integrated Pest Management (IPM) Course for Corn and Soybeans starting in early November 2015.

For the 2017 growing season, starting August 31, 2016, anyone needing to buy and use neonicotinoid- treated corn or soybean seed must complete integrated pest management training and become certified, among other requirements. Once you have successfully completed the course, you will be certified for five years. Once a person is certified, they can supervise up to seven people to help with planting. The course is offered free of charge if successfully completed by August 31, 2016, so sign up early to guarantee a spot.

The ½ day course will cover topics such as IPM principles including corn and soybean pest identification, planting best management practices, the new regulatory requirements regarding Class 12 pesticides and pollinator protection from neonicotinoid exposure.

Starting November 2015, courses will be offered in classrooms across Ontario and online. Check the website www.ipmcertified.ca/ for a list of available dates and locations. You can sign-up online or call 1-866-225-9020 FREE. For more information, contact: Denise Lesy, Lynn Van Maanen or Susan Kelner University of Guelph Ridgetown Campus Ridgetown, ON N0P 2C0

1-866-225-9020 FREE www.IPMcertified.ca rccp@uoguelph.ca

Communication skills workshop

AMI to offer additional 1-DAY communication skills workshop for agrifood business employers/employees & families in 2016

Two locations! For food producers: Woodstock & For food processors: Mississauga

If you missed the Challenge the Conversation 2.0 Workshop, this is your last chance to learn how to:

- Avoid uncomfortable or challenging discussions.
- Spend a lot of time fixing issues and misunderstandings.
- Want to deal with performance issues more effectively.
- Need to work in partnership with employees & family.

This is a workshop designed to help managers, employees, spouses, and other family members learn how to communicate effectively on a daily basis, including tackling those difficult succession planning, and business management/operations conversations.

Full details and registration information here: <http://takeanewapproach.ca/Events.htm>

Feeding the World Through 2050

The Stewart Lane Commemorative Lecture presented by Dr. Timothy Beatty, Dept. of Agricultural and Resource Economics, University of California, Davis. Dr. Beatty's talk is titled "Feeding the World Through 2050."

Stewart Lane Commemorative Lecture

Date: Friday, March 18, 2016

Time: 3:00-5:00 p.m.
Location: MCLN 102, University of Guelph

Free admission and open to the public.

Value-added course to help producers increase profits with new products or services

Ever wondered about turning your fruit into jam? Ever dreamed about making gourmet ready-to-eat meals with your produce?

Take the free Exploring Value Added Opportunities course, offered by the Ministry of Agriculture, Food and Rural Affairs (OMAFRA), to learn whether adding value to your products and services is right for your business.

Course Description

Participants will learn how to generate ideas for value-added opportunities, assess an idea's business potential, identify and manage risk and develop a plan to execute their idea.

Course Dates and Times

The course is being delivered through three, one-hour interactive webinars. These sessions are taking place on March 23, March 30, and April 6 (all Wednesday) from 7:30 -8:30 pm. (Eastern Time). To participate in this free learning opportunity, you will need Internet and phone access. Pre-registration is also required.

Course Testimonial

"Sessions were dynamic and engaging. We were also very impressed with the sheer quantity of good information offered to us. Thank you!" A past course participant

Learn more or register at:

ontario.ca/e996

877-424-1300

Farm Succession Update: Three Circle Model - In-Depth

Wednesday, May 18, 2016 8:30am-5pm
The Delta, Guelph

Modelled after their successful Farm Tax Update held in October 2015, this is going to be the premier farm succession event in Ontario. With some of Ontario's top farm advisors addressing how the family, management and ownership dynamic interact in transitioning a farm.

[More>>](#)

Annual Food and Agriculture Business Seminar

June 5-7 2016
Guelph, ON

Learn with the best at Canada's Food University

The Food Institute hosts the 2nd Annual Food and Agriculture Business Seminar June 2016. Emerging leaders analyze real scenarios that national businesses have faced, while learning from other leaders in the food supply chain. This year's seminar will focus on big data, sustainability, new markets, farmland asset management, 3-D food printing, and international co-operatives.

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Thanks for reading the Ag Business Update.

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

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