JANUARY / FEBRUARY 2012

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The Grant family opts for crops on their Prairie farm

FEATURES

COLUMNS

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On the cover:
The family cattle business helped support Logan and Avery's move into grain farming. The two operations still find ways to help each other out.

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- Canadian Farm Writers' Federation award for periodicals; Bronze 2006, 2007, 2009; Silver 2010, 2011; Gold 2008
- Canadian Agricultural Marketing Association (CAMA) Awards; Merit 2006, 2007, 2011; Excellence 2009, 2010

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from the editor

Viewers like to laugh at dysfunctional families when we see them in television sitcoms. The list of programs is long – Roseanne, Married…with Children, Malcolm in the Middle. And then there are animated hits like The Simpsons and Family Guy.

Why are they funny? Maybe because they remind us a little of our own families.

If you check the Wikipedia definition of dysfunctional family, there isn't anything humorous. These are the sorts of families often portrayed in the long list of television crime dramas. Even though they're tragic, we still watch.

What happens in a family often stays within the family. How often have you been surprised to hear about a couple who are divorcing? From the outside, everything appeared harmonious.

As kids grow up, some can't wait to leave their home and family behind. Others will forever have close bonds to their parents and siblings. Family emotions and relationships are often very complicated.

Family farms are the ultimate family business. The business side doesn't usually work very well unless the family side is working, and yet business risk management often ignores the threat imposed by potential family problems.

In this edition, we're revisiting the theme of farming with family. You told us that you enjoyed the edition a couple of years ago that dealt with this topic.

Sorry, we don't have any sitcoms or crime dramas for you, but as you'd expect, we've profiled some successful family operations. We've also interviewed experts who work with farm families having difficulties. Hopefully, you'll find their advice and guidance useful.

Farming with family can provide tremendous satisfaction and fulfilment or it can feel like a trap and drag you down. Remember, like the farm, family relationships need to be nurtured.

We welcome your feedback and story ideas. Just email kevin@hursh.ca.

AgriSuccess is an FCC magazine dedicated to helping producers advance their management practices by providing practical information, real-life examples and innovative ideas.

Marry later, marry less:

family dynamics are changing

It seems that a healthy family farm starts with healthy family relationships, since divorce typically leads to a division of assets.

You've probably heard the statistic that roughly four in 10 first marriages end in divorce. According to Statistics Canada, Quebec has the highest rate of divorce followed by Alberta and British Columbia.

Still, many Canadians are getting married, just later in life. In 2008, Statistics Canada put the average age of first marriage at 31.1 years for men and 29.1 years for women – both up about six years from the lows of the late 1960s.

Based on the 2006 census, the number of married-couple families as a percentage of all census families was the lowest ever at 68.6 per cent. Common-law relationships accounted for about 16 per cent of families.

The number of single-parent families is growing, accounting for the other 16 per cent in 2006.

The Ottawa-based Vanier Institute of the Family points out that the transition of young people to adulthood and economic independence seems to occur over a longer period of time than in the past.

That report also points out that fewer people are getting married. They are much more likely to be living in a common-law union than in an actual marriage. However, it's noteworthy that over time, many do go on to marry.

As far as who is marrying whom, analysis by the Vanier Institute shows an increasing tendency for both men and women to find mates with similar levels of education. Specifically, those with post-secondary education are much less likely than in the past to marry someone without.

So, what does all this mean for family farms?

If you're farming with your child, he or she may have a partner but the two are less likely than ever to be married. If they do get married, it's likely to be at an older age. Remember that about one in four marriages fail, so the fact they tie the knot isn't any guarantee.

It's also important to note that after a period of cohabitation or having a child together, common-law partners are granted many of the same rights as married people. Federally, the cohabitation time frame is 12 months; for most provinces, it's two or three years.

> Your child may have a partner, but they're less likely than ever to be married.

If you're the son or daughter who is farming with Mom and Dad, don't think long-time marriages can't go wrong, too. While the great majority of divorces happen before a couple's 30th anniversary, a surprising number occur between 30 and 50 years.

And if you're farming and your son or daughter pursues a degree in agriculture (or any other form of higher education), you're more likely to end up with a daughter or son-in-law who has a similar level of education. With luck, they'll share a passion for agriculture, too.

BY **KEVIN HURSH** / *Kevin is a consulting agrologist and journalist based in Saskatoon, Sask. He also operates a grain farm near Cabri, Sask., growing a wide array of crops.*

Plan early for **intergenerational transfers**

Transferring any family-owned business from one generation to the next can be a complicated affair.

According to Lance Stockbrugger, CA, a grain farmer and senior tax manager with PricewaterhouseCoopers in Humboldt, Sask., you don't need to set a definite retirement date years in advance. But deciding in November that this was your last crop can cause a lot of scrambling – and rarely gets the best results. Rather, start planning today.

Manage taxes

Canadian governments of all political stripes have developed programs to help manage taxes, such as a $750,000 lifetime capital gains exemption that applies to qualified farm property as well as qualified small business shares. While it's almost impossible to completely avoid the taxman in a farm transfer, with enough advance planning it's possible to minimize the amount of tax for both generations.

"The more time we have to plan and work towards an intergenerational transfer, the better planning we will be able to put in place. That's likely to result in lower taxes, too," Stockbrugger says.

Recaptured capital cost allowance (CCA) is a good example, he adds. Typically, farmers stop replacing or adding new equipment as they near retirement. After five years of not buying additional equipment and claiming full CCA allowance, they'll have a very low capital cost pool for tax purposes and selling their equipment can generate a significant amount of recaptured CCA. This might be avoided by reducing CCA claims in the years leading up to retirement.

The best tax situation isn't always one where no taxes are paid. That's especially true in an intergenerational transfer when an aggressive tax reduction strategy for one generation creates tax problems for the other.

"Maybe Mom and Dad could most tax-effectively sell their operation to their children by selling them the shares of their farm corporation, but that's not always the best scenario for the children," Stockbrugger says. The couple can shelter capital gains of up to $1.5 million ($750,000 each) on a sale of shares, if they both have their capital gains exemptions still available to them, but the children are essentially buying inventory, equipment and other farm assets.

However, buying $1.5 million worth of shares instead of assets, they lose the write-off they'd get if they purchased the assets directly. Obviously, they'd do better buying the assets, but then Mom and Dad couldn't use their capital gains exemptions and would likely have to pay corporate and personal taxes.

"In most cases, my job is to perform a balancing act," Stockbrugger says. Most of his clients want to take an approach that lets the entire family, not just one generation, pay the least amount of tax. Understandably, they want to use all the tax advantages they can. "With a well considered plan implemented early, taxes can usually be minimized. Parents typically give the son or daughter a pretty good deal. And in return, the children will do whatever is necessary to make a plan that is most tax effective for Mom and Dad."

Share decision-making

One of the most common reasons that intergenerational transfers fail is because the older generation has difficulty giving up control and won't let the next generation become involved in the decision making process. According to Stockbrugger, one problem is that this deprives the children of the opportunity to learn how to make independent executive decisions.

"I think it's key that you start getting them involved in making business decisions early," he says. "Maybe you start with simpler decisions, like a seeding plan, so they see the value of their input and they don't feel like just a hired hand." Responsibility grows over time and eventually the children take over major decisions – such as capital purchases – with minimal guidance or input from parents. Then the parents slowly fade out of the management role.

One solution that could help reduce tax problems is to have the younger generation start their own operation. In a grain and oilseed operation, for example, the children could start by renting some land and having an agreement to farm it with their parents' equipment. This has two benefits: it creates a clearly separate business operation for income splitting purposes, and it allows the younger generation to learn all aspects of running a business. "They gain experience in the decision making process, bookkeeping, financing and the risks and rewards of ownership," Stockbrugger says.

The new business will often grow over time, Stockbrugger says, either by taking on more of the operation or through expansion. Then the initial operation may be wound up or purchased outright by the younger generation and merged into their operation.

Protect your old age security

Canadians over the age of 65 who meet certain residence and income level requirements are eligible to receive old age security (OAS), a pension program designed to give all Canadians a basic pension income. Intergenerational transfers can cause the net incomes of the older generation to exceed the net income threshold, and they will have to repay part or all of their OAS. This recovery process has commonly become known as the OAS clawback.

If you were eligible to receive OAS in 2011, for example, you would have 15 cents clawed back for every dollar that your net income exceeded the $67,668 threshold. The maximum payment in 2011 was $524.23 per month ($6,290.76 per year). If your net income that year was $72,000, your benefits would be reduced to $470.08 per month ($5,640.96 per year) after clawback. Capital gains form part of net income in the clawback calculation so plan carefully to maximize your OAS pension entitlement.

BY **LORNE McCLINTON** / *Lorne has worked in the communications field for the last 20 years as a journalist, photographer, scriptwriter and corporate writer. He divides his time between Quebec and his grain farm in Saskatchewan.*


WHERE BEEF COMES FROM

Establishing a new farming identity

Like many young people who start farming, Logan and Avery Grant had family backing. But unlike most, they purchased a farm several hours from the parent operation to pursue their dream.

Logan's parents Lynn and Sherri Grant of Val Marie, Sask., are well known in the beef cattle industry in their home province and beyond, but their son was always more interested in the grain side of their operation. He took a heavy duty mechanics course at Olds College in Alberta and worked several years for Brandt Tractor. Then he spent some time in Australia before returning to run his parents' grain operation.

When he and Avery – a city girl from Medicine Hat, Alta. – married, they decided to pursue their own grain farming dream. With the backing of his parents, they were able to purchase a farming operation near Chamberlain, Sask., about mid-way between Regina and Saskatoon.

"We were looking for a more profitable grain farming area; somewhere that the margins are typically better," Logan explains.

The southwestern corner of Saskatchewan near the U.S. border, where the Grant's cattle operation is located, is more noted for its rangeland and large cattle operations than its grain land. However, cropping practices are similar at Chamberlain, so there wasn't a big learning curve for Logan and Avery after the relocation. Their crops now include canola, lentils, barley and wheat.

"When we were looking, the price of land here seemed to be the best deal as related to productivity," Logan says. "This is the location and the land deal that penciled out the best."

"We've now harvested four crops. Our last crop was excellent and we continue to expand." The majority of their land base is owned, but they also rent significant acreage.

Seeding is accomplished with a large direct seeder which runs 24 hours a day during the spring rush. For harvest, they use three large combines. They have one full-time employee, while a number of other people help in the busy seasons.

Avery is taken with rural life. A school teacher by training, she collaborated with her mother-in-law on a children's book called *Where Beef Comes From*, with Avery doing the writing and Sherri providing the photos. It's in Saskatchewan schools (and you can buy it from

the Saskatchewan Stock Growers Association: www.skstockgrowers.com).

Although the two Grant operations don't regularly collaborate, Logan was able to help his parents with harvesting in 2009 and seeding in the spring of 2011 despite the long distance to move equipment. He also hauled them some straw bales when they were short.

The family members are close, even though the farms are not.

Logan and Avery wouldn't have their own farm without family backing. They were also fortunate to find a farm operation for sale that met their needs. It helped them establish a separate, stand-alone operation where they can raise a family of their own and pursue their farming dream.

Last Father's Day, their daughter Storey was born.

BY KEVIN HURSH

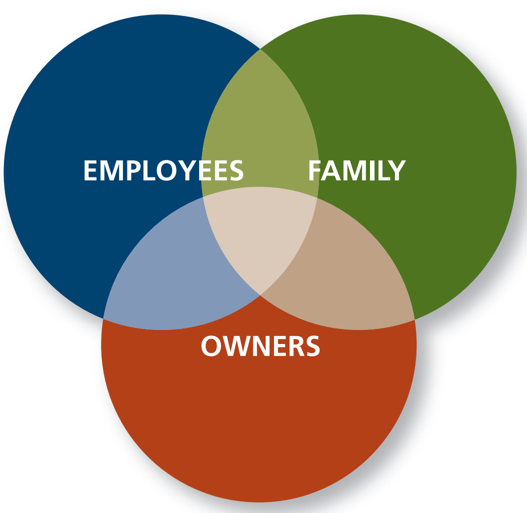
How to combine family and business

David Irvine has more than 25 years of experience as a family therapist, consultant, professional speaker, facilitator and executive coach. He is also author and co-author of critically acclaimed and bestselling books.

Should we be striving for a family-first business or a business-first family?

I think the family has to decide that. I have a bias that the business is a tool to create what the family wants. We don't get a lot of training in how to communicate with each other. We get training in production.

It's vital to get the family together so everybody can be asked what they really want. What are their goals, and how can the business support the family? Because frankly, the family is going to outlive the business. This is what I ask farm families – any business family: What are you in business for? Don't give me your business statement. Give me your personal statement. What's the purpose of the business in your life?



The challenge is that most of us are driven by production and then we squeeze in quality of life. My premise is, let's start with quality of life. What do we want to leave our kids and grandkids? How much time off do we need? What are our long-term goals personally? How hard do we want to work? What, and how much, do we need to produce to support our quality of life? When we're clear on our quality of life, we can see how the business fits into that.

Can a sense of entitlement be a problem in a family operation?

What I tell farmers is, your kids have no right to the land and no right to the business unless you deem it so. Don't wait until they've worked there twenty years before you tell them that. In an affluent society, it's tough to build an accountability mindset. The more we get, the more we want. Rights and obligations always need to be kept in balance. If you keep giving and giving, it can breed entitlement. We all have to watch this.

How should governance work in a family-based operation?

Most successful businesses have governance whether they recognize it or not. Essentially, in any family business there are three circles. One circle is the owners who have shares in the business. Another is the employees – the

people who work in the business. And the third is the family members. There is obviously overlap and there are areas in those circles that don't overlap. Every one of those three circles has to be taken care of.

Owners have goals, and there has to be a process whereby those goals are met. Then, the people who operate the business need to have a set of goals. The family also has to ask: How do we make sure we take care of the interests of our family? How does the business support that?

This isn't something we talked about in any previous generation. We just worked hard. We didn't talk about quality of life or business goals to one another. But today, the world is so much more complex that we have to make sure that the interests of all three circles are considered. And there has to be a set of goals that clearly state where each of those circles is headed.

DAVID IRVINE

Best-selling author and executive coach David Irvine discusses the challenges of running a family business and how to overcome them.

Find more resources at www.davidirvine.com.

Watch the full interview at
www.fcc.ca/agrisuccess012012.

FEATURE

Give them space to grow

Change is never easy, but when it comes to helping the younger generation find their place in the farm business, perseverance can pay off.

In Statistics Canada's 2008 Farm Financial Survey, multiple-generation farms where the younger generation shared in the operation's management had an average net operating income nearly four times higher than those without young farmers.

Today, it's common for young people to leave for school, have an off-farm career and even start their own families before they come back to the farm. When they return, they have real-life experience, and often their own ideas about how things should run. It can take a lot of planning, effort and open communication to balance the energy of youth with the wisdom of experience.

Two B.C. farm families share how they each managed these changes in their businesses, and what they've done to create space for the next generation.

Taking the expansion option

"If you believe in the industry and see there's still opportunity, it's great to encourage kids to farm. But they are going to need financial support," says Herb Schlacht, owner of Glenwood Valley and Katatheon Greenhouses. "When farmland is at $80,000 an acre, it's just not feasible for someone who doesn't come from a farming family to get into the industry."

Herb partnered with his brother and brother-in-law to buy their first greenhouse in 1987. Over 24 years, they expanded their enterprise in Langley, B.C., from three acres of cucumbers to two separate companies running greenhouses with 24 acres of specialty peppers and cucumbers under glass, plus a grading and packing house. The business remained a partnership until 2009, when Herb bought it out.

"I definitely encouraged my kids to be actively involved, but I didn't want to force them to do this," Herb says. "I always told them that if they were interested, there would be opportunities."

His son Eric grew up working in the family greenhouses, and witnessed the ups and downs of the industry. "For me, the challenge was deciding whether I wanted to be involved in this business," he says.

After earning a horticulture diploma at Kwantlen University and a management degree at UBC Okanagan, Eric went to work for Farm Credit Canada.

"It fit both my agricultural background and finance interest," Eric explains. "But after working a couple of years in that field, I began to realize that I wanted to focus more on primary production in greenhouse agriculture."

For the Schlachts, getting Eric back into farming meant finding an opportunity to expand the business. When a greenhouse came up for sale in the Lower Mainland, the family businesses were able to create a plan for financing and make the purchase.

"An inter-company loan will allow the new enterprise to benefit while still remaining separate companies," says Herb. "This will give Eric an opportunity to take on a challenge without me being there every day. It really is his operation."

Having a succession plan already in place helped the Schlachts lay the groundwork for Eric's return to the family farm. With the purchase of the new greenhouse, they sat down with a lawyer and came up with a strategy for Eric to own the new business, helping them maximize tax benefits and minimize risk.

Through all of this, open communication, clear expectations and respect for what father and son bring to the table have been important factors in their success.

"I couldn't have done it if I didn't think we could work well together. I have full confidence that between the two of us, we can make this successful and he'll be on his own feet after a year or two," Herb says.

"It was important to me that Eric get his degree in business, and working for FCC was a big help as well. It helps him have a broader perspective than perhaps I did when I started," he adds.

As he steps into managing his own greenhouse operation, Eric will be drawing on his father as a role model and mentor.

"My dad has been successful, and I think I'll model my approach after what he has done in the industry," Eric says. "I think my approach to business will differ slightly from his to ensure that my background and objectives are accommodated."

Financing a new direction

Surrounded by an 18-acre complex of greenhouses in Ladner, B.C., Lydia and Rachel Ryall have spent three years establishing Cropthorne Farm, their small-scale market vegetable business, on a corner of the family farm. The sisters pursue their passion for farming in a completely different way than their parents David and Sarah did. Using organic principles, the sisters produce 40 varieties of vegetables on three acres and run a small pasture-based poultry operation.

Lydia and Rachel have rented land from their parents since they started to farm. They have one more season at their current location, and then it will be time to move on as their parents sold the farm to try something new.

"It became evident that most likely none of the kids would be looking at this as their lifelong career, so we had to start looking at our own future," Sarah explains. "We talked with the family, and we're kind of pulling the soil out from under the girls' feet by selling, so we're looking to find some land so that they can continue."

It's taken David and Sarah 40 years to build Gipaanda Greenhouses, a specialty tomato greenhouse business.

Each of their three children worked in the greenhouse as they grew up, and agriculture issues were always up for discussion at the dinner table.

Lydia inherited her parents' passion for agriculture. She studied agriculture production at Olds College and agriculture science at the University of Lethbridge and worked for the Alberta government before choosing to return to the farm.

"I've always wanted to be outside. I like working with the seasons and with the weather. I like diversity," she says, explaining her decision not to take up the greenhouse business. "With farming, you have to love it. If you don't love it, you won't be happy doing it."

Today, Cropthorne Farm markets through community supported agriculture (CSA) shares, local farmers markets and restaurants. Rachel is using the skills she developed working for her parents' company to manage marketing for their enterprise.

"In the three years they've been here, they've come to a critical level in terms of awareness in the community," Sarah observes. "It's a good jumping-off point."

In addition to investing in the land, David and Sarah will continue to be actively involved in helping their daughters develop their business. It's an opportunity for them to apply a lifetime of learning and experience in the industry to something new, and soften their transition to retirement.

"For lots of farmers our age, it would have been easier to transfer the existing farm because we already have all the knowledge," David says. "It's a lot harder when you switch products, but for us I think it's maybe more exciting because we've already done tomatoes. It's more interesting to do something different now."

Securing permanent access to land will allow the sisters to set up the farm for their specific operational needs and move toward organic certification.

"David and I recognize that this is their endeavour, and they're in the driver's seat," Sarah says with a smile. "We just need to figure out how to provide our opinion in a persuasive manner."

BY **TAMARA LEIGH** / *Tamara is a freelance writer and communications consultant based in British Columbia. She is passionate about helping people understand agricultural issues and giving voice to farmers' stories. Tamara contributes to publications in B.C. and across the country.*

FEATURE

Soft issues are key
to successful farm transfers

Life is a journey, or so we are told. And when we embark on a journey, we begin by making plans. We look at a road map. We look at where we are and where we want to be, and figure out the best way to get from Point A to Point B. Then we plot a contingency route as an alternative in case things go wrong.

That's also the procedure many producers follow when planning a major event in their own life journey: passing ownership of the farm on to the next generation. At least it should be, according to Elaine Froese, Gary Smart and Gerry Friesen – experts in farm family business and relationships.

"Many farm families approach succession far too late in the conversation, or wait until they are forced through a major event to establish what's going to happen."

Industry analysts believe the intergenerational transfer of farm ownership is one of agriculture's biggest challenges in the years ahead. If they're right, many farmers are going to be caught unprepared.

According to figures from the Canadian Farm Business Management Council, over 120,000 Canadian farmers are predicted to turn 65 between 2003 and 2013. An estimated $50 billion in farm capital is expected to change hands. However, only one in six producers has a formal written plan. Over half have no plan at all.

A University of Guelph study during the late '90s found that fewer than 15 per cent of family farms in Ontario had any type of succession plan beyond a will.

These statistics, although dated, suggest farm families tend not to plan for succession. Instead, they tend to avoid it.

Why?

It's not because resources are lacking for farm families involved in transferring business ownership. Lawyers, accountants, financial planners and farm management specialists are readily available.

These people deal mostly with so-called "hard" issues involving the nuts and bolts of succession planning, but hard issues are usually not the problem.

The real barriers to successful planning are "soft" issues involving feelings and relationships, says Elaine Froese, a farm family coach in Boissevain, Man. Froese says soft issues can be difficult because families are not always good at dealing with feelings and emotions. Feelings can be painful. They can also be dangerous because they raise issues that create conflict. As a result, people sometimes decide it's safer not to express such feelings.

And so farm families may carry on for decades without really planning for the future. While the underlying assumption is, "Some day, this will all be yours," nothing is committed to paper and outstanding issues are never dealt with.

When the crunch comes, as it often does, the result can be a crisis and the farm's future is suddenly up in the air. "Many farm families approach succession far too late in the conversation, or wait until they are forced through a major event to establish what's going to happen," says Gary Smart, a Manitoba Agriculture, Food and Rural Initiatives business development specialist.

Farm counsellors say that crises in farm family planning usually do not result from a lack of professional advice. Instead, they occur because of soft issues that have never been addressed.

According to Smart, such issues include: Do you know what your children's plans are? Do they want to take over the farm? Are they ready to do so? If not, when will they be? How does an heir to the farm suggest the parent step down and relinquish control? What would be fair compensation to non-farming children for their past contributions?

Froese says it's critical to get farm families talking about these issues, as difficult as it may be. To get started, she tries to get people out of the "neutral zone" – a place of stress and anxiety where there's no certainty about what needs to happen.

Producers typically engage in avoidance behaviour, according to Froese – they tend to try and steer clear of trouble. That's an understandable characteristic in a profession where so many things can go wrong, from bad weather to a drop in commodity prices. But it's not helpful when trying to do long-range planning.

"A farmer's mind works on solving problems," Froese says. "They're geared to avoiding mistakes and managing risks. They're also very much wired into cause and effect. But succession planning is not Roundup. It doesn't take effect quickly. It's an ongoing process and it requires a lot of work to put it into action."

Getting the work started requires a willingness to be open and to say things long left unspoken, she says.

The stubborn farmer who won't talk is a common stereotype, one that Froese says isn't always accurate or fair. She refuses to accept silence in dealing with clients. She goes by a simple rule: no talk, no plan, no action. When she shows a willingness to listen, people invariably start to talk. That's the first step toward change.

Froese says people typically do not change unless they can see the advantages of doing so. Once people understand the seriousness of the situation and see the benefits of a positive outcome, they are usually ready to move forward. Being ready involves a willingness to see things from another person's perspective.

"It's not a matter of who's right and who's wrong," says Gerry Friesen, a conflict resolution and stress management consultant in Wawanesa, Man. "It's how we share our feelings. Sometimes we need to put our own feelings aside and try to understand where the other person is coming from."

Friesen says people don't want to deal with elephants in the room because it makes them feel threatened and defensive. But once it's established that there's no right or wrong way of looking at things, people often rise to the challenge. In fact, says Friesen, they feel empowered because they see that each person has a valid viewpoint. This enables them to move forward toward solving problems.

These people deal mostly with so-called "hard" issues involving the nuts and bolts of succession planning, but hard issues are usually not the problem.

Froese says the way to overcome procrastination is to make a conscious decision to act. To do that, people need a reason to act and an inner motivation to do so.

"How do farmers change? They start by asking the question: why? Why am I so reluctant to do this? What would be the fabulous, marvellous result of getting this done? And one of the fabulous, marvellous outcomes is that you'd have a happier family."

As in any business, some plans succeed while others fail. The successful cases are those in which families start planning early and communicate openly. "The ones that go smoothly are the ones that have already been talking," he says.

BY **RON FRIESEN** / *Ron reported on agriculture for the Manitoba Co-operator, a weekly farm newspaper, for 23 years. Now retired, he's a freelance writer.*

Family matters

when it comes to farm succession

One of the top long-term issues for North American small businesses is intergenerational transfer.

Given that family businesses, farms included, are the lifeblood of local economies and big contributors to the overall welfare of the economy, one would think the issue would garner more attention.

There are family farms where the children are not interested in pursuing what their parents have worked for all their lives. And, farm succession can be a challenge among families where the next generation is eager to step up to the plate. For Dr. John Fast, it's something farm families can't start working on soon enough.

Fast spends his days working with family farms and small businesses, sometimes three a day, helping them figure out what is essentially "a life decision." He is the founder and director of the Centre for Family Business at the University of Waterloo in Ontario, and is known as the Family Business Doctor.

"For a farm transfer, 80 per cent of the issue is about having an honest and continual conversation," he says. The technical stuff – legal, taxes, finances – is the easy part with a lot of solutions available "off the shelf."

What does continual mean? Forget about having the birds and the bees chat with your kids. Fast recommends starting to talk to the children about their future on the farm when they are 10 years old. "You need to have consistent and quality conversations over a lifetime," he says.

Change the focus when they're 15, and again when they're 20 and 30 and so on. And get down to the real issues, which means resolving conflicts and confirming (or refuting) assumptions about the viability of the farm and the competency of all the individuals involved. Fast calls it a "relentless integration of reality" and likens it to on-going maintenance of farm equipment – keep the relationships on the family farm healthy.

"For a farm transfer, 80 per cent of the issue is about having an honest and continual conversation."

The problem, he says, is that too many farm families leave the discussion on succession too late, until it's forced on them. By then, everyone is trapped in their unresolved expectations – parents looking for dollars to retire, children looking for money to expand – and the inherent tensions begin to dominate the conversation because the family members are not in the habit of talking about these things.

When it comes to the succession of family farms, it's the family that matters, and the sooner the better.

BY HUGH MAYNARD / *Hugh is a specialist in agricultural communications based in Ormstown, Que. A graduate in farm management from Macdonald College (McGill University), Hugh is a seasoned journalist and broadcaster.*

See John Fast in person this March at FCC Forums in Moncton, Winnipeg, Saskatoon and Lethbridge. Register at **www.fcc.ca/forums**.

Put extra thought into safety measures
for young and old

Theresa Whalen knows how wonderful it can be growing up on a family farm. But she also knows how dangerous farms can be, particularly for children and the elderly.

"No parent would let their child run around freely on a construction site, yet we don't think twice about letting them loose on a farm," says Whalen, who was raised on a dairy farm near Ottawa and was a farmer herself for 25 years.

She is now a certified occupational health and safety expert and a farm safety consultant with the Canadian Federation of Agriculture.

Citing statistics from the Canadian Agricultural Injury Reporting (CAIR) project, Whalen notes that 217 kids aged 14 and under were killed on Canadian farms between 1990 and 2005. Notably, 99 of those deaths were children under the age of five.

Most of those deaths resulted from children falling off moving farm machinery and being run over, or from rollovers. Drowning and fatal injuries from animals were the other leading causes.

"Never allow extra riders of any age on equipment," Whalen says. "And if you let a six-year-old loose on an ATV, you've got to know you're responsible for what happens."

She also recommends that manure pits and water holes be fenced off.

"A young child sees a crust on a manure pit and thinks she can walk on it," Whalen says.

Farming parents, she adds, should do regular walkabouts with young children to show them dangerous areas and explain why they are out of bounds.

"The very young should have a fenced area to play in," Whalen says. "They should not be roaming freely on the farm."

Whalen also cautions parents against seeing teenagers as young adults who are ready to assume responsibilities on the farm.

"They need to decide if their child has the size, age and dexterity for certain tasks," she says. "There should be proper training for every chore. You don't want to push them too far too fast."

That's why she recommends the North American Guidelines for Children's Agricultural Tasks (www.nagcat.org), a free online resource produced by an American research clinic.

Whalen thinks elderly farmers should also stop and think about how they work.

CAIR studies show that farmers aged 70 to 79 represent only 3.2 per cent of the total Canadian farming population, but they account for 18 per cent of farm deaths and 20 per cent of injuries requiring hospitalization.

Whalen blames most of those accidents on age-related factors like fatigue, reduced sight and hearing, and reduced mobility and reaction time.

"The stark reality is that people at 79 can't do what they did at 39," Whalen says.

Elderly farmers, she adds, need to take precautions to stay safe. This includes regular check ups and getting enough sleep and nutrition to stay alert during the day.

"You have to know your limits and not push yourself beyond them."

BY **MARK CARDWELL** / *Mark is a writer and freelance journalist who lives in the Quebec City region. He is a regular correspondent for a dozen newspapers, magazines, trade and specialty publications in Canada, the United States and Europe.*

FCC Drive Away Hunger
Thanks a million Canada
(2.4 million, actually)

This year's FCC Drive Away Hunger tour rolled to a stop on Friday, October 14. The result? Together we raised 2.4 million pounds of much needed food for food banks across the country. Thanks to the generosity of our partners, customers, schools, businesses and residents, there are fewer empty plates this fall.

"I'm thrilled at the results of this year's Drive Away Hunger tour," says FCC President and CEO Greg Stewart. "Thank you to all those Canadians who contributed food, money and their time to help feed those who need it most in our communities."

Six tractor tours took place in British Columbia, Manitoba, Nova Scotia, Ontario, Quebec, and Regina (our corporate office) from October 11 to 14. As well, every FCC office across Canada collected food and cash donations to help local food banks.

Since 2004, FCC Drive Away Hunger has collected more than 7.6 million pounds of food for Canadian food banks. Watch for FCC Drive Away Hunger in your community each October.

Learn more at www.fccdriveawayhunger.ca.

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