

THE BEGINNING FARMER

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BEGINNING FARMER SUSTAINABLE AGRICULTURE PROJECT

READY TO START - READY TO RETIRE

Welcome to a new section of the Beginning Farmer Newsletter. "Ready to Start - Ready to Retire" is contributed by Land Link staff Joy Johnson. It will cover guidance for young and old making the transition from one farm operator to another.

The normal transition of farm land has slowed in the last generations. The average age of active farmers today is 55. In about ten years half the farmers will be retirement age. Who will own the land - family farmers, factory farmers, or corporations? Farmers have a sense of pride in their farms and want to see them continue rather than disappear under the blade of the bulldozer. Sustainable farming is not farming practices alone, but includes sustaining the farm itself for generations to come. Farming has been considered a way of life, but is also a family's livelihood.

Retiring farmers need an income and are entitled to a return on the equity they have built, but often lack the physical stamina the farm demands. Beginning farmers are willing and able to supply the labor needs, but often lack the capital to purchase and the skill to operate a farm successfully. Land Link, a project of the Center for Rural Affairs, Walthill, NE, began 5 years ago to match retiring farmers with beginning farmers. This series of articles will start with information on retiring.

Beginning Farmers have asked, "How do you know who in the neighborhood may be considering retirement?" Older farmers, not ready to retire, may be insulted if asked such a question. Understanding the problems the older farmer faces is important for the beginner to know.

Is there a best time to consider retiring from farming? The answer is like the laxative commercial that tells you normal is what normal is for you. Many young people consider their age, health, and financial security when deciding when to start their family. When to retire has many of the same variables. A magical year, becoming eligible for retirement, may be the appropriate time for some people. A health problem or condition may signal the time to retire. There is no single best time for everyone. Farmers need not retire until they are ready (one of the benefits of being self employed).

Once you have decided when to retire, you need to determine how. There is no way you can calculate how much income is needed to carry you through retirement, but you can, after careful review of the farm's assets and annual income (gross and net), determine a realistic return from your farm. This topic will be discussed in the next issue of the Beginning Farmer Newsletter.

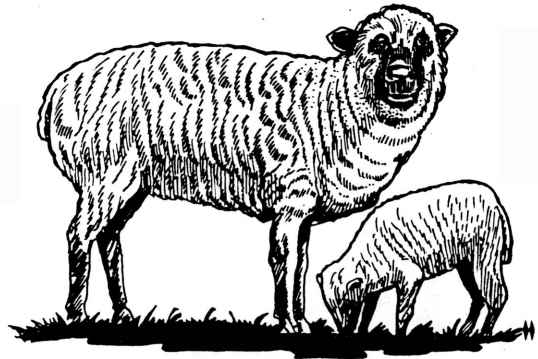
TWILA AND NEAL WEYERS

The newborn lamb stood unsteadily, bleating sadly for its mother. Twila Weyers gently drove the ewe that had walked off with only one of the set of twins back toward the lonely one. Frankie the guard llama looked on as the three were reunited and Twila was certain that the lamb would not be abandoned.

Twila and her husband Neal are a cordial couple who have been farming south of Hay Springs for three years. In addition to raising sheep, they own and rent 700 acres of which $\frac{2}{3}$ is in corn and $\frac{1}{3}$ in dry edible beans. Some alfalfa and triticale also is raised for the sheep.

Family is important to Twila and Neal, who have a four-month-old son, Austin. They believe that a farm is a good place to raise a family and to teach children a good work ethic. Neal grew up on the "home place" just a mile down the road from where he and Twila live. The "home place" has been in his family for three generations. After serving in the Air Force and while attending college at the University of Nebraska at Lincoln, an opportunity arose for the family to rent land from a neighbor who was retiring back home. Neal and Twila rent the land that they farm from neighbors and relatives and work in partnership with his parents, Orval and Mary Weyers, with whom they own half the flock of sheep.

Twila grew up on a farm in DeWitt, Nebraska, southwest of Lincoln. After high school she became a professional nanny and moved to Connecticut to take a job. Through Neal's sister, Sonya, also a nanny in Connecticut, Twila met Neal. Their correspondence led to dating which led to marriage. The couple lived in Lincoln while Neal went to school in ag economics until the chance came to farm. They left Lincoln for Hay Springs and seem to be settled in for the long haul.



The farm is on a two-year corn and one-year dry edible bean rotation. In the Weyer's experience, this is an important part of their system. Rotating increases yields and reduces the need for inputs.

Neal believes that having a diversified operation--both crops and livestock--is a good idea for new farmers. It spreads out the workload and provides a back-up should one project fail. Neal also promotes raising sheep. "If you have pasture available, you can get involved in a sheep enterprise for a minimum investment," he said. Sheep don't require a lot of facilities as do hogs and cattle, so they can help the farmer build equity and get cash flow going. Sheep provide income in the summer months when lambs are sold as feeder lambs. Neal has planted 10 acres of triticale for the sheep to graze in early summer, and plans to follow it with turnips for forage in early August. Neal thinks a small piece of land not large enough for growing a crop could easily be utilized this way by a beginning farmer.

Also, Neal appreciates the fact that sheep are among the gentler animals, ones that the whole family, including young children, can be involved in raising.

Neal does most of the farming, with Twila helping out both in the field and in management. In addition to keeping house and working as a teacher's aide at a two-room schoolhouse, Twila also founded and runs a women's marketing club. The off-farm income isn't essential to

them--especially after subtracting out travel and childcare costs--but the fact that her job "reduces isolation and makes life more interesting" is. Twila grew up wanting to work with kids and live in a rural atmosphere. She's doing both and she seems very happy.

Though Neal "hates chemicals," he doesn't feel that they can farm without them. Beans especially are susceptible to rusts and other diseases. The main problem, though, is weeds. "I'd love to farm without chemicals," Neal said, "but I would have to see it done before I tried it." Also, the irrigation system limits his tillage options. Their gravity irrigation system requires that residue be removed so that the water can flow down the rows. "If I had center pivots, I could do no-till," said Neal. He is investigating ridge planting which would save labor, time, and water but would require investing in new equipment.

Neal and Twila took out a loan to cover their half of the sheep purchase. They wanted to establish a credit history so that they would be in a position to make future purchases of land, equipment, and livestock should the opportunity arise.

Neal was surprised to discover the amount of time needed to manage a farm, "not sitting on a tractor, but planning." Over time, more of the management and financial responsibilities will be turned over from the older to the younger generation. Neal feels fortunate to have grown up on the farm because it prepared him in many ways to farm on his own. He has great respect for those who start farming cold, without family backing or a farming background. In college, he acquired skills that help with the "business end" of farming: marketing, bookkeeping, using a computer. Twila and Neal agree that the "school of hard knocks," or learning from mistakes they've made, is an essential component of their education.

Neal's advice to other novice farmers is to take it slow, whether it's accumulating debt, playing the markets, switching from one production system to another, or assuming more responsibility. Together, Twila and Neal suggest that others "Be persistent and patient. It's a lot of hard work, but hopefully the rewards will be there."

by Jane Sooby, Western Organizer, NE IMPACT Project



TWELVE STEPS TO A HEALTHY FAMILY

Healthy families make for healthy communities. Having a healthy family doesn't just happen. You have to work at it according to Deb Sundem, Day County, SD Extension Agent/Home Economics Specialist. She offers these twelve tips for a healthy family. Healthy families:

- lead healthy lifestyles.
- appreciate special times.
- keep promises.
- talk it over.
- respect each other.
- make time for each other.
- are fun families.
- believe in themselves.
- are involved.
- are able to forgive.
- say thank you.
- share beliefs.

DIVERSITY BREEDS SUSTAINABILITY

Today the key to sustainability may be to do many things right. Depending on one enterprise to provide your total income may mean high inputs and inefficient use of other farm resources.

- Having several economic ventures can spread the work load throughout the year and through the family. Crop and livestock work schedules can be arranged to balance the yearly work load.

- More enterprises mean the management of different operations can be shared by family members. Management teaches skills, instills confidence and allows family members an opportunity to excel as individuals.

- What is waste from one enterprise may be a resource for another. One farmer feeds the waste from his poultry slaughter facility to his small swine herd. Crop residue can provide bedding and feed for livestock herds.

- Resources can be matched to your operations. Cattle can grow on grass that is otherwise mowed or wasted, while swine use grain more efficiently than grass.

Match farm operations to your resources rather than purchase off-farm inputs. You can live as well on an income from more than one operation as you can on one large enterprise. It may be more fun, too.

PROFITS ARE MADE OF THIS

Dave Stender, Extension Livestock Field Specialist for Iowa State University cautions pork producers that profit is not determined exclusively by sow herd size and pigs per litter. He says, "Profits come from a blend of cost control and respectable production levels. Focusing on either one exclusively is less profitable than a good mix."

FROM THE BANKER'S MOUTH

First Nebraska Banker Lydell Woodbury of Emerson, NE recently shared his opinions of an ideal beginning farmer loan applicant. Lydell said he wants to see three areas covered from a potential borrower:

- First, he wants to see plans of the operation: one, three and five year projections of what the farm operation/business will be like.

- Second, he wants to see the plans reflect the financial and other resources of the borrower.

- Third, he wants a complete financial statement of the current operation: assets and liabilities, cashflow, description of the operation.

Lydell's bank "actively searches for FmHA (now RECD) guaranteed loan applicants and FmHA course graduates", because the risk to the bank is reduced. He stated that the lower risk often translates to lower loan interest rates as well.

Lydell recommends developing a relationship between the borrower and the bank before trying something new and different. I spoke to him at a farm tour of a new buffalo operation that his bank is backing. He started with the family a few years earlier with a sheep operation. He didn't have experience with sheep, either then, but the borrowers had done their homework on prices, markets, labor, risk, facilities, etc, "so I knew as much as they did after the presentation". The family proved they could follow through with the sheep plan, so the buffalo proposal was not particularly risky, based on the family's history with the bank. -wf



RANDOM SELECTION OR PREDICTABLE CYCLES?

The world may be unrecognizable by the year 2004 according to Larry Acker, an agronomist and editor of "3F Forecasts Newsletter". In his article, "Drought Cycles in 1995", he says a number of major multi-year drought cycles (20, 60, and 100 years) are merging for the first time in the 1995-97 period. If the cycles prove valid, world wide food shortages and famine are possible. World powers could be shaken with unrest due to food and water shortages instead. Clean water could take a back seat to all out food production. Larry tempers his prediction by saying the cycles indicate less rainfall is possible, but crop success or failure is based on moisture timing as well as volume.

GRAZING: A STEP BACKWARDS?

If you think grazing livestock is a step backward, it is in that: farmers are required to again become managers of their resources rather than relying on costly inputs. Beginning farmers often lack the capital to purchase machinery, facilities, chemical fertilizer and fossil fuel inputs. Tractors and implements cost money to buy, to own (taxes), to maintain (repairs), and to run (fuel). Livestock costs money too, but they create their own replacements, need no fossil fuel, provide fertilization to the soil, increase in value as they mature, and can harvest and convert grass to meat.

If it is possible to make a profit feeding livestock the conventional way of harvesting, hauling, and storing livestock feed, then hauling manure out; does it not seem plausible that replacing machinery with animals will yield a greater return on investment? It is time to look at the end result and determine how that result can be achieved in the most practical, satisfying way.

Terry Gompert, U of N Extension Educator from Knox County, is conducting cow/calf grazing retreats in Northeast Nebraska. The day-and-a-half events will focus on efficient use of resources, grazing strategies, animal nutrition, and herd management. The workshops, costing \$50/person or \$75/couple (includes food), are set for Center, June 19-20; Newcastle, June 21-22; and O'Neill, June 23-24. For more information contact the Knox County Extension office, 1-800-277-2443.

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NIGHT WORK

With more off-farm employment, farmers are doing more farming after dark. One farm practice that seems to perform better in the dark is herbicide application. Night applications can yield a 10-20% reduction in chemical with the same results, according to Patrick McMullan, a Canadian Ag researcher. Spraying at night usually means better placement due to a lack of wind. Chemicals sensitive to ultraviolet light have more time to translocate into the plant before being altered by sun light. Humidity is greater at night so the waxy protective layer found on most plants is more permeable at night. Use of adjuvants (chemicals designed to facilitate chemical intake by the plant) can be reduced or eliminated.

Researchers at Oregon State University have shown up to 60% reduction in weed pressure by performing tillage operations at night. Day time tillage provides the "flash of light" many weed seeds need to germinate. Tilling at night or covering the tillage tool with a light tight cover allows the seed to be reincorporated in the soil without being exposed to light. This technique is still experimental so don't get rid of your day job yet.

RIGHT TIME - RIGHT PLACE

The cost of nitrogen has soared this year due to stiff demand from Pacific rim nations and factory breakdowns. At these record prices, it is more important than ever to make the best use of the nitrogen you purchase.

Plants take in nutrients through their roots. Placing the fertilizer in bands next to the row (side dressing) facilitates nutrient up-take (the plant doesn't have to search for the fertilizer as it would if the material were broadcast.) Also, dry conditions and compaction can stifle root growth and limit the area roots have access to for food.

Applying fertilizer at the right time is important since nitrogen tends to leach through the soil. Sidedressing fertilizer to a growing semi-mature plant means the fertilizer is available when the plant needs it most and is exposed for less time to leaching. Efficient use of fertilizer means you get more for your dollar, and contribute less to potential water contamination.

FARM BILL or FARMER BILL?

Income support provisions of past farm bills have failed to help support farmers. Of the 2,800 provisions of the current farm bill, none really protect family farms according to Oklahoma State Agriculture Economist, Michael Dicks.

Both the House and Senate Agriculture Committees are starting to draft the 1995 Farm Bill, that will set in place commodity, conservation, research and other programs from 1996 through 2000.

The budget for these farm programs will almost certainly be cut by several billion dollars. The question is how the cuts will be made. Congress could choose to reduce six figure payments to the nation's largest farms, or force family-sized farms to bear the burden as they have in the past.

Congress might also make the Conservation Reserve Program more cost-effective by targeting it to the most environmentally sensitive lands and establishing transition programs for land exiting the CRP, such as support for beginning farmers purchasing or renting CRP land from retired farmers.

Members of Congress need to hear from you if they are to redirect federal farm policy to support family farming and resource stewardship. When citizens do speak out in numbers, the power of big money pales in comparison. Make your views known to your senators (at the U.S. Senate, Washington, DC 20510), and your representative (at the U.S. House of Representatives, Washington, DC 20515).

For more information, contact Kelly O'Neill at the Center for Rural Affairs, Box 406, Walthill, NE 68067 Ph (402) 846-5428.



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