

The Prairie Voice

Winter 2005

From the President Cherilyn Jolly, President

It's been an honour to represent you this past year; 2004 was a year none of us will soon forget and yet I sincerely hope to speak with all of you during Convention in Canmore, to learn about farming in the face of such adversity.

Our Board of Directors all felt the pressures of harvest, but are excited and energetic about the coming year. We've been busy establishing new relationships and re-introducing the Wheat Growers with new vitality and pro-active vision. Thirty-five years as a reputable and successful lobby group is certainly something to celebrate. I hope you'll join me at the Convention in honouring past Directors, Presidents, members and teamplayers as we look back on what this association has accomplished and look ahead to what the future of farming has in store for the next generation. Have your say, be a part of the progression by renewing your membership and charging your battery for the upcoming season.

Canadian Wheat Board Election Update

The results are in and guess what? Nobody even cares! The WCWGA have often been accused of being a one-trick pony, a one-note song calling for the destruction of the Board. That has never been the case, although we do question the status quo and push for much needed changes. Our new Board of Directors has worked hard this past year to establish a working relationship with key individuals within the CWB. Our motto this year, "let's make farming more profitable," led to the mentality that although our association would fight till the bitter end for a commercially competitive marketing system, in the meantime, how can we enable ourselves and our members to make a buck within the current system?

We encouraged our members to vote in the last CWB Director election. You may have seen our ads in such publications as *Top Crop Manager*. As is usually the case for CWB elections, voter turnout was pathetic. Reasons for the lack of interest were attributed to apathy, laziness, a "why bother" attitude, process corruption and my personal favorite, irrelevancy. Regardless of the election results, the CWB will be making significant changes in the upcoming

months and years due to WTO rulings. It is our goal to be a major player during this upheaval, both with directors of the CWB and with Minister Alcock, the Minister in charge of the

CWB. It's time for changes; are we ready? We look forward to hearing your ideas for the future of the CWB during our joint convention with the Western Barley Growers Association.

A View from the Chair Randy Hoback, Chair

Most of us are happy to see 2004 behind us. While some had reasonably good crops, prices paid and grading inconsistencies make the life of the farmer challenging.

Grading of crops is a common complaint. While KVD is an old and inaccurate grading method for wheat, the problem is to find a new way that can be quickly done at the elevator. We are seeing some awful looking grain sold as feed that ends up as flour. Flour mills and importers must be laughing all the way to bank, since this grain gets puts through the mill and is sold for the same price as always. I don't fault the flour mills for this, I fault the system we use to grade our product. The WCWG is working hard to change this.

I attended the the Canadian Wheat Board's (CWB) first *Combine to Customer Alumni* meeting in Calgary. I give the CWB credit for inviting some farmers who don't believe single desk is a must and allowing us to express and discuss these views. I think the Board is starting to understand there will be life after losing the monopoly, providing it performs and brings value to customers and farmers. I also think the uncertainty of the Board's future, due to WTO talks, has made the CWB leave its comfort zone and explore options that at one time, wouldn't even be discussed. One issue raised at the meeting was transportation and freight. The rise in oil prices and the demand from China on ocean freight is forcing costs up. Freight is the single most expensive item on my farm and I don't see it coming down, or the prices for the grain going up. Farmers are again absorbing a cost they can't pass on. I think we have three options: (1) increase our population by another 30 to 50 million over the next few years, (2) process the raw goods here and ship out higher value finished goods (3) a combination.

We have to remove barriers that restrict value adding on the Prairies. The present structure of the CWB is a problem. The Board claims it doesn't hinder value added in Canada, but when I attended the *Combine to Customer* course at Winnipeg (. . . an excellent course, I would encourage anybody to attend) I was informed by the Canadian International Grains Institute (CIGI) they have the second largest noodle plant and the third largest pasta plant in Canada. CIGI's office is in downtown Winnipeg and it takes grain deliveries in small bulk bags. CIGI does good work in assisting overseas clients with solutions for problems, and has a good understanding of how various foods are processed from our grain for the individual preferences in various countries.

Another issue is wheat research. Research to date has focused on varietal development with common milling characteristics. Other groups are looking at utilizing different segments of the kernel for non-food items. We need to refocus and find other opportunities. The future may not be in growing wheat almost exclusively for food but rather for protein supplements or industrial products. The pulse industry is building a research lab in Saskatoon to do this, and it may be time for the wheat industry to do the same.

2005 has started off with a bang for the WCWG. We hired Blair Rutter as Executive Director, made presentations to Wayne Easter's farm income research tour and discussed our proposal for government railcars in Ottawa, all while planning for Convention 2005. I hope to see you there, along with a few of your friends.

On the Committee Forefront . . .

"Plant Breeders' Rights" by Curtis Hiebert, VP, MB

Canada's Plant Breeders' Rights (PBR) is being revised to conform with the International UPOV'91 provisions. The Canadian Food Inspection Agency has posted a discussion document online at www.inspection.gc.ca, and the discussion/comment period runs to March 8, 2005. It is now the responsibility of the farmers and organizations to refine their positions and put these forward to the CFIA. The seed sector supports the concept of PBR revision with the following conditions:

- the farmers' privilege provision should provide the right for the farmer to save and condition, or have conditioned, legitimately acquired varieties for his/her own future use, but not for sale to others, and no fees or royalties should be applied to the saved seed, or its progeny, by the owner of the variety
- disclosure of the cascading right needs to be made at time of seed purchase to remove uncertainty of future liability related to the payment of fees or royalties
- the extension of the term of breeders' rights should be limited to the minimum number of years provided for by UPOV '91

"Marketing the 2004 Crop" by Con Johnson, Director

2004 will be a year everyone will remember and one most farmers would like to forget. It started too dry in some areas, too wet in others and never really improved. Cool, wet weather delayed seeding, so most crops were later than usual. As the summer advanced, adequate moisture and no excessive heat set the stage for record crops in the fall.

Then came the frost. Areas that escaped the first killer frost, were hit by the second. Areas that escaped the first two were hit later by what seemed to be a continual series of cold nights.

When harvest did arrive, the weather co-operated even less. Humid, cool weather created short work days and the harvest seemed to drag on. Quality issues were confirmed as the crop rolled in. On some crops there were pleasant surprises, but in others there were disappointments and despair.

Everyone had been gearing up for a large, high quality crop and what they were suddenly

faced with was a very large crop with quality variances in the extremes. The industry was once again in a reaction mode and making decisions after the fact on what to do. Farmers were again caught in a system that reacts very slowly to extremes. The industry is now talking about changing to a grading system based on milling and baking qualities and not visual characteristics. However, this is after the fact and we are still selling into a system that uses visual characteristics to grade our product.

As we were cleaning up some of the grain piles on our farm this fall, I had one pile grade differently three times. I loaded it in a producer car and got a different grade on unload than the three grades I had previously.

Field peas were the surprise crop this year as there were record yields, good prices and excellent movement right after harvest. Their movement has slowed now and the price is like all other commodities, in a down-trend. Cereal crops had good to excellent yields in most areas, but low prices and quality factors have most people wondering how they will get through the next year. Everyone that seeded a crop last year won't all be here in the spring of 2005. Our industry simply has to change.

We can't survive within a system that wonders how to market a crop after the fact. There has to be an open and transparent system to find alternative markets and access them when we desire to do so. We have to have a process that prices on the qualities of the grain and not on visual characteristics. We have to have a system that encourages co-operation between the entities involved in growing and marketing grain and not the adversarial attitude that seems to be present today.

While not the long term answer, we have to use the 3P system this year: patience, persistence, and pricing. Long term, we have to work toward a system where we have the ability to market our own grain. Marketing is the last chance we have to make up for all the other mistakes we made during the year.

Expectations for grain farming have been lowered so much, anything seems to be acceptable to some of us. We have to change that attitude. There is money to be made in grain farming, we just have to fight for the ability to do it. Keep positive and remember, there's always next year.

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**Western Canadian Wheat Growers Association &
Western Barley Growers Association
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