Native Agri Update

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www.indianag.on.ca

BUSINESS START UP & EXPANSION PROGRAM

IAPO is accepting applications for the Aboriginal Business Start Up and Expansion Program for the 2017/18 program year. Aiming to ensure access business financing, ABSEP provides business financing and grants to qualified First Nations individuals and businesses.

Who is eligible?

Status Indians, living on or off reserve, First Nations majority owned businesses (51%) and economic development corporations owned by a First Nation which are engaged in for profit business activity in Ontario are eligible.

What businesses/projects are eligible?

Business start-up, business expansion and business acquisition costs. Projects must demonstrate viability, the ability of the business to pay all of its expenses including loan payments and generate a profit for the owner. Applicants must demonstrate the project benefits, their need for financing, financial and managerial capability, and a sound financial plan.

Business, Farm and Agribusinesses

Eligible farms and agribusinesses across Ontario are encouraged to apply. As well, in Central and Eastern Ontario, all First Nations businesses are also welcome to apply.

What types of costs are eligible?

Eligible costs may include, but are not limited to; professional fees, research and development, new product development, and market expansion. Capital to support the growth of the business is eligible if it is to be used to increase production capacity, productivity, profitability, market reach, product development, or for working capital. Acquisition of an existing business with the potential to benefit Aboriginal people is eligible.

What financing is available?

Financing, including term loans and working capital, is tailored to meet business needs and applications will be considered for full project financing, partial financing or leveraging to complement other financing or funding. Qualified businesses are eligible for financing of up to $200,000 and grants of up to $20,000. Generally a minimum of 10% cash equity is required. To qualify, applicants must demonstrate economic viability, as well as, the need for ABSEP funding.

How to Apply & Information

Applications are available by calling 1-800 -363-0329 or info@indianag.on.ca. Applications are accepted on an on going basis based on available funding

LOAN REVIEW COMMITTEE MEMBER

IAPO is seeking applications from interested First Nations candidates possessing a financial background to serve on the Loan Review Committee (LRC). The LRC reviews and renders decisions on all client loan application and submissions.

Working with other committee members, key responsibilities include:

- Review and evaluation of financing applications.
- Loan approval and recommendations to the Board of Directors
- Semi Annual Portfolio Reviews
- Attend semi-annual LRC meetings

Participation on the Loan Review Committee is part time commitment with compensation.

The ideal candidate will have an agricultural and business background including financing.

Interested applicants are asked to send a cover letter and resume to:

Jamie Hall, General Manager
P.O. Box 100, Stirling, K0K 3E0
or jamie@indianag.on.ca

JH

Inside

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Agribusiness

OPERATING LOANS FOR YOUR BUSINESS

Farm operating loans or line of credit loans are a financial lifeline to most working farm operations. A farm operating loan or line of credit is revolving debt that can be borrowed to fund the yearly operating costs of farm operations. Typical farm operating expenses include: seed, fertilizer, feed, labor, tillage and harvest. Farm Operating Lines of Credit can help a farm operation manage its working capital and maintain adequate cash on hand and keep the bills paid.

Few lenders will allow new equipment and asset purchases to be expensed on a farm operating line of credit. Equipment loans usually have longer payback times and higher rates of interest. Most operating loans are on an annual renewal basis. The amount of operating capital required can vary significantly on an annual basis due to fluctuating costs of the business' expenses. Annual estimated expense budgets help farm operators determine their estimated input cost based on the plan for the operational year. Operating loans require a good working relationship between lender and farmer.

Importance of Adequate Working Capital

The importance of a farm operation having adequate working capital cannot be understated. Without adequate working capital, a farm operation will not have cash on hand to purchase vital resources such a fertilizer and pesticides during the crucial growth stage of crops. Not having an adequate operating line of credit or adequate working capital is the number one reason for default and bankruptcy for farms. Suppliers may charge high rates of interest on unpaid bills over thirty days unless the farmer has made other repayment arrangements. It is also important that those unexpected expenses such as a tractor repair can be covered. A farmer with adequate working capital has better cost control because of having the ability to shop around for the best price.

Collateral for a Farm Operating Line of Credit Loan

Typically, the collateral for a farm operating line of credit includes the investment in the current crops grown and the accounts receivable associated with harvest of such crops. In addition, most banks will require additional collateral such as livestock, farm machinery / equipment, and any other farm assets owned. Most banks will not finance over 50% of the value of the assets pledged as security for a new farm operating loan. As a positive relationship between lender and farmer develops over several years lenders may increase operating loan limits and require less security.

Operating loan security is often tied directly to the sale of the product produced. Cash from the sale may go directly to the lender until the operating loan is repaid. The farmer assigns this right to the lender who then is able to make arrangements with the agreed upon buyer. In some instances only a portion of each sale is assigned to the lender so that the farmer gets some cash from each sale.

Somewhat uncommon are operating loans secured with farm real estate. These operating loans have significant benefits to most farmers with adequate equity to obtain a loan based on the equity in their farmland. Loan terms are often extended over the typically annual loan renewal terms and can be extended upwards of a period of 10 years. Multi year operating loan terms are common in businesses that take several years to get their product to market. Some business examples where a multiyear operating loan would apply could be blueberries, ginseng or an apple orchard. However the farm operator should be aware of any annual requirements for financial statements. The lender will want to ensure that the development of the new business remains on track and the cost is as proposed.

Farm Operating Line of Credit Rates

Interest rates for most operating lines of credit are adjustable rates with margins based on the banks cost of funds. Banks refer to their base rate of interest as " prime ". Farmers can usually negotiate a rate close to prime in addition to paying a yearly fee. The farmer with the best plan and financial history will usually obtain the best rate of interest.

Looking For An Operating Loan

Most lending institutions in Ontario will offer operating loan programs. Some will be more experienced in agricultural lending than others.

Several crop retailers and livestock suppliers partner with agricultural lenders to offer their clients input financing by way of an operating loan. Farm Credit Canada has such a partnership program. These programs are helpful but the operating dollars can only be used to pay for inputs purchased at that particular supplier. Farmers who have sufficient working capital to pay for all other farm expenses may find supplier operating financing sufficient.

Agricultural Credit Corporation (ACC) is a not-for-profit farm organization founded in 1992 by a coalition of farm organizations and is now comprised of 19 producer associations and marketing boards. ACC offers low cost operating loans to producers in 3 provinces, including Ontario, British Columbia and Quebec. Each member of the Board of Directors is a farmer, many of whom represent other commodity boards or associations. The expertise of ACC is built upon experience gained in offering loans, producer credit review, managing large loan accounts, meeting government loan guarantee parameters and collection of loan repayments. ACC is farmer friendly and low cost but repayment of the loan each year must occur to stay in the program.

If you are a First Nation farmer or agribusiness owner in Ontario, the Indian Agricultural Program of Ontario business advisors can assist you. IAPO programs have been developed for First Nation agricultural businesses and can work in partnership with other programs such as ACC. It is never too late to contact the IAPO business advisor near you to develop a plan for 2017.

DM

Market Information

BEEF MARKET WATCH

Prices are courtesy of the Beef Farmers of Ontario Weekly Market Information Report for the week ending Thursday April 13, 2017 .

Changes here reflect the difference in prices from the week of February 10, 2017 to the week of April 13, 2017. Weekly reports provide average prices for the week but do not include Friday sale results. This was a shorter week due to the Good Friday holiday.

Prices across all categories are stronger.

Rail grade steers are up $18 and fed steers and heifers are up $8 to $9.

Cull cows are steady to $2 higher with cull bulls up $17. Stocker steers are up $11 to $32 depending on weight category. Stocker heifers are $6 to $15 stronger depending on weight category.

Numbers of cattle offered for sale are down this week due to a shorter week. Graziers are starting to look for good grass cattle increasing the seasonal demand. Market reports noted that fleshy grass cattle were discounted. Carcass weights continue to decline resulting in reduced production per animal and a reduction in total beef produced. Both factors contribute to stronger prices.

Category	Price Range $	Ave Price	Top Price	Change
Rail Steers	266-271			+18
Fed steers	146-158	152	171	+8
Fed heifers	140-160	154	174	+9
Cows	66-91	78	140	+2
Bulls	104-126	115	199	+17
Stocker steers				
700 – 799	176-209	193	221	+32
600 – 699	156-214	189	247	+15
500 – 599	165-216	194	243	+11
Stocker heifers				
700 – 799	144-176	164	207	+9
600 – 699	150-187	170	194	+6
500 – 599	157-194	179	202	+15

All prices are on a hundred pound basis (cwt) ML

CROP MARKET

Excerpts from Monthly Market Trends Post –March 31 Special 2017 by Phillip Shaw GFO www.gfo.ca

On March 31 the U.S.D.A. announced that farmers were expected to plant 90 million acres of corn, down 4 million acres from last year. On the other hand, the U.S.D.A. announced that soybean acreage would be up 7% from a year ago coming in at 89.5 million acres. The U.S.D.A. also pegged U.S. wheat acreage at 46.1 million acres, which is the lowest recorded wheat acreage in the United States since they began keeping records in 1919. Clearly, there was a major move toward soybeans in the estimates taking away from other crops.

CORN 90 Million acres is down from last year, but it still represents a lot of corn when there are old crop stocks plentiful on the ground. Demand is very strong at 14.6 billion bushels. That means with an approximate trend line yield of 170 bushel/acre in 2017, corn-ending stocks would be down to 1.8 billion bushels. If you went down to 165, we'd be near 1.5 billion bushels. Clearly, any production hiccup this summer would help corn prices. Seasonally, the corn market tends to trend down through August. Last year the high was hit in mid-June.

SOYBEANS Soybean acres were the big winners in the U.S.D.A. March 31 report. 89.5 million acres are a lot of soybeans and it would've been even larger if there were not a 12% rise in the number of cotton acres predicted. Of course the soybean price is down significantly with cash values now in Ontario below $12 a bushel. The Brazilian soybean crop continues to grow in size. It is hard to imagine a weather event in April that will reduce the potential crop. However, this is agriculture and anything can happen. Seasonally the markets five-year index shows the old crop market tends to trend up through late June.

WHEAT In United States farmers are growing the least wheat acres since 1919. This is reflective to some extent of the market share American farmers have lost in the wheat market worldwide.. Wheat stocks remain very onerous even with these reduced acreage projections.

Coming Events

April 30 **Deadline AgriStability – Pay fee for 2017 year**

May 1 **Deadline – Production Insurance for 2017 year**

May 24 **Wiky Farmer Meeting**
6-8:30 pm Wikwemikong
For more info contact jamie@indianag.on.ca, 1-800-363-0329

June 30/17 **Deadline AgriStability – Statement A 2016** JH

Livestock Information

PUTTING LIVESTOCK TO PASTURE

Here are some suggestions to consider before putting livestock to pasture. Livestock includes cattle, sheep, goats etc.

When grass starts to green up we are tempted to open the gates and let them go! For some farmers it was a long winter of chores, birthing etc. with relief in sight. Farm situations are a little different from year to year and farm to farm. Whether you have an "open the gate" method or an intensive management system consider the following to best utilize early and late season growth.

Consider the best time to turn livestock out to pasture for your management. For more traditional pasturing where animals roam the entire area and plants have no scheduled rest periods, give the new growth an opportunity to get started. Plants require leaves to build up root reserves in order to continue sending up new growth after each bite. Early plant harvest by the animal can weaken the plant's future growth potential. Three or four inches of growth is minimum. This means feeding hay in the wintering area during a cold wet spring. If hay is scarce holding livestock back is less attractive.

For a livestock farmer with a pasture rotation system it is important to start early once growth is evident. Under this system livestock are rotated from field to field with rest periods for each field. This allows plant growth time to recover following grazing. The challenge with intensive management is to keep ahead of the growth in the next field. It requires an earlier spring turn out.

Usually in the spring there is lush pasture growth. Moisture and heat is ideal for grass species in particular. While adding fertilizer should be considered let's try to make best use of fertilizer dollars. Grass (but not legumes) responds to applications of nitrogen providing a burst of lush growth with adequate rainfall. Rapid spring growth doesn't require this extra boost. For grass pastures an application of nitrogen in mid to late June when growth is beginning to slow down will give that extra flush. Again assuming there is rainfall. Some farmers follow-up with a second application in late August providing grass growth into the fall. Up to 50 lbs of nitrogen could be applied each time. This split application provides more bang for the buck compared to applying up to 100 lbs at one time. Again keep in mind that a pasture made up of over one-half legumes like trefoil, white and white clover and alfalfa will not have the same growth response. There is less return to the money invested in this situation.

A soil test about every 3 years will provide guidance for fertilizing heavy legume pastures.

Encourage Rotational Grazing with Protein/Mineral Blocks

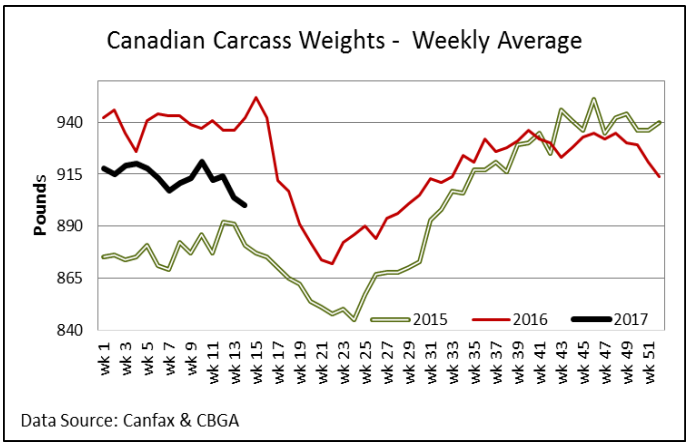
In 2009 beef farmers at Wikwemikong in partnership with IAPO and Industry used protein and mineral blocks to move grazing cattle from one area to another with-out the use of fencing. The project was run on a large community pasture at Wikwemikong. The intent was to rest different grazing areas providing an opportunity to have a second flush of growth before being grazed again. This keeps the roots strong and sending out new growth. Cattle have greater gain and cows produce more milk on fresh growth as compared to mature, coarse plants. Blocks were provided in mid-June after the first flush of growth as a pasture supplement. Cattle are attracted to the molasses included in the block. Blocks are dense, controlling the amount of intake. Large blocks (225 lbs.) were used to attract and keep cattle grazing in a selected area for a period of time. After grazing one area to the desired length, blocks were moved to the next pasture with cattle following.

We learned some things to increase effectiveness. It is important to provide salt. All blocks contain some mineral but no salt. Block consumption is limited when salt is available. Ideally cattle should be introduced to the blocks before going to pasture. Cattle grazing needs to be monitored regularly to make sure the blocks and cattle are moved as growth dictates. It is helpful if there is a water source close by.

We did learn that bears are attracted to the blocks. This can discourage block use depending on bear numbers.

These blocks also provide minerals and protein to supplement the pasture diet during summer months when pasture growth is reduced. This encouraged milk production and increased fertility. Certainly with proper monitoring the blocks are an effective pasture rotation option.

A LOOK AT CARCAS WEIGHTS



Graph courtesy Beef Farmers of Ontario Market Report

Steer carcasses have dropped 58 lbs and heifers 20 lbs in the past year. This indicates that feedlots are moving cattle out as they finish and not pushing for extra lbs to increase the gross return per animal. Increased carcass weights are encouraged by higher stocker purchase price and weaker finished sale price resulting in a high negative price margin. Extra pounds helps improve the margin per animal as there appears to be no discount for heavier carcasses. However more reasonable stocker prices last fall, moderate feed prices and strong finished cattle prices (strong demand) are keeping feedlot marketing current.

ML

Crop Information

SULPHUR DEFICIENCY IN WINTER WHEAT: PLANNING AHEAD

Source:fieldcropnews.com/2017/03/sulphur-deficiency-in-winter-wheat-planning-ahead/ Author:Joanna Follings, Cereals Specialist

"Field Crop News" is an archive of information dedicated to the production of over 8.5 million acres of field crops in Ontario and a forum for which producers, researchers and industry personnel can share information and ideas. The crop technology team with the Ontario Ministry of Agriculture, Food and Rural Affairs (OMAFRA), faculty at the University of Guelph and Ontario field crop producers continually work together to find ways to improve field crop production. The key learning and outcomes from these collaborations are captured at "Field Crop News". from http://fieldcropnews.com/about/

Sulphur (S) deficiency was very prevalent in winter wheat last spring, including fields with a history of manure applications. The deficiency seen in many fields may have resulted from a cooler than normal April reducing S mineralization.

Sulphur deficiency can be identified as whole plants that are pale yellow. It can often be found first on slopes and areas with low organic matter.

S applications may not be required every year due to the year to year variation in response which might have you asking the question, why bother with S applications? Well, historically S deficiency in winter wheat was not an issue; however, since sulphur oxide emissions have decreased significantly, there is a need to ensure the crop has an adequate supply of S.

Ontario research has shown there is a variation in yield responses to S applications depending on the year. Years with cool, damp spring conditions showed more of a yield response (Table 1). Interestingly, when the data was analyzed further and separated into responsive and non-responsive sites, yield gains were even more significant on responsive fields (Table 2).

Treatment	2011	2012	2013	2014	Average
Check (No Sulphur)	95.2	101.4	80.2	91.6	91
5 lbs. Sulphur	-	100.9	80.2	96.2	91.7
10 lbs. Sulphur	-	102.6	81.2	96.3	92.7
20 lbs. Sulphur	99.7	102	81.5	95.9	92.6
40 lbs. Sulphur	-	102.2	-	95.7	-

Table 1: Average yield data (bu/ac) of 40 locations across southwestern Ontario (Johnson and McClure 2011-2014).

So, as we start thinking about fertility management this spring, don't forget about sulphur.

Pay close attention to the temperature and if the weather continues cool into the spring as wheat advances an application of S may be needed. Get out and walk your fields and if you are seeing deficiency symptoms consider a tissue analysis to confirm. Ontario research suggests yield responses for S applications when tissue-S concentrations are below 0.25, while tissue-S concentrations above 0.30 rarely show a response.

Treatment	Yield (but/ac)	Gain
Check (No Sulphur)	90.3	-
5 lbs. Sulphur	93.1	2.8
10 lbs. Sulphur	94.6	4.4
20 lbs Sulphur	95.2	5

Table 2:Yield Response, 12 Responsive Sites (Johnson and McClure 2011-2014)

Although a tissue test will assist in determining whether you have S deficiency, it may not be as helpful in determining the optimal rate to apply. Ontario research suggests that the optimal rate is 10 lbs./ac. However, some fields may require a higher rate so do some test strips in your fields to compare yields and identify responsive and unresponsive fields. If you are seeing a deficiency, apply S as soon as possible. Once an application of S has been made a response is typically seen in 3-4 days, but as we saw this past season it can take up to 10-14 days.

EXTENDING YOUR XTEND SOYBEANS

Source: Crop Corner written by Elliott Armstrong, Sales Agronomist at Clark Agri Service April 3, 2017

With approval last summer, many growers are planning to use new dicamba-tolerant Xtend soybeans this spring. This new technology allows farmers to spray their soybeans with new dicamba herbicides Xtendimax and Engenia, for effective control of glyphosate resistant fleabane.

While the Xtend system is new and exciting it is not the be all and end all in soybean weed control. Annual broadleaves, pigweeds, ragweeds, nightshade are all well controlled by dicamba. Where the herbicide falls short is on grasses and perennials, such as dandelions. Annual grasses are easy enough to touch up with an in-crop application of glyphosate, but dandelions are more difficult to control with glyphosate alone. We need to add another herbicide to the tank if we are to achieve control of dandelion in the spring. If we only use Round-Up and dicamba we will not be controlling all of the problem weeds in our fields. One thing to remember is that we should be adding another mode of action to dicamba or else we could run into resistance issues down the road the same way we have with Round-Up.

Using Xtend also brings along some extra stewardship. Dicamba will injure Round-Up and conventional soybeans. Growers need to be cautious to minimize drift onto neighboring crops. New nozzles may have to be used to produce the "ultra coarse" droplets needed for dicamba. A pre-plant early season application of dicamba will also be the safest for minimizing drift.. Growers need to pay attention to minimize drift.

GE

Other News

VEGETABLE TRANSPLANTS

Sources: NC State extension, Growing Vegetable transplants
U of NH Coop Extension, Starter fertilizer for Vegetable Crops
Producing Vegetable Crops (5th edition) George Ware et al.

Spring has arrived and with it comes the prospect of growing and harvesting fresh market garden vegetables. While many of our vegetable crops can and will be direct seeded, others typically require being managed as transplants.

Vegetables most commonly transplanted include:

Brassica family: Brussel sprouts, broccoli, cabbage, and cauliflower
Cucurbit family: Squash, muskmelon, watermelon and cucumber
Nightshade family: Tomatoes, eggplant and peppers

Tomato Transplanting

When selecting transplants look for those that have a healthy stocky appearance, are medium sized, with a deep green colour and are free from insects and disease. Normally, transplants that are flowering should be avoided as flowers are normally lost shortly after transplanting .

Transplants must be "hardened-off" or toughened up, preparing them for the harsher and less favourable outside environment, prior to planting. The most common methods for hardening-off plants are exposing the plants to cooler temperatures or limiting water (while not allowing plants to wilt excessively) or a combination of both. For example hardening-off can be achieved by setting plants outside in cooler temperatures and partial shade during the day and bringing them in at night. Each day the plants are left out longer while taking precautions to protect them from frost. The entire hardening-off process takes approximately 2 weeks. Once the plants are hardened-off they are ready for planting.

Why use a starter solution?

Transplants have a small root system that can only access the soil nutrients that come into contact with that root system. To help get plants off to a strong start, growers commonly use liquid starters at planting (about 1 cup or 250ml/plant). Nutrients in liquid starter solutions are easily and immediately available to the plant leading to a rapid plant response that minimize "transplant shock". Plants move from the greenhouse to spring planting conditions such as low soil temperatures & cold nights, which are stressful for the transplant. The recovery of a plant following transplanting is determined largely by its ability to obtain water which is directly related to its ability to generate roots. Phosphorus is essential for root growth and even in soils with high Phosphorous levels, phosphorus is not readily available to plants when soil temperatures are less than 15C (60F) which is typical to spring planting conditions. The addition of a liquid starter during transplanting will help to compensate and give plants a boost. A solid start to a vegetable crop will provide benefits throughout the growing season.

What is a starter solution?

A starter solution is a mixture of a soluble fertilizer and water that is used at the time of transplanting to get the plants off to a good start by providing the benefit of early growth while avoiding injury to the transplants. Starter solutions are made from fertilizers specifically designed to be mixed with warm water and mix easily. Dry fertilizers are seldom used for starting transplants in the field as they can either be out of reach for the transplant's limited root system or can come directly in contact with the transplant roots and cause serious plant injury (burning). In comparison, liquid starter solutions are specifically formulated to be low in harmful salts so that they can be applied directly to the transplant roots allowing the fragile root system immediate access to the nutrients without risk of harm. It is important to use enough liquid starter solution to drench the entire root system of the transplant, so normally 250mls or 1 cup of starter solution is applied to each transplant at the time of planting. Starter solutions are high in phosphorus which is essential for root growth. Starter solutions normally have 2 to 3 times more phosphorus than nitrogen or potassium. Phosphorus availability in cooler soils is low until soils warm and the soil microbes start to work. Also, small amounts of nitrogen are normally present in liquid starters which improve early seedling vigour.
Examples of starter solutions are:

- 6-24-6,
- 8-32-16
- 10-34-0

For organic growers, options include Liquid Bone Meal 0-12-0, fish emulsion, and seaweed fertilizers at standard dilutions.

Two Row Transplanter with Starter Tank

JH