



WHEAT REPORT



CHAIRMAN'S MESSAGE



Kent Erickson
Chairman

It is important to have an annual strategic crop and marketing plan as we approach the 2014 growing season.

Growers have enjoyed profitable farm returns for the past few years, and marketing has been simple—just wait for higher prices. This year, higher yields may help offset tapering markets, but only if there is a buyer who can provide movement.

Growers sometimes forget to look at profit and not just price—you need to know your cost of production in order to sell at a profitable price.

On the Alberta Wheat Commission (AWC) website, in the Production section there are links to free and valuable calculators and tools for growers. One very important tool is the Crop Enterprise Cost and Return Calculator from Alberta Agriculture and Rural Development. This calculator helps growers estimate costs and revenues on a per-acre basis for a set of selected crops within a given soil zone. Ultimately, knowing the cost of production is vital to creating value on the farm.

Similar to the way growers are preparing for the upcoming growing season, the staff at AWC is also preparing for a busy season ahead. The AWC Research Committee is currently reviewing research proposals from the Agricultural Funding Consortium, with final funding decisions on the proposals set to be completed by March 3, 2014. Once completed, AWC will be funding up to 15 new research

projects in the areas of agronomy and breeding.

Staff have also been attending a number of trade shows to share information about AWC and to talk to growers about where they want to see the Commission go. In the future, the AWC Board of Directors' key priorities will be carried out by staff as we approach a new growing season.

We will be involved in a number of extension activities this summer.

The AWC will also be participating with Real Agriculture on the Wheat School, a video series for western grain farmers. Wheat School will focus on wheat-related agronomy topics such as diseases and pests, research and breeding. Watch for information about its launch on our website.

Finally, the marketing program will ramp up efforts to provide a variety of tools and information for crop marketing at the end of harvest.

Have a great growing season!

STRONG PARTNERSHIPS

Partnerships are an important piece of the puzzle when it comes to the success of an organization. One of the Alberta Wheat Commission's (AWC) strategic goals is to collaborate and partner with like-minded organizations—like the Grain Growers of Canada (GGC).

The GGC represents farmers all across Canada with a mandate to influence federal policy on behalf of independent grain farmers and their respective grower associations and commissions. The GGC and the AWC share a similar vision—to provide opportunity for Canadian agriculture to achieve its potential. Much like the AWC, the GGC believes Canadian growers are efficient, competitive

and want to make their living from the marketplace. Profitability for growers is a main priority for the industry as a whole.

As a member of the GGC, the AWC appoints a director to the GGC Board, from which a five-person executive committee is elected each year. In December 2013, AWC director Gary Stanford was named the president of this committee, and the organization. Having one of our directors lead the GGC is a great opportunity to ensure the interests of wheat growers will be represented, and that Canadian wheat will maintain its global competitiveness.

The AWC has also been working with the GGC on a number of marketing initiatives. In December 2013, the federal government made a \$100,000 investment to the GGC to open up global markets and increase access to international markets for Canadian wheat. Working closely



President of the GGC board, Gary Stanford.

with AWC staff, the GGC will use this funding to develop a national wheat marketing plan, and to co-ordinate trade missions that will take producers to end markets and create business relationships with the buyers purchasing Canadian agriculture products.

Partnering with the GGC and working with all members of the value chain to promote opportunities for Canadian agriculture is a perfect fit to help the AWC achieve its strategic goals.

WHEAT WORLD

Upcoming Events

Come visit the AWC staff at our trade show booth at Aggie Days in Calgary from April 9 to 13, and in Lethbridge from April 23 to 24.

Follow the Alberta Wheat Commission on Twitter (@albertawheat) and Facebook (Alberta Wheat Commission).



Alberta Wheat Commission Releases First Annual Report

The Alberta Wheat Commission (AWC) has published its first Annual Report. The 2012–13 Annual Report is available on the AWC website at www.albertawheat.com. To obtain a hard copy, call the AWC office at 403-717-3711 and we would be pleased to send one in the mail.



**GROWTH.
INNOVATION.
RESULTS.**

MARKET CENTS



Jeff Jackson
Interim
Operations
Manager
and Markets
Manager

Is Grain Transport on the Rails?

The problems and inefficiencies of rail transportation and confrontation with agriculture are nothing new. But transportation issues were at the forefront last fall due to a record harvest and the railroads' seeming inability to add capacity.

The problem is far more complex than simply beating up the railroads for inefficiency. Canada has roughly 48,000 kilometres of railway track, placing us fifth in the world for rail network size. The four countries ahead of us are the United States, China, Russia and India, all of which rank among the world's top 10 most populated countries, while Canada ranks just 37th in world population.

This past year, Western Canada produced 33 per cent more grain than the previous year, and rail shipments of grain have been down three per cent from the same time last year. This does not come across as very positive for the rail companies. However, it is unrealistic to assume that in a span of a couple months, the railroads should be able to increase capacity by 33 per cent. If they could, it would indicate that they had been operating at a significant overcapacity of infrastructure

for the past few years. No reasonable business would operate that way.

Some have pointed to crude oil as the culprit. While there has been a three per cent decrease in grain cars loaded, crude oil loading increased 26 per cent. Is crude oil really to blame for a lack of performance on the grain side?

The Port of Vancouver has 954,290 tonnes of storage, yet ships an annual average of 14.6 million tonnes of grain. Industry can build numerous oil pipelines, but a bottleneck in the system will still exist in Vancouver. It is unlikely additional storage can be built, meaning existing facilities will always need to be turned 15-plus times a year to meet demand.

The bottom line is that Canada is a resource economy. In order for ours to grow, we need to have the ability to efficiently export our agricultural commodities. There is little value in pitting grains against oil or potash. All levels of government, industry, trade associations and private businesses—including railways—must work together to create solutions.

From an agricultural perspective, millions of dollars are invested each year to

increase yield for western Canadian growers. What value does this bring if the commodities cannot be efficiently shipped?

Recently, the Alberta Wheat Commission (AWC) partnered on a Pulse Canada initiative seeking solutions to the transportation issues. Other partners in this are the Canadian Canola Growers Association, the Manitoba Pulse Growers, the Western Grain Elevator Association and the Inland Terminal Association. These organizations have provided funding to hold railroads accountable for their less-than-adequate service, and study the entire supply chain to find real solutions.

Unfortunately, there is no magic bullet.

ENTER TO WIN: iPad Air

Alberta Wheat Commission would like to collect member email addresses. Provide us with your email address and be entered to win an iPad Air.

Send your contact information to email@albertawheat.com to enter.

Contest ends June 30, 2014.

Please note, this contest is open only to AB wheat growers who have paid check-off to AWC from August 2012 until now.



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SPOTLIGHT ON RESEARCH



Lauren Comin
**Research
Manager**

Developing Our Future Farm Leaders is Essential

One of the Alberta Wheat Commission's (AWC) strategic priorities is to develop future farm leaders—beginning their development long before they are even able to help run the combine. The AWC has taken several approaches to agriculture education, and one of them is supporting agriculture in the classroom. It seemed like the perfect fit for AWC to partner with and support the Classroom Agriculture Program (CAP) and to become a member in the fall of 2013.

CAP has been operational since 1985, with a mandate to enhance students' understanding of agriculture and where their food comes from. By having volunteers directly involved in the agriculture industry provide in-class presentations, the program helps to foster a greater respect for the industry and the individuals who feed Alberta and the world.

"It is important for children to learn about the food they eat and where it comes from and to form that connection to agriculture because they need to understand that food doesn't originate in the grocery store," said Karen

Spelay, general manager of CAP. "It comes from plants and animals, and that is something that we may be neglecting to teach this generation of children."

CAP is funded by a variety of Alberta agricultural groups, including the crop commodity groups such as Alberta Barley, the Alberta Canola Producers Commission, the Alberta Pulse Growers Commission and the AWC. The bulk of the work, however, is carried out by volunteers.

Every year, volunteers from various facets of the industry, all with a passion for promoting agriculture, sign up to deliver one-hour presentations to Grade 4 classes across Alberta. Because of the diverse backgrounds of the volunteers, students get to learn about topics like the ins-and-outs of irrigation, veterinary treatment of dairy cows and what life is like on a wheat farm.

This year, CAP will reach 22,500 students in 945 classes—an increase of 12.5 per cent over last year. Spelay and the CAP directors hope to see the program's reach expand over the next few years.

"We plan to continue to expand the CAP program to reach up to 30,000 Grade 4 students each year in Alberta. We would also like to increase the number of volunteers we have presenting the program in order to meet this demand," explained Spelay. "Along with this expansion, CAP continues its core effort, reaching out to Grade 4 students across Alberta and sharing positive messages about agriculture."

"The CAP program actively recruits year-round. As a volunteer presenter, you also stand to gain from the experience," added CAP volunteer Darold Niwa, key account manager at United Farmers of Alberta. "We—both the students and myself—got a lot out of the sessions."

MEET THE AWC STAFF



Jeff Jackson
**Interim Operations Manager and
Markets Manager**

Meet Jeff Jackson, Interim Operations Manager and Markets Manager at Alberta Wheat Commission (AWC). Jeff joined AWC in March 2013, after spending 20 years working in agri-business. His past career found him in sales and marketing as the Market Manager, Pulses with Scouler Canada Inc., Sales and Marketing Manager for Wigmore Farms Ltd., and as a trader responsible for domestic and European markets at Saskcan Pulse Trading.

As the AWC's Markets Manager, Jeff is responsible for executing the market development strategy. This includes the establishment and management of new marketing initiatives and programs focused on end-use demand that will increase long-term profitability for wheat growers across the province.

When not spending time with his wife and son, Jeff enjoys eating, sleeping and breathing football.

When asked if his move to Calgary means he has become a Stamps fan, he responded by saying he still bleeds green and wouldn't see it any other way. Go Roughriders!