

The Grain Exchange

Alberta Wheat
COMMISSION



Alberta
Barley



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Paving a new path forward

Jason Lenz | Alberta Barley Chair

There is no better time than now for the barley industry to unite the value chain members and strive to maintain, and ultimately increase, our global competitiveness. So, we've done just that! Alberta Barley is proud to be the catalyst for change in our sector and be at the forefront of the collaborative, strategic market development action plan, Getting to Growth.

Getting to Growth is a western Canadian barley action plan that outlines the details of advancing the barley industry both domestically and internationally. The development of the action plan involved a couple of key activities. First, the development of a market analysis which allowed members of the barley value chain to take a step back and analyze our current position as an industry, and second, the creation of a framework outlining three core objectives for growth in our sector along with strategies and tactics to achieve these goals. Essentially, it's our barley industry's 'roadmap' to success.

Through the Getting to Growth consultations, consisting of stakeholders from across all value chains, we recognized that in western Canada we have ideal growing conditions to produce high quality barley and our product is strongly valued amongst our diverse end-users from brewers and maltsters to livestock producers, both domestically and internationally. However, we face industry obstacles such as slow turnover of varieties driven by older variety demand and competitive pressures from other crops due to declining agronomic performance of these varieties. Furthermore, we identified priority opportunities that we can seize and from there we built the 'roadmap' I referred to earlier.

An upward trend in global demand for high-quality barley, particularly in China, potential to recapture market share in Latin America and other Asian markets, growth in the craft/all beer market in North America and continued value for barley supply and price by domestic livestock feeders are just a few of the many opportunities we aim to seize.

As a united value chain, the barley industry agreed that in order to maximize our industry's growth, it's essential to focus on simultaneously advancing three key industry areas; supply, demand, and acceptance. Supply entailing improved agronomic development to increase seeded acres, demand involving the ability to serve existing markets and develop new markets in both feed and malt sectors, while acceptance includes developing an integrated Variety Acceptance Strategy which will aim to advance the transition and acceptance of new barley varieties and focus research dollars accordingly.

Alberta Barley is excited to continue to work with our partners in implementing this action plan and we are confident that through this vigorous strategy outlined in Getting to Growth, our industry will progress resulting in profitability amongst the barley value chain. Lastly, I invite all barley growers to the inaugural Prairie Cereals Summit, which includes the Alberta Barley AGM, December 12-13, 2018. For more information on the upcoming Prairie Cereals Summit and the agenda items, refer to the ad below. The future is bright for the barley industry and I welcome you all to our new joint newsletter.

Cheers to growth!

New high performing CPSR variety will be available to farmers for Spring 2019 seeding

Kevin Bender | Alberta Wheat Commission Chair

Earlier this summer, AWC partnered with CANTERRA SEEDS Ltd. to host an event nearly four years in the making. We launched AAC Crossfield – the first variety resulting from our ground-breaking public, private, producer partnership (4-P) agreement that also includes Agriculture and Agri-Food Canada (AAFC).

This first-of-its-kind agreement is aimed at combining the strengths of producers, along with the public and private sectors, to create improved CPSR wheat varieties for farmers. 4-P Breeding is being led by Dr. Harpinder Randhawa based out of AAFC Lethbridge.

From AWC's perspective the 4-P – starting with AAC Crossfield's launch – is a prime example of

farmer dollars bringing new varieties to market. With a combined \$3.4 million invested in this work over five years this was a proud moment for all of us.

Like any wheat farmer, I'm always on the lookout for varieties that could increase our farm's profitability. We've grown several CPSR varieties for many years and now look forward to trying AAC Crossfield. Dr. Harpinder Randhawa outlined AAC Crossfield's attractive attributes at the launch event: it has a short, strong straw that is well suited for high inputs as well as irrigation. It's high yielding, awned, and has outperformed the check varieties. From Dr. Randhawa's description, I could see this variety working well on our farm.

Continued on next page >

AAC Crossfield seed is currently under production through CANTERRA SEEDS' grower shareholders and will be commercially available to farmers this fall in advance of Spring 2019 seeding.

With our first variety now in the books along with a successful launch event, AWC is looking forward to the future of the 4-P agreement. AWC will receive a share of royalties on resulting varieties, and will in-turn re-invest these profits into further CPSR research and development. We look forward to seeing more premium varieties resulting from the program that could ultimately help increase your bottom line.

With the launch event now behind us, I think it's important to mention some of the key players who led the charge in bringing the 4-P to light. Dr. George Clayton, former senior official research director with Ag Canada, started the conversations those four years ago between AWC, AAFC and Canterra Seeds. Dr. Ann de St Remy, who was also with Ag Canada at the time, was instrumental in developing the contracts and intellectual property. And our own past chair, Kent Erickson, along with our research manager Dr. Lauren Comin, led this file on behalf of farmers. Many thanks to all of those involved for your hard work in building a new model that not

only made history, but will also strengthen farmer competitiveness and profitability.

Farmers can learn more about the 4-P agreement by visiting the research page on our website www.albertawheat.com. Locations for Crossfield seed grower production and trials can be found below.



AAC Crossfield

- Short, strong straw well suited for high inputs and/or under irrigation
- High yielding, better than checks
- Improved milling and baking quality
- Awned

Trials

- 1 Antler Valley Farm**
Wade McAllister | Red Deer County
403.506.5897 | antlervalleyfarm@gmail.com
- 2 Jim Herder**
Sylvan Lake | 403-588-4974
- 3 Crossview Farms**
Grant Budgeon | Carstairs
403-826-6351 | gkb@explornet.com
- 4 Lux Farms**
Greg Rockafellow | Crossfield
403.968.2335 | luxfarms@explornet.com

Seed Grower Production

- 1 G.D. Ellis Farms**
Brian Ellis | Olds
403.994-0290
- 2 Sendziak Seeds**
Don Sendziak | Thorsby
780.940.7566 | sendseed@telusplanet.net
- 3 R4 Farms**
Brian Rasmussen | Standard
403.934.8342 | razmataz@rasag.ca
- 4 Prestville Farms**
Nick Sekulic | Rycroft
780.814.2849 | nsekulic@telusplanet.net
- 5 Cyre Seeds**
Greg Cyre | Barrhead
780-307.4332 | gcyre@explornet.com
- 6 Rix Farms Ltd.**
Dean Rix | Wetaskiwin
780.352.1209 | rixfarms@gmail.com
- 7 Galloway Seeds**
Jim Galloway | Fort Saskatchewan
780.998.3036
- 8 L&S Land and Cattle**
Shawn Shultz | Didsbury
403.994.0534



Agriculture and Agri-Food Canada

Agriculture et Agroalimentaire Canada



General Manager's Message

Tom Steve, General Manager | Alberta Wheat and Barley Commissions

A New Era

Welcome to the first edition of The Grain Exchange, the joint newsletter of Alberta Barley and the Alberta Wheat Commission (AWC).

For those of you who've been reading *Wheat's Up* for the past few years, we hope you enjoy the new format. And for those who remember *Barley Country*, the official newsletter of Alberta Barley, we are pleased to offer this new communications channel to keep in you in touch with the work we're doing on your behalf. Of course, the two commissions will continue to collaborate on *GrainsWest* magazine which covers the major issues affecting western Canadian crop producers.

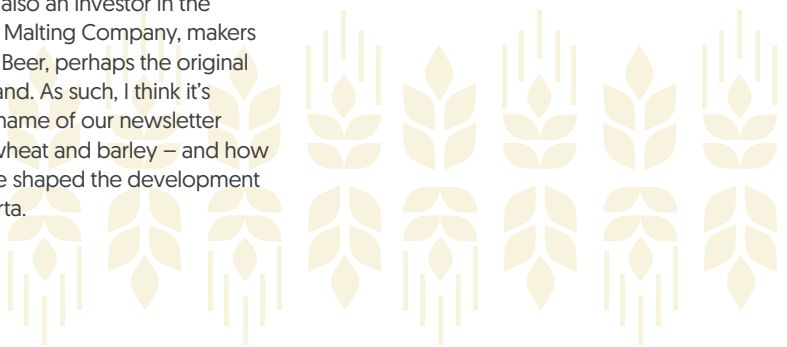
Speaking of our new name, there was actually a Calgary Grain Exchange back in the day, first housed in the Grain Exchange Building that still stands at 815 1st St SW kitty corner from the Palliser Hotel. Constructed in 1910, the building housed 21 grain companies and the exchange itself. Interesting to speculate on how the grain industry may have evolved if that open market model had continued.

The six-storey skyscraper was built by William Roper Hull, who was also an investor in the Calgary Brewing and Malting Company, makers of the iconic Calgary Beer, perhaps the original Alberta craft beer brand. As such, I think it's appropriate that the name of our newsletter reflect the fusion of wheat and barley – and how those two crops have shaped the development of agriculture in Alberta.

Over the past year, we have been working on integration of the management teams of Alberta Barley and AWC and I'm pleased to report that the process is largely complete. We now have a service model where all staff are devoted to serving the two commissions and their boards on an equal basis. In the process we have realized savings in the hundreds of thousands of dollars per year in staffing costs alone, let alone in the production of this joint newsletter.

Another joint initiative we are excited about is the upcoming Prairie Cereals Summit, in Banff, December 12-13, 2018. For those who've been regular attendees at the Alberta Barley AGM and Prairie Barley Summit over the years, you can expect many of the same great agenda items in the beautiful setting of the Banff Springs Hotel. This year, for the first time, AWC will be part of the program and we hope to grow an event that already has a well-established reputation as a go-to meeting for industry, government and producers.

Thanks again to the boards of Alberta Wheat and Alberta Barley for supporting us in this journey. We look forward to seeing everyone at various farm meetings over the winter months.



Join us

PRAIRIE CEREALS SUMMIT

DECEMBER 12TH - 13TH, 2018
FAIRMONT BANFF SPRINGS

Purchase your tickets before November 15, 2018
& receive an early bird rate!

\$275 | General Admission
\$110 | Guest Admission

Purchase your ticket at:
www.albertawheat.com/media/events/prairie-cereals-summit

Making THE GRADE

A HANDS-ON GRAIN GRADING DAY FOR FARMERS

December 18th, 2018
Olds College, Land Sciences Building

Early Bird Registration \$75
After December 1st \$100

Registration:
albertawheat.com/media/events/making-the-grade

For more information about both events, call 1.855.917.3711 or email info@albertawheat.com or barleyinfo@albertabarley.com



CGC plan for overpayments leaves many underwhelmed

Geoff Geddes | The Word Warrior

For the Canadian Grain Commission (CGC), an extra \$90 million to spend might seem a nice problem to have. To the Alberta Wheat Commission (AWC), Alberta Barley and other industry groups, however, the problem is how the commission plans to spend it.

The funds are part of a \$130 million surplus that has accumulated since 2013 from the CGC overcharging farmers for inspection and weighing of grain vessels loaded at port. Thanks in part to massive grain crops in western Canada in 2013 and 2014, fees were set at levels that proved higher than necessary in subsequent years.

"As the surplus grew, there was recognition that something needed to be done," says Tom Steve, general manager of AWC. "In 2017, the CGC consulted with industry on how to spend the surplus, and we suggested it be used to reduce inspection fees going forward. Instead, they are applying it to fund a number of special projects and expand their operations."

In part, industry objections stem from what they see as ill-defined plans for the surplus that may or may not benefit farmers in the end. At the same time, there is a more long-term, systemic concern to be addressed.

Funding dysfunction

"The retention of the surplus by the CGC raises questions on the organization's purpose, services and sources of funding," says Wade Sobkowich, executive director of the Western Grain Elevator Association (WGEA). "At \$1.42 per tonne of grain, weighing and inspection fees for the loading of vessels are by far the largest generators of revenue for the CGC; but the export of grains, oilseeds and pulses has changed significantly over the last decade."

Today, many grain buyers and suppliers prefer to sell and buy grain with a certificate of analysis from an agreed upon third party inspector. As Sobkowich points out, these requests by international customers make the mandatory nature of CGC inspections outdated and unnecessary, forcing producers to often pay twice for a redundant service.

"We wouldn't rule out using the surplus in other ways if we could see the value for farmers," says Steve. "Unfortunately, the CGC has shown no willingness to consider bringing costs down, as they are more focused on ensuring they are the only service provider for certain inspection services. Our concern is that the commission will keep this money and put it into programs with ongoing costs built into their operating model, which will just perpetuate a really costly inspection system."

Stepping up and kicking in

AWC also believes the federal government is underfunding the CGC, thereby compounding the problem.

"The CGC's core funding is only \$5 million per year, and their total operating budget is \$70 million," says Steve. "That means the government is paying only a small fraction of the operating costs, and farmers are paying the rest. There is a strong argument to be made for restored government funding that lets the CGC do its job."

It all adds up to frustration for many in the industry. At the same time, they are determined to push for change.

"We will continue to make our views known and press forward until we get significant changes to the Canada Grain Act and sources of funding for the CGC," says Sobkowich. "We still believe it's an important agency for establishment of grades and licensing of elevators, but the government is taking it in the opposite direction from what industry envisions."

Digging in and reaching out

In spite of the challenges, there is cautious optimism on some fronts.

"GGC's members have been clear from day one that this surplus needs to be returned to producers in the form of reduced user fees," says Jeff Nielsen, President of the Grain Growers of Canada (GGC). "Naturally we are encouraged that the CGC is reaching out to farming associations for interaction, as it's always better to be inside the circle than outside. We can't just say it has to be our way or we'll take our ball and go home; sometimes you have to bite your tongue a bit to get what you want."

When they do speak, the GGC is clear on what is required.

"There has been much talk over the years of reforming the CGC, and the surplus issue brought it to the forefront," says Nielsen. "Grain Growers of Canada will be focusing on a call to government for an overhaul of the Canada Grain Act and modernization of the CGC. We must dig in harder and work behind the scenes, explaining where we need things to move faster. It will take a good commitment from government and a lot of outreach and due diligence from the GGC."

And for those who think there's no downside to having an extra \$90 million lying around, they may want to think again.



China's top maltsters tour the prairies and explore new malt barley varieties

Peter Watts, Managing Director | Canadian Malting Barley Technical Centre

There has been increasing interest in recent years in Canadian malting barley among international malting and brewing companies, particularly in China.

In order to help drive demand, the Canadian Malting Barley Technical Centre (CMBTC), hosted a tour this past August to showcase the Canadian barley industry to malting barley buyers from China, and to build partnerships for the Canadian industry.

The tour, co-hosted by Alberta Barley and SaskBarley, took place in Alberta and Saskatchewan and included 15 representatives from six of China's largest malting and brewing companies, including Tsingtao, China's second largest brewer.

In 2017 China was the largest buyer of Canadian malting barley. It's important for these companies to visit Canada to see our world class farming operations and meet the producers with generations of knowledge and experience.

One of the mandates of the CMBTC is to support marketing of Canadian malting barley to international customers, and to introduce

them to new varieties and their attributes from a technical perspective. Building and maintaining strong relationships with the industry in China through crop tours will help ensure there is continued and increasing demand for Canadian malting barley.

China is the world's largest purchaser of malting barley, accounting for 75 per cent of global trade. In 2017-18 China imported 1.5 million tonnes of malting barley from Canada, valued at approximately CAD \$450 million.

The tour is not only an opportunity for these buyers to make connections with members of our local industry and to learn about our industry, but also to give the invaluable experience of seeing it first-hand.

The Chinese buyers had the opportunity to visit several farms growing malt barley and to meet the producers, their families and other members of the farm associations. This made the tour a personal and intimate experience, all while showcasing Canadian hospitality.

In recent years, China's purchases have been primarily AC Metcalfe and CDC Copeland, so this tour was an opportunity for the buyers to see newer varieties such as AAC Synergy, CDC Bow and AAC Connect. Getting international buyers on board with testing and ultimately purchasing new varieties will be critical to transition away from the older and less competitive varieties.

The CMBTC believes crop tours are an important vehicle to communicate how Canada is working to produce and deliver the highest quality malting barley in the world. For customers from China, this is extremely important as it gives them confidence that Canada is a partner in the success of their business. Ultimately this will help drive value and continue growth for our product in China.

The tour was sponsored by Alberta Barley and the Saskatchewan Barley Development Commission, as well as by the CMBTC's grain company members including ADM, Cargill, Richardson and Viterra.



Introducing FarmCash: a new simple and convenient cash advance option for Alberta producers

Victoria Decker, Communications Manager | Alberta Wheat and Barley Commissions

Just over a month ago on September 1, AWC launched FarmCash, the newest cash advance option for Alberta producers, in time for the Fall advance.

Operating under the Federal Government's Advance Payments Program (APP), FarmCash offers advances on 45 commodities, including all major crops, livestock and honey. The program offers up to \$400,000 per program year with \$100,000 interest-free and \$300,000 at a low interest rate.

The FarmCash application process is innovative. Designed to improve the user experience, the web-based platform slims down the process so that applicants are only navigating through information that's relevant to what they're applying for. Farmers can apply the traditional way as well if they prefer.

Syeda Khurram, AWC's Chief Financial Officer, says that AWC is committed to a fully transparent financial model.

"In delivering transparent programming, any proceeds will be re-invested back into the province's entire agriculture industry."

Khurram also says that excellent customer service also tops the priority list.

So why is AWC administering a cash advance program? The answer is simple: we saw an opportunity to provide a new competitive option. We have always seen tremendous value in the government's APP program as a cash flow management tool and we knew we could deliver an innovative alternative. Like a new piece of farm equipment, input, or anything farmers use to increase their bottom line, there's an absolute need to be able to shop around. We see the cash advance program the same way.

With the first iteration of the website now open for business, AWC's next step is to continue improving the process by introducing new time-saving features to be ready in time for the Spring advance.

For a complete list of qualifying commodities, rates and to apply for an advance, visit farmcashadvance.com.

FAST, SIMPLE AND CONVENIENT



FARM CASH
Cash Advance Program

Designed with Alberta Producers in mind, FarmCash helps simplify cashflow management and improve your long-term profitability.

- Advances up to \$400K (\$100K interest free & \$300K at a low interest rate)
- Convenient online application saves time, money & paperwork
- Advances available on over 45 major commodities, including all major crops, honey & livestock
- Administered by the Alberta Wheat Commission for superior customer service
- Proceeds are automatically reinvested back into Alberta Agriculture

**APPLY NOW AT
FARMCASHADVANCE.COM**



Made possible by
Agriculture and Agri-Food Canada's
Advance Payments Program



The PMRA and the loss of cereal crop protection tools

Shannon Sereda, Policy and Government Relations Manager
Alberta Wheat and Barley Commissions

Over the past year and a half, farmers have been hit with a series of unexpected, special proposed re-evaluation decisions on crop protection products by the Pest Management Regulatory Agency (PMRA) of Health Canada. These decisions threaten the tools farmers have at their disposal to protect the quality, yields and competitiveness of crops from pests. Farmers have every reason to be concerned.

Last year the PMRA called for a special review of Group Four neonicotinoid pesticides which include: imidacloprid, thimathoxiam and clothianidin. These active ingredients are used widely in seed treatments for all crop types including canola, pulses, wheat and barley. It is estimated that around 30 per cent of cereal acres across the prairies receive a neonicotinoid seed treatment. Stress shield (active: imidacloprid) is the most common product used in cereals in Alberta for the suppression of wireworm next to Nipset (active: clothianidin) and CruiserMax Cereals (active: clothianidin) – all which have been proposed for cancellation related to supposed risk in aquatic invertebrates in recent proposed decisions.

If the cancellation decisions become final, the phase-out period could run as long as five years, depending on the availability of alternatives, according to the PMRA. In the case of combating wireworm in wheat and barley crops there are no known alternatives. In 2004 the PMRA cancelled the use of Lindane which was an effective pesticide at killing wireworm and was only used every three years. One study by Agriculture and Agri-Food Canada showed a greater than 85 per cent reduction of wireworm, over a three-year period in the seven fields studied with Lindane applied. Lindane also helped control the spread of wireworm ensuring that the adults (click beetles) didn't immigrate to other fields to lay eggs or damage other high

value crops susceptible to wireworm that are in rotation with cereals.

While neonicotinoid seed treatments haven't proven as effective as Lindane (or Fipronil, not currently available in Canada), at the present time it is the only registered product that can be used to help control wireworm populations until the seedlings emerge; however, it does not eradicate the pest. Once a wireworm population is established it is difficult to eradicate. While specific data doesn't yet exist, entomologists and farmers agree that the severity of wireworm infestations are seemingly more persistent than other insect pests in cereals on the Prairies. Losing yet another defense with neonicotinoid seed treatments will make the pest virtually uncontrollable. Depending on a number of variables any given year, farmers have reported anywhere between \$50,000-\$100,000 worth of crop damage, caused by wireworm in a crop year. In some areas of the province wireworm infestations have become so prolific that it is difficult to grow a cereal without a neonicotinoid seed treatment. These losses result in increased insurance premiums to farmers and increased insurance costs to government under cost-shared insurance programs.

The Alberta Wheat and Barley Commissions have joined forces with other groups across the industry in providing feedback on these proposed decisions through a 90-day public consultation which closes on November 16, 2018. We have long advocated for the need to use scientific rigor in such decision making as a means to uphold the reputation of our regulatory system and ensure the competitiveness of our farmers in accessing tools to protect their crops.

In the case of the decision at hand, there have been many questions with respect to the quality and statistical significance of the data

it used in its risk assessment, particularly for the prairies. The select endpoints (allowances of the pesticide in the waterway) have been considered overly conservative compared to countries like the U.S. that have not detected chronic risk at allowances astonishingly higher. For example, the PMRA determined that the threshold to protect aquatic invertebrates from chronic exposure to clothianidin is 1.5 ppt, compared to the U.S. Environmental Protection Agency who has deemed 50 ppt to be the acceptable chronic endpoint. Farmers rely on the PMRA to provide access to safe tools needed to protect crops that align with global competitors.

Neonicotinoids are not the only crop protection project currently slated for cancellation. Lambda-cyhalothrin (Matador) has also been re-evaluated with a proposed decision released in June for cancellation, although no final decision has been made. Also, strychnine has been proposed for cancellation on products aimed to control ground squirrel (gopher) populations. While farmers too are concerned about human health and protecting beneficial insects within the environment that aid in soil health, decisions on cancellation of these products must be based on sound, peer-reviewed science and with adequate time to ensure relevant data is gathered well in advance of a final decision.

Alberta Wheat and Alberta Barley, as part of Team Alberta and our other industry colleagues, will bring these points and others forward through our submissions to the consultation process and through lobbying initiatives throughout the fall. Alberta Wheat and Alberta Barley welcome farmers input to how these decisions will further impact your operations.



Final piece of the wheat genome jigsaw puzzle in place

Lauren Comin, Director of Research | Alberta Wheat and Barley Commissions

In August, wheat researchers around the globe celebrated some significant achievements. Their research was featured on the cover of the prominent, high impact research journal “Science”. More important, however, was the reason for that cover: through the International Wheat Genome Sequencing Consortium, an international team was able to sequence the genome of Chinese Spring hexaploid wheat in its entirety.

This achievement was no small feat. The project required the efforts of more than 200 wheat genetics experts in 20 countries, and took 13 years to complete. Researchers across Canada contributed to this work through the Canadian Triticum Applied Genomics (CTAG2) project, led by Drs. Curtis Pozniak of the Crop Development Centre at the University of Saskatchewan, and Andrew Sharpe of the National Research Council and the Global Institute of Food Security.

In 2015, the Alberta Wheat Commission contributed \$600,000 towards the development of a “breeder chip” within the CTAG2 project. Other partners on this project are the Saskatchewan Wheat Development

Commission, the Western Grains Research Foundation, the Agriculture Development Fund/ Saskatchewan Ministry of Agriculture, Manitoba Agriculture, Genome Canada, Viterro, SeCan, University of Guelph, DuPont Pioneer, Bayer Crop Science and the International Wheat Genome Sequencing Consortium (IWGSC) for a total investment of \$8.8-million.

With 6000 markers, the breeder chip is able to scan DNA from a cultivar and analyze the genetic variation. This ability helps researchers to predict how a variety will behave in the field without going through the time-consuming process of growing a variety and observing or testing for a trait. The breeder chip, and the information provided by the genome sequence overall, will increase efficiency and accuracy in achieving breeding targets. This will allow the delivery of superior varieties in a more efficient way; faster and less expensive. With a faster turn around on new genetics, producers will be better able to adapt to changing environments and market demands.

The sequencing project also highlights the benefits of global collaboration. By working

together, scientists were able to put all the pieces of the “genetic jig-saw puzzle” together in the right way. Next, the Canadian team and their international counterparts, will tackle the sequences of more than 10 cultivated wheat varieties, including CDC Stanley and CDC Landmark, within the 10+ Genome Project. By acquiring more genetic information beyond the genome of Chinese Spring, scientists will be able to establish the “pan genome”, or full compliment of wheat genes available to breeders. Within the pan genome, researchers can differentiate between the core genes that are common to most varieties, and the “dispensable genome” which are the genes that are unique to individual varieties and could hold the key to solving some of Alberta’s farmer’s greatest production challenges.

More information on the 10+ genome project can be found at:

<http://www.10wheatgenomes.com/>

More information on the International Wheat Genome Sequencing Consortium can be found at: www.wheatgenome.org

Three Things With More Genes Than You

Total number of genes per organism

Wheat	Rice	Corn	Human
120,000	50,000	32,000	20,000

Sources: AAAS, *The Gene* by Siddhartha Mukherjee

Right to repair: fair for agriculture?

Geoff Backman, Business Development and Markets Manager | Alberta Wheat and Barley Commissions

For the better part of a decade, technology has been steadily integrated into our daily lives. The latest innovations come from embedded computers, mainly into vehicles.

Automobiles, commercial vehicles, and farm equipment are becoming safer and more efficient as they become more computerized. The autonomous vehicle is the obvious long-term goal of this additional tech, and the future seems to clearly involve more processors, sensors, and remote connections for monitoring. However, farm equipment lags behind automobiles and commercial vehicles in one important aspect: an agreement to ensure access to fair and competitive service and repair in Canada.

The history of these agreements begins in 2009 when an agreement titled the *Canadian Automotive Service Information Standard* (CASIS) was reached between members of the Canadian automotive industry. This agreement ensured that automobiles would continue to have a robust and competitive service industry by ensuring that service information, OEM tools, and training information would be available to service providers outside the dealerships. In addition, information was made available to equipment and tool companies to ensure that there would be a competitive market for diagnosis tools. This agreement is why automobiles can still be taken to a neighborhood mechanic for service, rather than only back to the official brand dealership. The American automotive industry would follow with a similar agreement to Canada’s in 2014.

In 2015 an agreement was struck to ensure that service options were available for commercial vehicles. This agreement was different, in that it covered both Canada and the United States. This agreement highlighted that commercial vehicles are manufactured, sold, operated, maintained, and serviced differently from automobiles. As such, they warranted a separate and unique agreement. Again, this agreement was designed to ensure that manufacturers would make available to owners and independent repair facilities an adequate amount of the same diagnostic and repair information that is available to dealers in order to support a robust and competitive market for service of commercial vehicles.

So what is available for farmers? The Association of Equipment Manufacturers (AEM) and the Equipment Dealers Association (EDA) have made an offer to commit to a more open approach than their current offerings. According to a published statement of principles, they will make parts and service manuals available, and that they will provide “product guides,” service demonstrations, training and seminars, onboard diagnostic tools, and electronic service tools along with other necessary publications. All these will be available for “fair and reasonable terms” beginning with tractors and combines put into service on or after January 2021.

How does this compare to the agreements for the automobile and commercial vehicle sectors? To start with, the statement of principles is a single page. CASIS is 18 pages long and the Commercial Vehicle Agreement is eight pages long. These extra pages include definitions for terms such as manufacturer, dealer, and what constitutes fair and reasonable access. There is also a lack of signatures from presidents and CEOs. The statement of principles also specifically only mentions end users, with no reference to independent repair facilities.

Simply put, the statement of principles as published by the AEM and EDA does not appear to be the same offering made to the automobile and commercial vehicle users. Without binding agreements that provide transparent and predictable expectations for the availability of service tools and materials, agriculture will not enjoy the same competitive market for repair services and tools that is available to other sectors.

If you have a story to share regarding the difficulties of repairing modern equipment, we’d love to hear it. Email us at info@albertawheat.com with the title “Right to Repair”.

Policy TRACKER

Shannon Sereda, Government Relations and Policy Manager | Alberta Wheat and Barley Commissions

PolicyTRACKER is a quarterly update of key federal and provincial farm policy issues that stand to impact your operations. The Alberta Wheat Commission (AWC) and Alberta Barley's Policy and Markets Team undertake a number of activities to advocate for the competitiveness, profitability and market access for farmers. PolicyTRACKER provides an overview of these activities, while providing information on pertinent policy and governmental issues that we monitor on a regular basis.

Fusarium Head Blight in the Agricultural Pest Act of Alberta (APA)

As part of ongoing work that was initiated by AWC, the Alberta Wheat and Barley Commissions have continued to participate in the *Alberta Industry-Led Fusarium Working Group* supporting the removal of Fusarium graminearum (Fg) from the Agricultural Pest Act. In August 2018, representatives of AWC participated in a meeting with Agriculture and Forestry Minister Oneil Carlier on the matter. While the Minister and his team agree that status-quo is not an option for managing Fg, there has been little indication of what an integrated fusarium management plan might look like for Alberta. On October 2, 2018 The Minister hosted a roundtable discussion on fusarium leadership and management, in which policy options are slated to be discussed. Alberta Barley and AWC have been invited to participate.

Alberta General Election 2019

Alberta's next provincial general election is expected to be called between March 1, 2019 and May 31, 2019. Polling figures released on July 30, 2018 showed the United Conservative Party holding a lead over the governing NDP, hovering just over 50 per cent support among decided and leaning voters. Team Alberta is finalizing the development of a government relations strategy heading into the elections and will begin to implement the strategy into the winter. Team Alberta will be engaging with all parties and looking for the support of our members to get our messaging out regarding farmers' priorities for the elected party.

Team Alberta Fall Outreach to Ottawa

The week of November 26, 2018 Team Alberta will be returning to Ottawa to meet with federal officials as part of the ongoing Team Alberta federal outreach initiatives. These meetings provide a unique opportunity for government officials and our farmer directors to discuss the impact of policy decisions at the farm gate. Key topics will include: the need for a predictable and open trade environment, access to modern,

innovative and sustainable farming tools and the continued need to ensure accountability and capacity of the railway, as it's often the only means to get goods to market.

Evaluating Energy Efficiency in Alberta's on-Farm Grain Conditioning Operations

In an initiative led by AWC and Alberta Barley, Team Alberta has received approval for a proposal under the Canadian Agricultural Partnership's Environmental Stewardship and Climate Change program to conduct a three-year study which will engage the technical expertise of the PAMI (Prairie Agricultural Machinery Institute), to measure and quantify the on-farm usage of electricity, natural gas and propane for grain conditioning. The aim of the project is to optimize the energy efficiency of on-farm grain conditioning, and help farmers overcome barriers to achieving optimal grain storage management. The project ultimately aims to improve the profitability for producers through improved grain quality and premiums. We hope the results of this initiative will inform government on potential programming and policy options to support farmers. We have begun recruiting 30-40 farmers across all regions of Alberta to participate in this study. If you are interested in participating please contact: ssereda@albertawheatbarley.com

Agri-Food and Aquaculture Regulatory Review

Budget 2018 proposed for the Government of Canada to pursue a regulatory reform agenda focused on supporting innovation and business investments. Agri-food and Aquaculture was one of the sectors chosen for regulatory modernization focused on a number of departments and agencies including Canada Food Inspection Agency, Agriculture and Agri-Food Canada, and Health Canada which includes the Pest Management Regulatory Agency. AWC and Alberta Barley have submitted to the process and are advocating for inclusion of the Canada Grain Commission (wheat grading, wheat class modernization and the handling of the surplus) in the process, as well as recommendations for improvements to the current regulatory and communication process employed by the Canadian Food Inspection Agency (CFIA). Further, we have indicated a great need for improved scientific rigor and an expanded scope for decision making by the PMRA. Working with our industry partners on further input, the roadmaps for regulatory modernization are expected to be delivered in the Fall.



Team Alberta is a collaboration between Alberta Barley, Alberta Canola, Alberta Pulse Growers and the Alberta Wheat Commission to advance policy issues that impact Alberta's crop sector with all levels of government.

Together we combine resources to strengthen the voice of Alberta crop sector farmers through delivery of our core activities of advocacy, promoting sustainability, ensuring long term market access and providing policy input to government.

Join the provincial crop commissions at your regional/zone meeting this fall

We invite you to connect with your neighbours, see how your commissions are working for you, and learn about timely industry issues from our informative lineup of speakers. Visit the commission websites for complete details and to pre-register for these events.

Pre-register for these events for your chance to win a FarmTech 2019 pass.

NEXT LEVEL FARMING

Next Level Farming events are in **green**

Powering Your Profits

Powering Your Profits events are in **yellow**

Sun	Mon	Tue	Wed	Thu	Fri	Sat
November 4	5	6	Agri-Trade 7	Agri-Trade Alberta Crops Breakfast 8	Agri-Trade 9	10
11	12	13	14	15	16	17
	<ul style="list-style-type: none">Lacombe Lacombe Memorial Centre ABC Region 3, AWC Region 3Grimshaw Pomeroy Inn Grimshaw Alberta Canola Region 1Vermilion Vermilion Regional Centre Alberta Canola Region 10	<ul style="list-style-type: none">Strathmore Strathmore Civic Centre ABC Region 2, AWC Region 2, APG Zone 2Vegreville Vegreville Social Centre Alberta Canola Region 4Nampa Nampa Complex Alberta Canola Region 3	<ul style="list-style-type: none">Grande Prairie Paradise Inn & Conference Centre Alberta Canola Region 5Westlock Westlock & District Community Hall Alberta Canola Region 2			
18	19	20	21	22	23	24
<ul style="list-style-type: none">Rycroft Rycroft Ag Centre ABC Region 6, AWC Region 5, APG Zone 4	<ul style="list-style-type: none">Lethbridge Coast Hotel and Conference Centre Alberta Canola Region 9Lacombe Lacombe Memorial Centre Alberta Canola Region 7	<ul style="list-style-type: none">Westlock Westlock District and Community Hall ABC Region 5, AWC Region 5, APG Zone 3Stony Plain Best Western Sunrise Inn Alberta Canola Region 6Medicine Hat Medicine Hat Lodge Alberta Canola Region 12	<ul style="list-style-type: none">Willingdon Willingdon Recreation Centre ABC Region 4, AWC Region 4, APG Zone 5Camrose Norseman Inn Alberta Canola Region 11Airdrie Apple Creek Golf Course Alberta Canola Region 8			
25	26	27				
	<ul style="list-style-type: none">Enchant Stamp Seeds ABC Region 1					
	December 3		December 12			
	<ul style="list-style-type: none">Taber Heritage Inn APG Zone 1		<ul style="list-style-type: none">Lethbridge Lethbridge Exhibition Park AWC Region 1			
<div><div>Alberta Wheat Commission</div><div>ALBERTA CANOLA</div><div>Alberta Barley</div><div>ALBERTA PULSE GROWERS</div></div> <div><div>albertawheat.com</div><div>albertacanola.com</div><div>albertabarley.com</div><div>albertapulse.com</div></div>						

Canadian Barley Outlook

Chuck Penner, Founder | LeftField Commodity Research

Throughout 2017/18, Canadian barley prices rallied steadily, climbing to multiyear highs. This summer, the normal seasonal price weakness was minor and only lasted a matter of weeks. A lot of the price behaviour for Canadian barley is often attributed to domestic feed use and although it's the largest source of demand, it wasn't the main factor behind last year's rally. It won't likely be the main driver in 2018/19 either.

This large price movement we've seen in barley tends to happen when there is a major shift in the marketplace, but Canadian barley production has actually been quite constant. StatsCan's latest production estimate for the 2018 barley crop is just under 8.0 million tonnes, only 100,000 tonnes more than last year. Over the last four years, barley production has essentially been flat.

On the demand side, domestic feed use also hasn't risen enough to trigger a rally. After all, livestock numbers in western Canada haven't changed by more than a percent or two, over the last number of years. Feed consumption of barley in Canada has generally been trending lower for years and in the last three years, hasn't varied by more than 200,000 tonnes per year. That's hardly enough to set the barley market on fire.

With steady production and flat feed (and malting) use, barley exports are the only other variable of note. Even though export volumes are less than domestic feed consumption, the export market is the "swing factor" that can cause the market to move like it has.

In 2017/18, Canadian barley exports hit 2.08 million tonnes, 40% more than the year before and the highest total since 2007/08. The chart shows China was the reason for her last year's increase, with the US and Japan a distant second and third. It's also worth noting that Saudi Arabia was already absent as a buyer in 2017/18, even before it "boycotted" Canadian barley.

The export outlook will also drive market direction for barley in 2018/19, and that is already looking bullish. According to the International Grains Council, global barley production is expected to shrink by 5.5 million tonnes in 2018/19, and that could still be overly optimistic. Global ending stocks will also drop sharply, falling to multiyear lows.

More importantly, with the exception of Argentina, 2018/19 barley production is down significantly among Canada's export competitors. Most of the major exporters – the EU, Australia, Russia and Ukraine – have all experienced drought this year, and each of these countries already came into 2018/19 with minimal carry-over from the previous year. Tighter feed supplies within those countries will also keep more of their 2018 barley crops within their borders for domestic consumption with less available for exports.

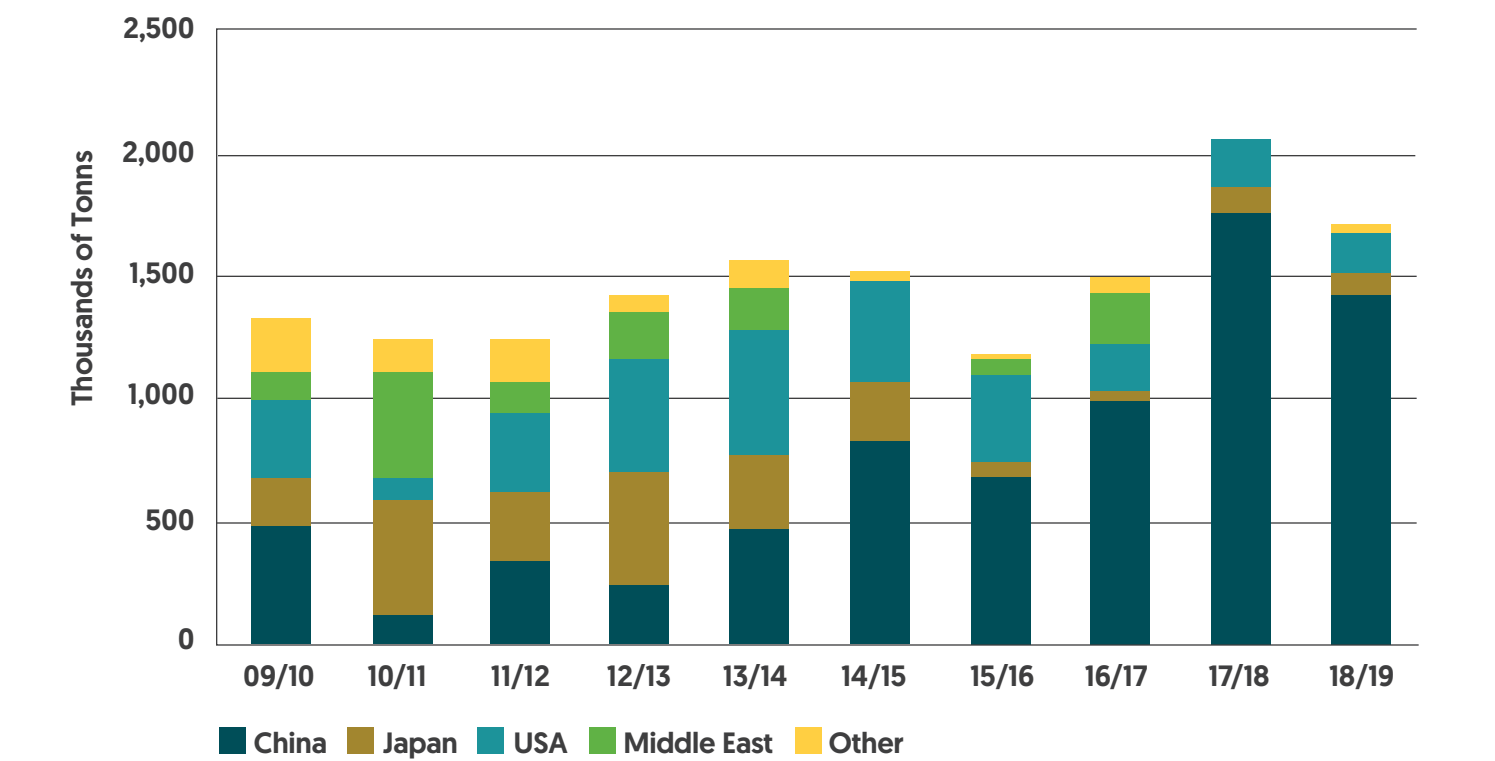
This will push more export demand toward Canada, but supplies here are limited too. The chart of Canadian barley exports shows our forecast of a lower total in 2018/19, but that's not due to lack of demand, but rather limited supplies. Canada simply won't have the capacity to export more barley in the coming year.

Saudi Arabia recently announced another 1.5 million tonne barley import tender which excluded Canada, but that's really not a concern for the outlook. Essentially, those 1.5 million tonnes will come out of other exporters, drawing down their supplies and pushing remaining demand toward Canada. Once again, China will be the major Canadian customer in 2018/19.

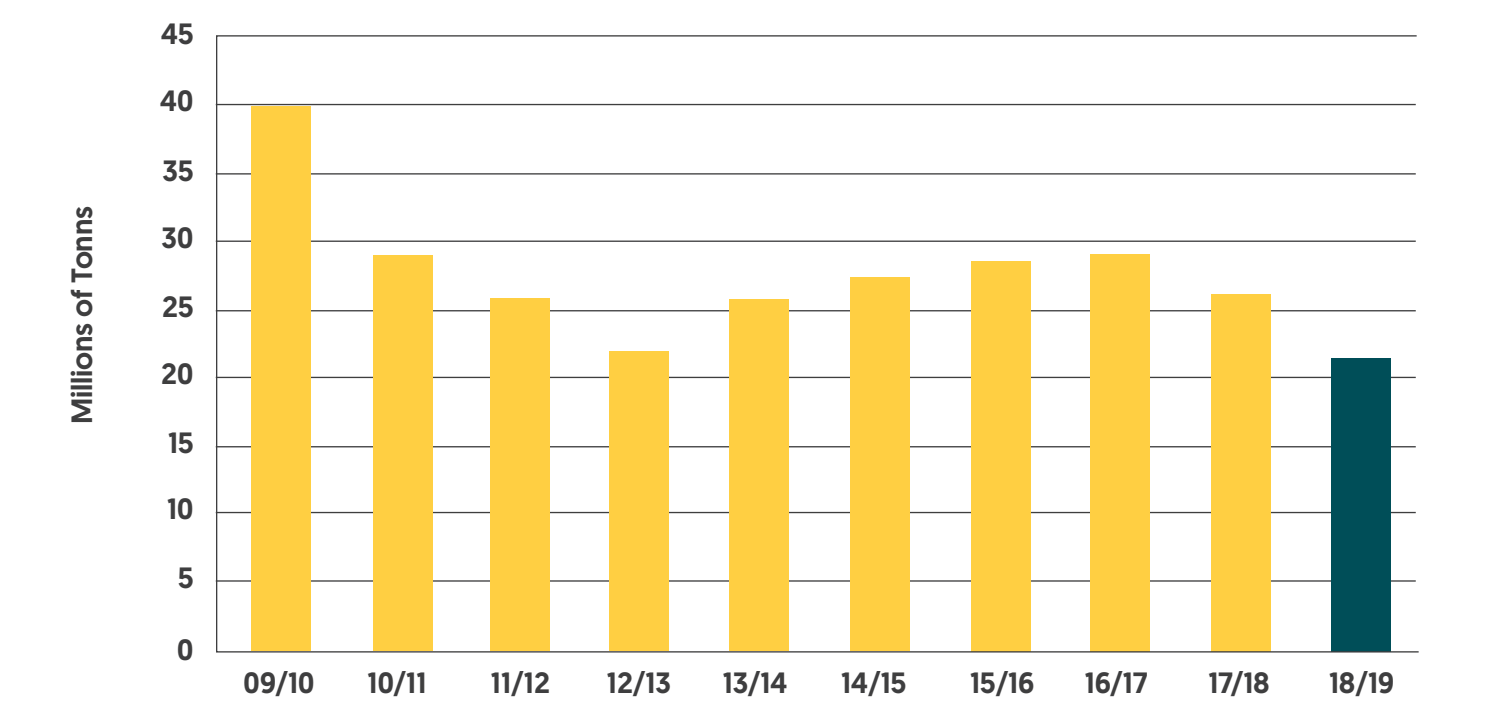
Just like in 2017/18, domestic feeders (and maltsters) will need to compete against heavy export demand again this year, but the offshore pull could be even stronger in 2018/19. Conditions over the final few weeks of the 2018 harvest will determine how much of the Canadian grain crop will end up as feed quality. Even with downgrades later in the season, there may not be a whole lot of feed quality wheat or oats to supplement feed supplies. The most likely source of supplies will be US corn imports.

All this means there's virtually no room for barley prices to turn softer through the fall and winter months. And with the global supply/demand balance even tighter in 2018/19 than it was last year, odds are that new highs will be made in the coming months.

Canadian Barley Exports



Global Barley Ending Stocks - IGC



It's time to reflect

Heather Watson, Executive Director | Farm Management Canada

Farm business management is defined as the analysis of the farming resources, alternatives, choices and opportunities within the framework of resource restrictions, social responsibilities and personal constraints. Essentially, decision-making and being in a position to make good decisions.

A national coordinating body and umbrella for cultivating excellence in farm management, Farm Management Canada helps farmers understand the forces shaping the world around them and provides the information, resources, training and tools to enhance their farm business management skills and practices.



With that in mind, and with harvest wrapping up, now is the perfect time to reflect on this year's growing season. What went well, and what could be improved?

If you have a business plan, how do your results compare to your plan? What goals were met? If goals were not met, why not? And, what actions can be taken to repeat successes?

A post-harvest meeting with the farm team is a great way to review your accomplishments and celebrate successes. Have everyone report on what they are proud of, take time to celebrate and appreciate one another. Consider hosting an off-farm get-together to reward the team.

Hindsight gives a clearer view of the key decisions made and what factors produced favourable results, revealing opportunities for next time. Perhaps there's an opportunity to develop a standard operating procedure, hire a farm advisor, or pursue additional education and training.

As we move into the autumn months, we are surrounded by learning opportunities through conferences, workshops and all sorts of industry meetings. What learning opportunities best suit your needs and that of the farm team? Consider creating a skills development plan for the farm.

I encourage everyone to attend learning-focused events such as the Agricultural Excellence Conference in Winnipeg this November or FarmTech in Edmonton this January. Or, consider enrolling in the only national farm business skills development program for farmers, the Canadian Total Excellence in Agricultural Management (CTEAM) program, starting in December.

By investing in lifelong learning through business skills development, you will be able to confront change with confidence and seize opportunity.

Most importantly, plan... and you will prosper!

AWC is a proud sponsor of Farm Management Canada



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