Native Agri Update

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www.indianag.on.ca

BEGINNING FARMER PROGRAM BACK FOR 2016!

IAPO is pleased to announce the Beginning Farmers Program (BFP) is back for 2016. The four year program is designed to support new beginning First Nations farmers between the ages of 16 and 35 through all stages of farm business start up. BFP will support the start up of new farms and investment in new farm businesses.

Eligible Farm Businesses

Eligible farm businesses include: livestock, crop, vegetable, fruit, maple syrup, honey, floriculture and nursery production, mixed farming and aquaculture. Potential applicants are encouraged to contact IAPO if they are unsure whether their new farm business idea qualifies.

The program has two distinct areas of focus:

- Start Up Financing
- Workshops and Training

Beginning in the spring of 2016, program participants will take part in an evaluation to establish current business and skill levels. This information, in conjunction with the formal training and support, will be used by the participants in the creation and support of their multi-year business plan.

Start Up Financing

Eligible participants will be able to access financing and cost share funding to finance their new farm business up to a maximum total project value of $45,000. Eligible costs include livestock, equipment, machinery, materials, inputs, building costs, storage etc. On approved projects, participants are eligible to receive 30% cost share up to a maximum of $15,000. For larger projects, contact our business advisors Mark Leahy or Grant Edwards to discuss options.

Mentoring, Business Advisory and Extension Support

From business planning to implementation, participants will be supported by mentors and IAPO staff regularly providing help and guidance including farm visits.

Applications accepted until March 11

Applications are available from IAPO and will be accepted until March 11, 2016. Participation is limited and selection will be based on the applications submitted.

Applicant Eligibility

Applicants must have Indian Status and be between the ages of 16 and 35 years old and must contribute a minimum of 5% equity.

Applicants must not have owned or operated a significant farm business previously. Eligible participants include those individuals who have worked on farms owned by family or others, individuals who have small scale farm businesses (less than $5000 in sales/value of production per year), or individuals who have not previously farmed or owned a farm business.

Applicants must be able to demonstrate they have the capability and capacity to start a farm business and participate in all scheduled workshops and meetings conducted in conjunction with the Beginning Farmers Program.

For more info, including complete eligibility requirements, or an application, contact 1-800-363-0329/`info@indianag.on.ca

Understanding IAPO's Impact
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Inside

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Agribusiness

PREPARING FOR 2016

Your attention now should be all about 2016. All entrepreneurs must plan for the next twelve months. No two years are the same. In farming the prospects of real improvements in commodity prices or input prices for 2016 have begun to fade. While the low Canadian dollar should help maintain crop and livestock prices, it will cause imported inputs to rise in price meaning that it may cost you more to operate your business in 2016. If you spend time preparing and planning, you will help position your operation to thrive into the future. To help you, here are tips for securing your farm's financial footing.

1. Stay laser-focused on costs. The first step to a successful start for 2016 is knowing your cost of production. You should have a working budget that is regularly updated as input prices are locked in. While many producers consider variable expenses such as seed, repairs, fuel, fertilizer and crop protection when budgeting, it important to consider all expenses. Fixed costs such as loan payments, insurance, taxes and land rent often add up to be more than fifty per cent of the business's expenses. It is essential then to review all costs this time of the year.

2. Manage cash flow wisely. Monthly cash flow projections are an important tool to success. Do you have enough cash to operate the business? Are you managing the burn rate of the cash properly? You must be able to pay the businesses monthly bills and not be forced into paying high interest rates on overdue bills. Detailed financial cash flow planning not only saves money, but lowers financial stress during the year.

3. Pay attention to debt repayment capacity. Debt repayment capacity measures the amount of cash flow that the farm has available to service term debt. Debt Repayment Capacity indicates how easily you will be able to meet scheduled debt payments. Assure yourself that your business can pay the entire principal and interest due in the next twelve months. If your projections for 2016 reveal that you may not make these payments then solutions may involve reducing total debt or extending terms on existing debt. Lenders are often agreeable and will cooperate with such requests. Planning ahead to avoid financial road blocks is much easier than dealing with arrears after the fact.

4. Pursue good deals with discipline. Heading into 2016, you are likely to come across several good deals. For example, in response to the general tightening of the agricultural purse strings, good deals on land and equipment might begin to surface. Be disciplined! It is important to consider your farm's priorities and financial capacity before committing to new obligations. Having these identified at the onset will make sorting through opportunities much easier. For example, realizing that a combine upgrade is needed and financially feasible allows you to focus on pursuing a combine acquisition. Otherwise, you might find yourself buying a piece of land or something else that was never a priority and committing the financial resources needed for the machinery upgrade.

5. Address new technology. If there are two things that you should invest more resources into, it is monitoring your business and crunching your financials. When the weather and agricultural economy are unfavorable, these are not fun activities. Yet, they're often the most valuable way you can spend your time. In recent years there has been a surge in financial products and smart phone apps. Cell phones and related technologies bring the world to the farm. These apps are tools for monitoring weather, instantly identifying weeds and diseases, instant market updates or creating notes to yourself that can pretty much be forwarded anywhere. Many apps are free so try them out.

6. Manage lending relationships. Now is the time to meet with your lender and discuss your situation and future plans. Bad surprises can be stressful for everyone involved. Maintain an open and proactive relationship with your lenders and be prepared to bring solutions or suggestions for solutions to current challenges to the table.

7. Don't forget about price risk. While low grain commodity prices are worrisome, it's important to keep price swings in mind. I am sure that no one saw the price of oil dipping below thirty dollars a barrel. I am often perplexed when producers will not sell into a market because they are waiting for last year's prices. Spending time reading and listening about markets will help you to adjust your expectations to current market situations. For instance, soaring imported vegetable prices this winter may translate into higher prices for Ontario vegetable farmers this summer.

8. Consider alternatives. It may be time to evaluate your business and the products you market. This can be especially true in areas where alternative crops may be more economically attractive. Just as high prices brought several additional acres of corn and soybeans into production, lower prices create the need to remove acres from production. You may want to consider whether your equipment set is the right complement for your current size. Finally, you may want to consider the profitability associated with your various leases and owned farmland. Making a hard choice today may position you for better opportunities tomorrow.

By sticking to the basics, you can get by and even prosper in 2016.

NEW WEBSITE FOR AEDF INFO

WWW.ABORIGINALBUSINESSFINANCING.CA

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Market Information

BEEF MARKET WATCH

Prices are courtesy of the Beef Farmers of Ontario Weekly Market Information Report for the week ending Feb 5, 2016

Changes here reflect the difference in prices from the week of December 3, 2015 to the week of Feb.5, 2016.

- Prices have rebounded since December.
- Rail grade steers are up $30 and fed steers and heifers are up $17 to $18.
- Cows and bulls are up $7 - $11 reflecting the normal seasonal change.
- Stocker steers and heifers are up $12 - $26. All stocker categories are averaging over $200/cwt.

In 2015 the US saw an expansion in the cowherd. This is expected to continue into 2016 but at a slower pace. Prices will be cyclical with greater demand for stockers in the spring for grass cattle and some fall off later. With expansion heifers are held back curtailing the number of calves going to market in the short-term. Slowly the herd builds and the supply of calves increases followed by an increase in beef supply. A slow slide in prices is expected as part of the normal cycle into 2017.

In Canada, the expansion is not as obvious to date but expect a resulting decline in prices as the supply builds. This increase won't be evident until 2017 at the earliest.

Trade has a large impact on beef prices and new markets are opening up for Canadian Beef. See more info on trade including TPP and COOL on page 4.

Category	Price Range $	Ave Price	Top Price	Change
Rail Steers	292-294			+30
Fed steers	154-182	171	197	+17
Fed heifers	157-178	170	186	+18
Cows	78-106	92	147	+11
Bulls	122-141	132	169	+7
Stocker steers				
700 – 799	200-241	226	258	+12
600 – 699	212-266	240	283	+14
500 – 599	225-284	253	324	+14
Stocker heifers				
700 – 799	185-215	202	219	+25
600 – 699	193-231	216	267	+26
500 – 599	201-255	230	289	+14

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

CROP MARKET

Excerpts from Monthly Market Trends Jan—Feb 2016 by Phillip Shaw GFO www. gfo.ca

CORN - The January USDA report maintained US corn demand at very strong levels. Current demand stands at 13.570 billion bushels, which is down from a year ago of 13.748. US corn ending stocks grew in the January report. 1.802 billion bushels is not unprecedented, but it is clearly getting much closer to the 2 billion bushel level. The March 2016 /May 2016 corn futures spread is neutral at minus .04 cents. This is reflective of a market going sideways. Seasonally, the corn market generally tends to trend up through early March. The March contract is currently trading in the lower 9% of the last five-year price distribution range.

SOYBEANS -The USDA report was more bullish for soybeans versus any other grain. With the reduction in national yield to 48 bushels per acre and a reduction in ending stocks,The March/ May 2016 future spread is .0025 as of January 17th and is bullish with commercials wanting soybeans. This is taking place in a sideways market. Seasonally the soybean futures market tends to trend up through early May. Currently, the March contract is priced in the lower 5% of the last five-year price distribution range.

WHEAT- The wheat market continues to suffer from too much wheat on world markets. The noncommercials interests have all been short the wheat market and this should not be surprising with world stocks rising. In Ontario the wheat has not had a lot of snow cover especially in the deep South West and producers will be hoping it gets through some of the January rains. Of course cash prices for wheat are healthy compared to our history based on the low value of the Canadian dollar.
Canadian cash prices have been rising as the loonie and grain futures levels have been dropping. If futures turn around and go higher, cash prices to Ontario farms will be much higher.

Coming Events

February 16 **First Nation Food and Farming Meeting**
Youth & Family Centre , 1527 4th Line, Ohsweken 7- 9:00 pm

February 24 **Wiky Farmers Meeting**
Band Council Chambers 6:30-8:30 p.m.

March 5 **Pesticide Safety Training Course**
Youth & Family Centre, 1527 4th Line, Ohsweken 9- 3:00 pm
Contact Grant for more details –1-800-663-6912

Livestock Information

WHAT'S HAPPENING IN THE BEEF INDUSTRY

Canada exports about 50% of the beef produced. For this reason global activities can have a major impact on beef and cattle prices realized at home. Here are things having an influence at the moment.

Trans-Pacific Partnership (TPP)

This deal has just been signed by all countries involved. Everything has not been agreed upon yet, however. The agreement goes back to each country for approval. As a partner this means tariffs on Canadian products in other participating countries will be dramatically reduced over 15 years. There are 12 countries involved. Signing countries include Japan, Australia, Malaysia, New Zealand, Singapore, Vietnam and Brunei Darussalam and Canada's existing free-trade partners, the U.S., Mexico, Chile and Peru.

The reality here is that Canada has a choice to be in or out of trade. These countries are major trading partners and by not signing these markets are basically lost. The agreement opens up $500 Million in new export markets for beef. The partnership will go into effect within two years.

Repeal of Country of Origin Labelling (COOL)

After years of battles with Canada, Mexico and the beef industry in the US, the U.S. Government has withdrawn its Country of Origin Labelling requirement. This means cattle and beef originating in Canada no longer require special labelling in the US. COOL has greatly restricted the movement of cattle and beef across the border and required segregation and documentation in the US resulting in extra time and cost to producers and processors. Now the market alone will dictate the movement of cattle and beef. Historically the US has used Canadian beef to fill its export market.

The Exchange Rate

The Canadian Dollar is controlled by the price of a barrel of oil. At present the dollar is about $.72 U.S. What does this mean to the beef industry?

Higher Beef and Cattle Prices

Generally a 1% decrease in the exchange rate increases cattle prices by 1%. For calf prices the impact is greater with every cent decrease, calf prices increase by 5 to 6 cents per pound.

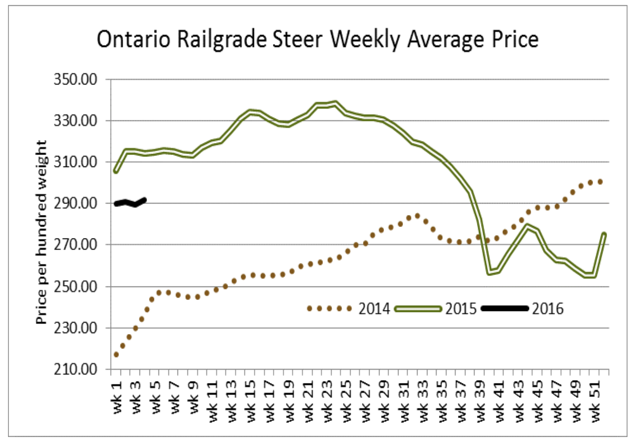
Packer Competitiveness

A lower dollar reduces packer costs particularly labour costs in comparison to American packers. This means Canadian packers can bid more aggressively resulting in more cattle being kept in Canada for slaughter.

Feed

The exchange rate impacts the cost of feed and resulting cost of gain making Canadian feeders more competitive. This has an impact on whether cattle stay home or move to the U.S. for feeding.

Presently, beef and cattle prices are volatile as a result of fluctuating economies around the world. Markets have strengthened since December as shown in the Beef Market Watch.



Information provided by BFO Weekly Market Report. Graph shows fluctuation in rail grade prices particularly the last quarter of 2015.

NORMAL CALVING

The usual calving pattern has 3 phases. Phase one is the early stage with the cervix dilating, the cow isolating itself and nervous signs of tail twitching etc. The second stage of normal calving is the delivery. Stage three is getting rid of the placenta also called after-birth.

We will look at the stage two, the action part. It starts with the membranes and fetus moving into the pelvic canal and ends with the calf on the ground. The appearance of membranes or the waterbag is an early sign of calving. According to Oklahoma State University and U.S. research, stage two is about 60 minutes for heifers and 30 minutes for cows. Those that took longer needed assistance. In heifers the pelvic opening is smaller and the soft tissue has never been expanded. Older cows have had deliveries before and birth should go quite rapidly unless there is some abnormality such as a very large calf, backwards calf, leg back or twins. If calving lasts considerably longer than the 1 hour for heifers and 30 minutes for mature cows, calf health could be impacted by the extended delivery time. Re-breeding can be delayed because of the longer calving time.

There is a lot to be said for natural selection for easy calving cows!

EXPANDING YOUR HERD?

If you are thinking of expanding, check out IAPO's HerdBuilder Porgram. Flexible terms to match the way you farm and competitive interest rates.

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Crop Information

WEED MANAGEMENT FOR ORGANIC FARMS

(*Source: Creating a Weed Management Plan for Your Organic Farm, Penn State Extension http://extension.psu.edu*)

In our December 2015 issue we discussed Step 1. Know Your Weeds. This month we continue the series on Weed Management for Organic Farms with-

Step 2: Design Your Rotation to Optimize Weed Suppression

Rotation of crops is the most effective means yet devised for keeping land free of weeds. Rotate crops to prevent weeds from becoming adapted to your farm.

Slow-growing crops like onion, garlic, scallion, shallot, leeks and carrots should follow a crop that reduces weed populations. This might be a short-season crop, such as lettuce, that is harvested before weeds have a chance to go to seed, or a competitive cover crop that smothers out weeds. Diversity is key to keeping your crops from being overrun by weeds. Many weed species are adapted to specific environments, so rotating between different groups of crops can be very effective at reducing weed problems.

Follow Weedy Crops with Crops Easy to Keep Clean

Field cultivators with rows of tines or sweeps can be used to dig up and lift quackgrass rhizomes to the soil surface where they will dry out and die in hot, dry weather.

Some crops are more difficult to keep weed free than others. For example, unmulched winter squash always has a few weeds by the end of the season. The trailing vines make it difficult, if not impossible, to cultivate or even hoe once they are established. Follow weedy crops with a rapid succession of short-season crops like spinach or lettuce that will be harvested before weeds can set seed. Crops that are easy to cultivate, like potatoes, are another good choice after weedy crops.

For weed-infested fields, consider including a tilled fallow period in the rotation to flush out and destroy annual weeds. In a tilled fallow, you are setting aside a few weeks or months to repeatedly stimulate weed seeds to germinate and then killing them with cultivation. This can reduce the weed seed bank in your soil.

Tilled Fallow

First, you till the soil. Most seeds need light to germinate. Light is a cue that tells the seed there is not a lot of competition. Tillage gives buried seeds the flash of light needed to stimulate germination, and you generally get a flush of weeds as a result. When the weeds are still tiny, follow up the flush of weeds with shallow cultivation (or flaming). In especially problematic areas you may need to repeat this practice a few times. This practice works best when there is adequate soil moisture to facilitate the germination of weed seeds, so keep an eye on the weather .

A tine weeder does a good job of this shallow tillage. To suppress weeds between rows many organic growers plant a cover crop of buck wheat, rye, or oats between rows with a drop seeder. Combined this with mulch or a flat plastic layer, this allows you to mow right up to the row.

Use a Stale Seedbed to Protect Slow-to-Germinate Crops

First, form your seedbed. After the first flush of weeds germinate, kill them with flame weeding. Your crop will then germinate into a relatively clean seedbed. The trick is to avoid disturbing the soil surface, which might bring up new weeds. For example, carrots are one of the hardest crops to protect from weeds. Most weeds germinate in 3–5 days, while carrots germinate in 7–21. If you seed your carrots and flame a day or two before they germinate, there should be many fewer weeds for carrots to compete with.

The advantage to flaming versus more tillage is that you do not disturb the soil at all. This way you do not bring up new weed seeds to the surface where they will germinate. Instead the crop germinates into a "clean" bed and has a head start on the weeds.

In next month's issue we'll discuss Step 3: Group Crops with Similar Management.

POTASSIUM FOR QUALITY CROPS

Potassium is one of the three nutrients needed in large quantities by plants. This essential nutrient could be a limiting factor in your crop yields if your soil is not maintained at adequate levels. Having a higher potassium level near the roots of plants increases water uptake as well. It also aids in uniformity of ripening as well as growth rate. Adequate potassium levels reduces lodging, improves quality, prevents disease and helps increase resistance to pests and environmental stresses. In Ontario the critical level for potassium is, on average, 120 ppm depending on soil type. There are many different sources available. The one used will mainly depend on your budget and how quickly it needs to be available.

Muriate of Potash (0-0-60, 0-0-62) either red or white. Takes time to breakdown until it is useable.

Sulphate of Potash Magnesia (K-mag/Trio) 0-0-22, 20% Sulfur 12% Magnesium will breakdown quickly and readily available.

Potassium Sulphate (SOP) (0-0-50-18Sulfur) is readily available. There are also many types of foliar K products along with some liquid starters that are usually readily available.

GE

Other News

UPGRADING MAPLE SYRUP BOILING & FINISHING EQUIPMENT

There are many family operations in First Nation communities providing maple syrup for family, friends and neighbours. At a recent maple syrup seminar at Whitefish River First Nation at Birch Island, Rose and Armando Shawanda at Wikwemikong, Tom Stevens at Nipissing FN and Chris Chomyshyn of Wasauksing FN explained the development of their commercial operations.

L to R: A,.Shawanda, T, Stevens & C, Chomyshyn

Normally an individual has some experience producing syrup before considering moving to a more commercial level. They are usually using spiles and buckets and finishing in an iron pot system, a pan over a stove or open fire etc. The first step in upgrading to a commercial operation is often acquiring an evaporator and accessories.

Cost for a setup depends on the number of taps planned. Added bells and whistles will add to the price. Let's look at a 300 tap operation. This might mean picking up a few more buckets. As an aside, a pipeline setup in the bush costs $7 to $10 per tap. Compare this cost to a 2 gallon food grade plastic bucket at $6, a lid at $3 and a 5/16 plastic spile at $1.50 for a total over $10 and the pipeline begins to look attractive on price alone. Keep in mind there is a learning curve and most start with upgrading the boiling/finishing system first. This proved successful for the Stevens and Shawanda operations. A mentor can be helpful.

What do we need to boil sap from 300 taps? We are looking at a 2'x6' wood fired evaporator with pans and steam hood and pipe ready to go. In addition, we have a 16"x16" finishing pan with propane burner, a stainless steel holding tank, 2 cone filters, 4 pre-filters, hydrometer and cup, thermometer, grading kit, labels and 1L plastic containers. This is new equipment. Used equipment is often available at reduced price. Keep in mind that older pans may have lead soldering. Lead can contaminate syrup and is a health risk. Avoid lead and don't use any pans that may have lead soldering.

An evaporator will boil about 2.5 gallons of sap per square foot. A 2'x6' unit will do 30 gallons of sap per hour. A 12 hour day will boil 360 gallons of sap. A good run is a gallon of sap/day/tap for a total of 300 gallons on 300 taps. Some days are slower. This 2'x6' evaporator could handle more taps particularly if the operator is willing to boil more hours. There is some room for expansion of taps using the same unit. For a major expansion a larger evaporator is needed or a reverse osmosis unit to remove water before boiling.

Boiling and Finishing Equipment-300 Tap Sugarbush

Evaporator 2"x6"	$ 6,500
Steam hood	$ 2,200
Finishing pan, burner	$ 300
Filtering	$ 100
Hydrometer, cup, thermometer	$ 80
Storage tank	$ 750
Total	**$9,930**

Keep in mind used equipment can be less expensive. An automatic take off, refractometer, stand for the finishing pan, filter press and bottling unit are a few bells and whistles that add to the cost but increase syrup quality and efficiency of the operation. We will consider them later upgrades.

A bucket system will provide about ¾ of a litre of syrup. So for 300 taps we get 225 litres. In my travels, a litre is selling for at least $20, often more. This provides a gross sale of $4,500. Plastic one litre jugs are about $1.70 each. Selling in smaller units will increase the gross income.

Plan ahead. It can be difficult to locate an evaporator late in the season. Producing quality maple syrup is a challenge but provides a feeling of satisfaction. It is also a good source of income.

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UNDERSTANDING IAPO'S IMPACT

In 2014, IAPO undertook to develop a new strategic plan. Member involvement and input was instrumental in developing the plan that was adopted in early 2015. Key feedback included the idea that, while IAPO does a lot of good work, not enough people are aware of, or understand, IAPO's impact. With this in mind, IAPO's path forward focuses on examining and assessing our program and services so we can clearly understand and demonstrate our impact. By measuring our social impact, we can ensure our programs and services are the best they can be.

Starting this February, IAPO will be working with Social Impact Squared to start the process understanding and measuring our impact. As member input is key, don't be surprised if we reach out to ask for you thoughts and ideas of IAPO's impact.

Watch for more information in the coming weeks. If you would like more information on IAPO's SROI project, contact me at 1-800-363-0329 or jamie@indianag.on.ca *JH*