ISSUE NO. 46

**SPRING 2012** 

OFFICIAL NEWSLETTER OF WINTER CEREALS

# **Levy Central – The Key to Efficient Levy Collection on the Canadian Prairies**

#### ACS' Levy Central focused on bringing benefits to producers

#### **Word is spreading on Levy Central!**

The service, which is run by the Agriculture Council of Saskatchewan (ACS), collects levies on crops for eight Saskatchewan and Manitoba organizations and welcomed its first Alberta client, the Alberta Winter Wheat Producers Commission, in 2011. ACS recently announced that a second Alberta client, the Alberta Barley Commission, has also joined, bringing the total client base to ten organizations across the three Prairie Provinces.

The benefits of using levy collection services through Levy Central include an Automated Levy Tracking System Database, a knowledgeable Levy Central staff that has 29 combined years of experience working with levy collection and the database, and the ability for buyers of multiple commodities to deal with one organization and remit reports and payments to one address. Working relationships are quickly established between Levy Central staff and buyers, resulting in fewer reporting errors and less delinquency of reports and payments.

"For many organizations, it makes sense to concentrate levy collection in a central group. We have a powerful database that can be expanded to accommodate multiple organizations," says ACS Levy Manager Christine Colborne. "It's very administration heavy work, so by having ACS take on the duties of collecting the levies, it frees up commodity organizations' internal staff to serve their members."

Levy Central clients have indicated that administrative simplicity and reporting accuracy are two key components that attracted them to the service. However, the benefits of Levy Central go beyond that, with the Levy Central Advisory Group of ACS, made up of members from the ten commodity organizations and three directors from the ACS Board, meeting four times a year to help shape the direction and policy of the program.

"By bringing the ten clients together, they have the opportunity to share and learn from each other," says ACS Executive Director Laurie Dmytryshyn. "When one group recently made changes to regulations, the others around the table listened to find out if that change was something that could work for them.

Another did a communications campaign to promote the value of check-off dollars, and the others all asked a lot of questions. There are a lot of intangible benefits to being part of Levy Central."

The Levy Central program was established in 1995 by the Saskatchewan Canola Development Commission (SCDC) and was transferred to ACS in February 2010. Levy Central now collects check-off from grains grown by upwards of 70,000 farmers. Even with the growth and changes over the years, the program's producer-focused priorities remain unchanged.

"Our whole premise for trying to grow Levy Central is to achieve economies of scale: it ends up being cheaper for everyone," explains Dmytryshyn. "We'll keep adding new clients as long as there ends up being benefit for existing clients."

For more information on Levy Central, please contact Christine Colborne at (306) 975-6623 or colbornec@agcouncil.ca, or Laurie Dmytryshyn at (306) 975-6849 or dmytryshynl@agcouncil.ca. Please visit the ACS website at www.agcouncil.ca.

**Editors Note:** The Saskatchewan Winter Cereals Development Commission and Winter Cereals Manitoba Inc. have utilized the services of Levy Central since the inception of both organizations.

Using an independent organization to manage the day-to-day business of collection and recording results in an efficiency that could not be reached if we were required to hire our own staff and develop the complex database system.

Since our inceptions, Levy Central has recorded thousands and thousands of individual grain deliveries made by approximately 6,000 different individuals and farm corporations. Levy Central keeps close tabs on delivery dates, keeps the active member database and a record of past members.

The Saskatchewan Winter Cereals Development Commission also utilizes the services of Levy Central to manage the process of our Board elections by providing all the services necessary to conduct an accurate and impartial election process each fall. JD

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#### ANNUAL GENERAL MEETINGS KEEP MEMBERS INFORMED

The 2012 series of Annual General Meetings for the Saskatchewan Winter Cereals Development Commission, Winter Cereals Canada Inc. and Winter Cereals Manitoba Inc. kicked off at Crop Production Days in Saskatoon on January 9th with the SWCDC meeting.

The 5th Annual SWCDC meeting started with record attendance that continued to grow throughout the morning. The results of the Board of Directors Election conducted by Levy Central were announced and Dale Hicks, Mark Akins and Mark Weatherald were announced as elected for two-year terms. Dale Hicks has been appointed as Chairman and Mark Akins has been appointed as Vice Chair for 2012.

Participants were treated to an insightful presentation by Brenda Tjaden Lepp of FarmLink Marketing Solutions on wheat marketing in an open market. Winter Wheat grading issues from Gino Castonguay the Inspection Specialist at the CGC, Elwin Hermanson, Chief Commissioner of the CGC and Dr. Brian Beres discussed the early results from the producer supported DIAP agronomy study.

March 15th found producers in Brandon attending the Winter Cereals Canada and Winter Cereals Manitoba joint meeting. The election results for the 2012 Board of directors for WCMI were announced as Curtis Sims and Rick Rutherford were elected for two year terms. Doug Martin has been appointed as Chair and Curtis Sims as Vice Chair for 2012

Board elections for Winter Cereals Canada Inc. are conducted at the AGM. The nominating committee nominated Dale Hicks, Brent Schram and Rick Rutherford. Nominations from the floor were called three times and there being no further nominations from the floor Dale Hicks, Brent Schram and Rick Rutherford were declared elected. Dale Hicks has been appointed as Chair, Curtis Sims as Vice Chair and Brent Schram as Treasurer.

Participants learned of new breeding initiatives and new licensed varieties from Dr. Rob Graff, the latest on the DIAP research from Dr. Brian Beres and what is new for winter wheat in Manitoba from Pamela de Rocquigny. Brenda Tjaden Lepp of FarmLink Marketing Solutions brought Manitoba producers up to date on wheat marketing in an open market.

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## THE HICKS REPORT: FUSARIUM HEAD BLIGHT

Dale Hicks, Chair SWCDC and WCCI

At the end of November, I had the opportunity to attend the 7th Canadian Workshop on Fusarium Head Blight in Winnipeg. In attendance were researchers from Canada and several other countries. It was not only a conference aimed at researchers, but also many representatives from food processing, seed development, and the crop input industry that have a stake in reducing FHB attended.

The majority of the proceedings dealt with gene marker work on pathogens as well as cereal crops. One thing is clear, for public institutions to be competitive with the private sector research dollars are needed to keep marker work progressing. Other topics of interest were fungicide efficiency in controlling FHB. All products were effective in the studies shown, but the one point that I took home from this is that fungicides are only one control tool. For fungicides to be most effective, they need to be teamed with resistant varieties as fungicides alone only help alleviate the problem. Another tool that can be applied easily are decision-making models.

Work done by E.Gourdain from Arvalis-Institut du Vegetal in Boigneville, France on developing complex models to predict ascospore risk looks encouraging. The model gathers past and current weather data during each stage of crop growth to provide a daily risk of ascospore development. This may be a great support system to help farmers decide whether or not to spray to prevent FHB at flowering. This system is one of the best models I have seen to date. Continuing verification and improvements are ongoing.

Crop rotation is an important part of FHB prevention. Work done by R.S. Goswani of North Dakota State University and BASF on yellow field peas was an eye opener. Pea yields have been declining so they began a study of root rot in peas. Findings demonstrated that fusarium graminearum and other toxigenic species associated with FHB indeed causes root rot in peas. This means yellow peas may be a host for Fusarium, and therefore not the ideal rotation break that farmers had hoped for!

Our presence as a farmer funded commission was extremely helpful in putting winter cereals in front of the research community as a crop that deserves attention and funding. Most of the work presented applied to spring wheat (the holy sacred cow of cereal research), and if the voice of winter wheat (in Canada) is not heard, most advances in controlling FHB will go to spring wheat first. Winter cereals on much of the prairies can get ahead of the fusarium cycle. This combined with good controls (fungicides and new resistant varieties such as Flourish) can make us a leader in quality wheat. As chairman of the Saskatchewan Winter Cereals Development Commission and Winter Cereals Canada Inc. I take every opportunity I get to voice our concerns as winter cereal growers to the research world. I also remind the industry that our acres will grow, winter cereals are unique, and that we have dollars to spend on research now and in the future on our unique crop. It was a pleasure to attend on behalf of the SWCDC. There was much information to digest, new people to meet and old contacts to touch base with. I hope to attend again one day in the future to keep our voice heard.

## HAVE YOU MADE A DECISION FOR YOUR FALL 2012 SEEDING?

### **CWRW GRADES HAVE CHANGED ADJUST YOUR VARIETY CHOICES**

- Aug 1, 2010,CGC issued notice of intent to modify CWRW grade requirements
- Aug 1, 2011, grade changes occurred:
  - Minimum 11% protein for #1 and #2
  - Creation of a #3 grade at <11% protein</li>
  - Reduced fusarium tolerance
- August 2013
  - Generic and Select categories end
  - Current Select varieties will remain in CWRW
  - Current Generic varieties will move to General Purpose
- July 31, 2013
  - Last date to sell generic varieties as CWRW
- August 1, 2013
  - · Generic varieties move to CWGP
  - Select and generic categories eliminated

On August 1, 2013 the following varieties will no longer be considered CWRW varieties and will be transferred to the General Purpose Wheat class. Producers should expect a significant price reduction and possible reduced marketability of these varieties as compared to the varieties that remain or become eligible for the CWRW grade class.

CDC KESTRAL, CDC CLAIRE, CDC HARRIER, AND CDC RAPTOR.

Several new varieties have been licensed to replace these varieties and augment the CWRW grade. These new varieties have improved agronomic and milling qualities. Producers should consult with seed suppliers well in advance to ensure seed availability and access to the CWRW grade.

The Canadian Grain Commission has announced that there will be a one-year extension for CDC Falcon to remain in the CWRW grade classification. CDC Falcon will leave the CWRW grade class on August 1, 2014 and become a General Purpose Wheat unless expected supplies of new varieties designed to replace CDC Falcon are not commercially available. The Canadian Grain Commission is monitoring the availability of new varieties to ensure no changes are made until commercial supplies of new seed are available.

#### WINTER CEREALS MANITOBA INC.

is the provincially designated representative organization for Winter Wheat in the province of Manitoba.

### SASKATCHEWAN WINTER CEREALS DEVELOPMENT COMMISSION

is the provincially designated representative organization for winter cereals in the province of Saskatchewan.

For information on W.C.M.I, or S.W.C.D.C. levy enquiries or to become involved with the producer Board of Directors contact the Winter Cereals Canada Inc. business office:

Telephone 204-874-2330, 1-866-472-4611 E-mail: jake@wintercerealscanada.org Mail: Box 689, Minnedosa, Manitoba ROJ 1E0

### Advertise in the Winter Cereals Grower

Winter Cereals Canada invites interested individuals and companies to advertise in the *Winter Cereals Grower*.

8 ½ x 11	 	 \$500.00
6 ¼ x 8 ¼		•
4 ¼ x 5 ½		
2 ½ x 2 ¾	 	 \$130.00

Multiple insertion discount 10%

GST will not be added to these prices.

All advertising must be camera ready or suitable for scanning. Advertorial content is accepted at the standard rates. Advertising and copy deadlines are March 1st, June 1st and September 15th.

Material should be submitted to:
Winter Cereals Canada Inc.
P.O. Box 689, Minnedosa, Manitoba R0J 1E0
204-874-2330

jake@wintercerealscanada.org

### **NEWS FROM THE CANADIAN WHEAT BOARD: YOUR OPTIONS HAVE CHANGED!**

#### **New Programs for a New Era**

The CWB is rolling out new pool and cash contracts for the 2012-13 marketing year. Winter wheat growers will have two pools and three cash contracts to choose from.

Price pooling remains an effective way to capture all the profits from the sale of your grain. With pooling, you'll never be left chasing an elusive market high or settling for the bottom. One simple pool contract covers sales planning, execution, foreign exchange and risk management.

If you want to ensure early delivery opportunities, consider the Early Delivery Pool. The pool operates from Aug. 1, 2012 to Jan. 31, 2013. You're guaranteed all your committed grain will be called by Jan. 31, 2013. It's price pooling with the additional benefits of early delivery and final payment. Signup runs until the end of September 2012.

If you want to pool returns across an entire marketing year and many markets, reducing the effects of price volatility, then the Harvest Pool is for you. You can sign up for the Harvest Pool until the end of October 2012. However, overall grain volume in both pools will be capped once capacity targets are met, so if you're interested in pooling, sign up early to guarantee participation.

#### **Pooling offers flexibility**

The CWB has made pool contracts as flexible as possible, both in terms of grades and delivery options. The pools offer several reference grades. Plus, you can select the grade at any time before the sign-up deadline at no cost. This means you can feel good about signing a pool contract in May, knowing that the reference grade can be selected all the way up to the sign-up deadline at no cost to you. In most years, you'll have grain in the bin before you need to lock in your reference grade. In addition, if you see opportunity in the marketplace, you can convert your CWB pool contract to a CWB cash contract at minimal cost.

#### **CWB** cash programs

You can use cash programs in combination with price pooling to build a complete marketing strategy, tailored to suit your own risk and financial objectives. You can pick a futures first or basis first contract, with values based upon a futures exchange, reference grade and delivery period. Or, you can sign a deferred delivery contract if you're looking for pricing and delivery certainty.

#### **Handling agreements**

The CWB announced March 1 its first agreement for grain handling services, with Cargill. Additional handling agreements are expected to be completed shortly. One of the benefits of signing a CWB contract is that you'll have your pick of delivery locations, depending on which handling company offers you competitive basis deductions or the best overall value.

#### To sign up, or for more information:

Visit www.cwb.ca/fbr to find contact information for your local CWB Farm Business Representative.

Call the CWB at 1-800-275-4292 or e-mail farmerservice@cwb.ca.

Register for program updates at www.cwb.ca/email.

#### **CWB** winter wheat contracts

Contract	Sign-up period	Reference grade	Delivery
Harvest Pool	March to end of October 2012	No. 2 CWRW or better No. 3 CWRW	Guaranteed by July 31, 2013
Early Delivery Pool	March to end of September 2012		Guaranteed by Jan. 31, 2013
Futures first or Basis first (cash)	Begins March 2012	No. 1 CWRW 12.0 No. 2 CWRW or better	As per contract
Deferred delivery (cash)	Begins March 2012	No. 3 CWRW	30-day window

### Association Websites - Check Us Out For Breaking News

The websites for Winter Cereals Canada Inc.,
Winter Cereals Manitoba Inc., and
the Saskatchewan Winter Cereals Development Commission
have a new "Latest News" section with regularly updated items
of interest to producers in each province.
Check in regularly for the latest in winter cereals news.

www.wintercerealscanada.org
 www.wcmi.info
 www.swcdc.info
 www.swcdc.com

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# A New World - A New Life for The Canadian International Grains Institute - Farmers to play central role in providing direction to Cigi in new marketing environment

The Canadian International Grains Institute is well positioned to continue its work with and on behalf of western Canadian farmers in a new grain marketing environment, says Cigi Executive Director Earl Geddes.

"Cigi has been preparing for these changes to the marketing structure," says Earl. "Our mission to create profitable opportunities for Canadian field crops remains the same. What will change is how we go about doing business and who is providing guidance to Cigi in this new environment."

Starting August 1, 2012 farmers will be funding Cigi's market development work for wheat, durum and barley through a check-off mandated in Bill C-18. "Because the funding is coming directly from farmers, we will be looking to farmers to provide input and guidance about the programs we offer and the strategic direction Cigi takes in the future," says Earl.

As part of this transition Cigi has established a Program Advisory Committee of seven farmers from Western Canada to provide direction on Cigi's programming activities. This committee, as well as an advisory group of marketers formed by the Western Grain Elevators Association, will provide advice on the approach and objectives for programs targeted to key markets ensuring activities are

useful for the promotion of western Canadian wheat, durum and barley. These advisory groups will remain in place until the cereal industry establishes a council or other structure to provide Cigi guidance on its activities and strategic direction. Farmers acting on the committee are Don Dewar, Dauphin MB; Matt Sawyer, Acme AB; Phillip Hofer, Walsh AB; LeRon Torrie, Grassy Lake AB; Randy Johner, Estevan SK; Russ Quiring, Waldheim SK; and Rob Lobdell, Eston SK.

The farmer advisory committee met via conference call at the end of January and has already approved a slate of programs planned for April through to the end of July this year. Some of the upcoming programs will bring representatives from customer countries to Cigi while others will see Cigi's technical staff travel to key markets.

One of the programs on the list for the end of April is the Latin American Milling Program. "There is an ongoing opportunity to provide technical training in this region as a means to building customer loyalty to Canadian wheat," says Earl. This program targets key Latin American milling companies who make up a significant share of the market for Canadian wheat and durum. Participants will receive technical training in Cigi's milling, baking, pasta and analytical services facilities on the

use of Canadian grain versus competitors' wheat. Later on Cigi staff will conduct an outgoing mission to the region to meet with customers in their facilities to provide on-site technical follow-up.

"Most countries in Latin America are emerging economies with an increasing interest in processing quality products," says Earl. "Western Canada ships a significant portion of wheat and durum to Latin America."

Cigi recognizes it has a significant new challenge in determining how best to communicate to farmers now that they will be directly funding market development activities. Cigi's recently updated web site (www.cigi.ca) provides the means for farmers to comment directly about the work underway at the institute. In June Cigi staff will also be at the Farm Progress Show in Regina providing the opportunity for face-to-face discussions.

"I encourage farmers to let Cigi know how you would like to receive information about your customers' market requirements and what Cigi is doing to position your wheat and other field crops with customers," says Earl. "We are very interested in hearing about the kind of programming farmers think we should be doing when we are using their money for these activities."

#### GET YOUR GROWER IN ELECTRONIC FORM

If you would prefer to read your copy of the Winter Cereals Grower on your computer just send an e-mail to jake@wintercerealscanada.org and you will be notified of future issues by email as soon as they are published to the Saskatchewan Winter Cereals Development Commission, Winter Cereals Manitoba Inc. and Winter Cereals Canada websites. The newsletter is published in a PDF format accessible by all web browsers and operating systems.

### PROPER ASSESSMENT IS KEY TO DETERMINING WINTER WHEAT STAND ESTABLISHMENT THIS SPRING

With the lack of snow cover this winter, growers are concerned how their winter wheat will fair this spring. Decisions made during spring assessment will not only impact this fall's harvest, but also this fall's seeding season.

With a significant increase in winter wheat acres planted in 2011 and below normal precipitation across all three provinces this winter, there are a great number of farmers questioning what to do with their fall-seeded crop. As the winter was extremely mild, winter wheat fields should recover nicely and produce profitable crops for producers. However, since winter wheat is the only annual crop farmers have in the ground right now, it is the only crop they can worry about.

"Depending on the spring weather conditions, a stand which has survived the winter may require time to recover and resume growth after dormancy," says Ken Gross, head of upland restoration for Ducks Unlimited Canada in Brandon. "As a general rule of thumb, delay spring assessment until most other spring seeding is complete. This means assessing the winter wheat crop between May 15 and May 25, which gives enough time to reseed if necessary. This will give the crop a chance to recover especially if there is any

early flooding again, which means it may take longer to resume growth. "

Assessing the crop condition earlier than May is difficult as brown leaf material in early spring may not be a sign of winterkill and green leaves may not mean the crop has survived. The best way to properly assess individual plants is to examine their crown for growth.

When it's time, to determine crown health, dig up several plants at various locations across the field. The crowns should then be placed on a moist paper towel in a warm room that will be exposed to light for about two hours. A damaged crown will turn brown, while a healthy crown system will be white in colour.

To get an idea of the worst case scenario, take small plants from areas with the poorest snow cover, says Gross. If these plants survive, the rest should be fine.

The optimum winter wheat plant stand is 20 to 30 plants per square foot. Winter wheat has the ability to tiller relatively aggressively, therefore stands between eight to 10 plants per square foot can still produce an adequate crop. The challenge when assessing stand establishment is often the variability in the plant stand across the whole field. In situations where the stand is thin or weak, a

more intense management strategy is required.

"Application of nitrogen early in the spring will encourage the remaining plants to tiller," says Gross. "A thin plant stand is typically less competitive against weeds and growers may find it beneficial to pay more attention to broadleaf and grassy-weed control."

Only when the stand has been properly assessed and deemed unacceptable should a producer terminate the winter wheat crop and reseed. If this occurs, consider the following management practices:

Spray out the winter wheat as the crop will draw on moisture and nutrient reserves.

Avoid replanting to cereals, especially wheat. The wheat streak mosaic may carryover from infected winter wheat into spring-seeded cereals. If replanting wheat, a 10- to 14-day window should be left before reseeding to avoid problems.

Remember to credit any spring applied nitrogen to the following crop.

In the meantime, before you can do a proper spring assessment of the crop, visit the winter wheat survival model on GrowWinterWheat.ca or contact your local DUC agrologist.

Winter Cereals Manitoba Inc. is proud to provide funding for the MCVET trials on behalf of Manitoba winter wheat producers and our members.