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photo: Michael Interisano

For many barley farmers across Alberta, this year's harvest was both a waiting game and a race against time. Photographer Michael Interisano captured this shot in passing near Crossfield in early October, after the moisture had dried and before the first frost arrived. More of Interisano's harvest photos appear in the Alberta Barley Commission's 2010 Annual Report starting on page 7.

## vision

# Futurist bringing clarity to risks, trends of barley industry

by Terry Bullick

**H**indsight may be 20/20, but foresight can have equal clarity. For many organizations, foresight is a matter of identifying risks, understanding forces of change, anticipating surprises, and formulating responses in advance.

The Alberta Barley Commission is gaining foresight into how the future of its commodity could play out with the help of Bob Treadway, an international futurist and business consultant.

Treadway is preparing 10 different scenarios of what the future could hold for Alberta's 17,000 barley producers. He will present several of those scenarios during his keynote address at the Commission's 2010 annual general meeting on Dec. 10 in Banff, Alta.

"The most successful organizations I encounter in my work have the courage and will to confront the future and build robust strategies that succeed in a range of possible outcomes. A key process is imagining the multiple ways the future may evolve," Treadway says.

Continued on page 3...

# Our meetings deliver real value to you

by Matt Sawyer

Throughout 2009 and 2010, the Alberta Barley Commission has worked with three other crop producer commissions (the Alberta Canola Producers Commission, the Alberta Pulse Growers Commission and the Alberta Winter Wheat Producers Commission) to promote the value producers receive from their check-off dollars.

Among the most visible returns the Alberta Barley Commission delivers to farmers are its regional and annual general meetings, held every year in November and December (see the cover story, page 20 and the story below for full details).

These meetings provide a lot of information to our members. As a producer, you can connect directly

with the plant breeders working on the new varieties that you might be growing in the next year or two. You can ask a research scientist about the validity of reducing your nitrogen application rate.

~

**What we learn from you at these meetings often shapes what we do throughout the year**

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Or you can hear about the latest developments in government trade policy and the Commission's progress in market development.

Our regional and annual general meetings are a way for you to share your thoughts and ideas about Alberta's barley industry—and

where you see opportunities. The meetings are also an important way for us to better understand the challenges and barriers you face in producing barley. What we learn from you at these meetings often shapes what we do throughout the year, including how we invest your check-off dollars in the many projects and initiatives we support.

This year's regional meetings will be held jointly with the Alberta Canola Producers Commission and, in Region 2, with the Alberta Pulse Growers. This gives producers the opportunity to make the most of their time by connecting with multiple producer groups.

At the annual general meeting in Banff, producers get together to discuss the industry even further. More than 100 people from throughout North America's barley industry

attend, giving you an opportunity to connect with everyone from renowned international experts to barley growers in your region.

I hope you'll join us for these meetings and urge you to get even more involved by putting your name forward to be a delegate or director with the Commission. The more involved you are, the more value you'll get from these meetings and from the Commission.

Matt Sawyer is the chairman of the Alberta Barley Commission and the director for Region 2. He and his family grow barley and other grains and raise cattle near Acme.



Matt Sawyer

## knowledge

# Regional gatherings promote partnerships

by Lisa Skierka

The Alberta Barley Commission's regional meetings take place across the province from Nov. 24 to Dec. 1. To increase value for producers, all of the meetings are in partnership with the Alberta Canola Producers Commission. In Region 2, the meeting is also being held with the Alberta Pulse Growers Commission.

"By partnering with other producer groups, we are able to give our members more value for their time," Commission CEO Mike Leslie says. "This allows us to provide producers with relevant information at one event instead of several events."

These partnerships also help increase meeting attendance.

"Last year's regional meetings were attended by nearly 300 producers, up from the previous year," Leslie says. "In order to continue increasing these numbers, the Commission is committed to bringing in speakers and topics that have practical value."

The regional meetings will feature a variety of speakers on topics ranging from market development and

market outlooks to feed initiatives, research projects, and farm management and succession. In addition, the meetings will include an update from the Commission and elections for delegates and directors.

Commission chair Matt Sawyer says the conversations between producers also offer value.

"These meetings are a way to hear grassroots information from other producers in our regions—not just from industry experts," Sawyer says. "We can learn a lot from our fellow growers."

The discussions at the regional meetings often generate resolutions that are further discussed and voted on at the annual general meeting, scheduled this year for Dec. 10 at the Banff Park Lodge.

"Resolutions provide an opportunity for participation by eligible producers in directing the Commission," explains Leslie.

Meeting highlights include:

- Region 1 (Nov. 25, Lethbridge Lodge)—a fertility management presentation from Ross McKenzie of Alberta Agriculture and Rural Development



The Commission's regional meetings feature speakers and topics that have practical value to producers.

- Region 2 (Nov. 29, Three Hills Community Centre)—a weed control and herbicide presentation from Ken Sapsford of the University of Saskatchewan
- Region 3 (Nov. 24, Lacombe Memorial Centre) and Region 4 (Nov. 25, St. Paul Ag Corral)—a session on farm management and succession, with Merle Good and Mark Muchka of Alberta Agriculture and Rural Development, respectively
- Region 5 (Nov. 30, Westlock

and District Community Hall)—Kelly Turkington of the Lacombe Research Centre speaking about canola and barley disease

- Region 6 (Dec. 1, Fahler ACFA Hall)—a market outlook presentation from David Wong of AARD.

For more information, see "News and events" on page 20 or visit [albertabarley.com](http://albertabarley.com).

Lisa Skierka is a contractor with the Alberta Barley Commission.

**For more details about the Alberta Barley Commission's regional meetings and annual general meeting, see page 20.**

# Futurist bringing clarity to risks, trends of barley industry

... continued from page 1

A futurist and foresight advisor for 26 years, Treadway has helped hundreds of organizations develop pragmatic views of the future, robust strategic plans and effective courses of action. His clients include AT&T, Berkshire Hathaway, Gillette, ExxonMobil, Motorola, the Federal Reserve, B.C.'s Ministry of Agriculture and Lands, CropLife Canada, Syngenta and the (U.S.) National Corn Growers Association.

The majority of Treadway's work is with executive groups and directors in decision-making, strategy setting and foresight development. He's conducted think tanks on technology usage, provided counsel to trade missions, taught university courses on vigilant leadership and is currently working with the U.S. Social Security Administration to prepare the agency for the year 2020.

Treadway works frequently in agriculture. Most notably, he's been a key faculty member of Syngenta's Leadership At Its Best development

program for agriculture association leaders in the U.S. and Canada.

Treadway's work with the Commission addresses a key strategic priority established in 2010 by the Board of Directors: to create a

~  
**Treadway's work is directly addressing a key strategic priority: to create a process to identify risks and trends that could affect Alberta's barley industry and the Commission**  
~

process to identify risks and trends that could affect Alberta's barley industry and the Commission. Specifically, the Commission wants to gain greater insight into issues

such as genetic modification, significant changes to Alberta's cattle industry, fluctuating values of the Canadian and American dollars, emerging global competitors, and marketing opportunities and changes.

"We asked Bob to evaluate potentially disruptive, industry-altering or course-changing situations that the Commission and its members need to be prepared to face between 2012 and 2016," says Nikki Jeffrey, the Commission's office and projects manager. "Our main goal is to have compelling, evidence-based analysis that will help our producers remain competitive in a constantly shifting marketplace."

Treadway's scenarios will also inform the Commission and its members about the trends and information sources they should be tracking to monitor various situations.

"Scenarios are stories of the future. They're fiction with a strong probability of becoming fact. They



Bob Treadway

allow us to step into a world that's years away in order to experience what will come as if it has already happened," he says.

"We're not expecting Bob to predict the future," Jeffrey says, "but we are turning to him to help us prepare for it."



Alberta *is* Barley Country.

This province grows more barley than any other province, and Alberta's output typically accounts for half of Canada's annual crop. Barley production for feed, malt and food is an important economic activity in Alberta.

See past issues of *Barley Country* at [albertabarley.com](http://albertabarley.com).

*Barley Country* is published quarterly by the Alberta Barley Commission to inform producers of new technology and developments affecting barley production and to promote new markets for Alberta barley growers.

*Barley Country* is circulated to more than 29,000 producers, agrolgists, researchers and grain industry representatives. One year subscription rates for non-members are \$15 within Canada and \$20 outside Canada.

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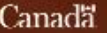
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# Farmers likely to feel squeeze with proposed fertilizer security

by Madeleine Baerg

Grain growers are used to feeling squeezed by market pressures. Once again, they're about to be placed between a rock and a hard place.

At issue are efforts by the Canadian Association of Agri-Retailers (CAAR) to have the federal government legislate and subsidize its proposed new, across-the-board standards for crop inputs, including fertilizers, called the Agri-Retail Integrated Security Protocol (see sidebar).

If adopted, the standards will almost certainly affect farmers' costs and operations due to tighter on-farm fertilizer storage and usage controls.

Even if CAAR's efforts fail, the association is warning its agri-retailers won't be able to afford to carry some—perhaps many—of producers' trusted crop-input products. Furthermore, CAAR is warning the prices of all crop inputs will increase, as agri-retailers will be forced to pass on their increased security costs to producers.

Mike Leslie, the CEO of the Alberta Barley Commission, strongly opposes overly strict storage and handling regulations.

"Relative to the problems we have seen to date in Western Canada, this protocol is overkill," he says. "A better solution would be using rational thought and risk management to do what's best for the industry. If we perceive certain areas of the country or regions of a province are more vulnerable to theft, those areas could be secured as opposed to a blanket, national regulation."

Leslie says he's looking at the ultimate outcome for farmers.

"I suspect that farmers who want to store these products will have to meet the same requirements as retailers. From the point of view of agri-retailers who handle large volumes and multiple product lines, this protocol is very reasonable, albeit expensive. But from a farmer's point of view, any additional regulatory burden or barrier to on-farm storage substantially increases the cost of doing business."

## A chaotic mess

CAAR's president and CEO, Dave MacKay, says agri-retailers across the country are currently dealing with a "chaotic mess" of constantly changing product security standards. Canada lacks a single set of security regulations for all products and has multiple government departments and agencies that oversee creating or enforcing such regulations.

The result is each product is governed by different security measures and is subject to the changing de-

mands of a variety of provincial and federal government departments.

"The whole principle [of the proposed protocol] is do it once and do it right so you don't have to revisit it 20 times in reaction to every code that comes forward," MacKay says.

"Agri-retailers are currently enduring death by a thousand cuts and that is the primary reason why they will exit out of certain markets."

From a farmer's point of view, any additional regulatory burden or barrier increases the cost of doing business

MacKay adds that a continuum of risk exists for crop-input products and CAAR's protocol attempts to address all of them in a common-sense, economical and comprehensive approach. CAAR is also seeking government funds to offset the cost of the new measures.

The federal government, however, has shown no interest in providing funds. In fact, in the three years CAAR has been pushing for this protocol, MacKay says the government has not once budged on its "absolutely not" answer.

## Feeling the fallout

Grain growers are feeling the protocol's fallout. Some products have already disappeared from retailers' shelves. Because of the Ammonia Code of Practice, 82-0-0 is rapidly becoming more difficult to buy across the country, especially in Ontario, as security regulations make carrying the product very costly for agri-retailers. These regulations have been created because 82-0-0 is dangerous if mishandled and can be used to produce methamphetamine (crystal meth).



Virtually illegal in the United States, the production and subsequent sale of ammonium nitrate (34-0-0) for agricultural use voluntarily ceased in Western Canada and is well en route to following suit in Eastern Canada. An effective and affordable fertilizer for farmers, 34-0-0 has also, unfortunately, been used by terrorists to make simple but highly explosive bombs, most notably to destroy the Alfred P. Murrah Building in Oklahoma City, the Marriot Hotel in Jakarta and the Sari Club in Bali.

While some farmers have resorted to importing 34-0-0 from as far away as Russia, others have replaced it with liquid ammonia (28-0-0) or urea (46-0-0), both of which are comparable to 34-0-0 in cost and results.

MacKay unequivocally says other types of fertilizers could also disappear from farm suppliers' shelves.

## On-farm rules inevitable

Richard Phillips, executive director of the Grain Growers of Canada, says that although the protocol doesn't currently call for on-farm storage or application security upgrades,

such requirements will likely follow.

"If you were a retailer and just spent half-a-million dollars on upgrading to barbed wire and security lights and cameras, and you saw a farmer across the street with his product just sitting out in bags, there would be a problem. Farmers will have to upgrade, but whether it has to be identical to retailers, I don't know."

Given a choice, Phillips says he would rather see the agricultural sector self-regulate than see government legislate to its own standards.

"The industry has said that, if you don't voluntarily tighten standards, the government will come in and regulate, and that would be overbearing, burdensome and very costly. We actually applaud the industry for being proactive to ensure we don't become over-regulated."

Leslie believes the call for this level of security is over-the-top.

"The level of risk management should deal with the risk factor, should be in balance and shouldn't be over-compensatory. There have been no serious calls for this type of regulation, due to a lack of need, although we must remain vigilant in the future," he says.

## Proposed Agri-Retail Security Protocol

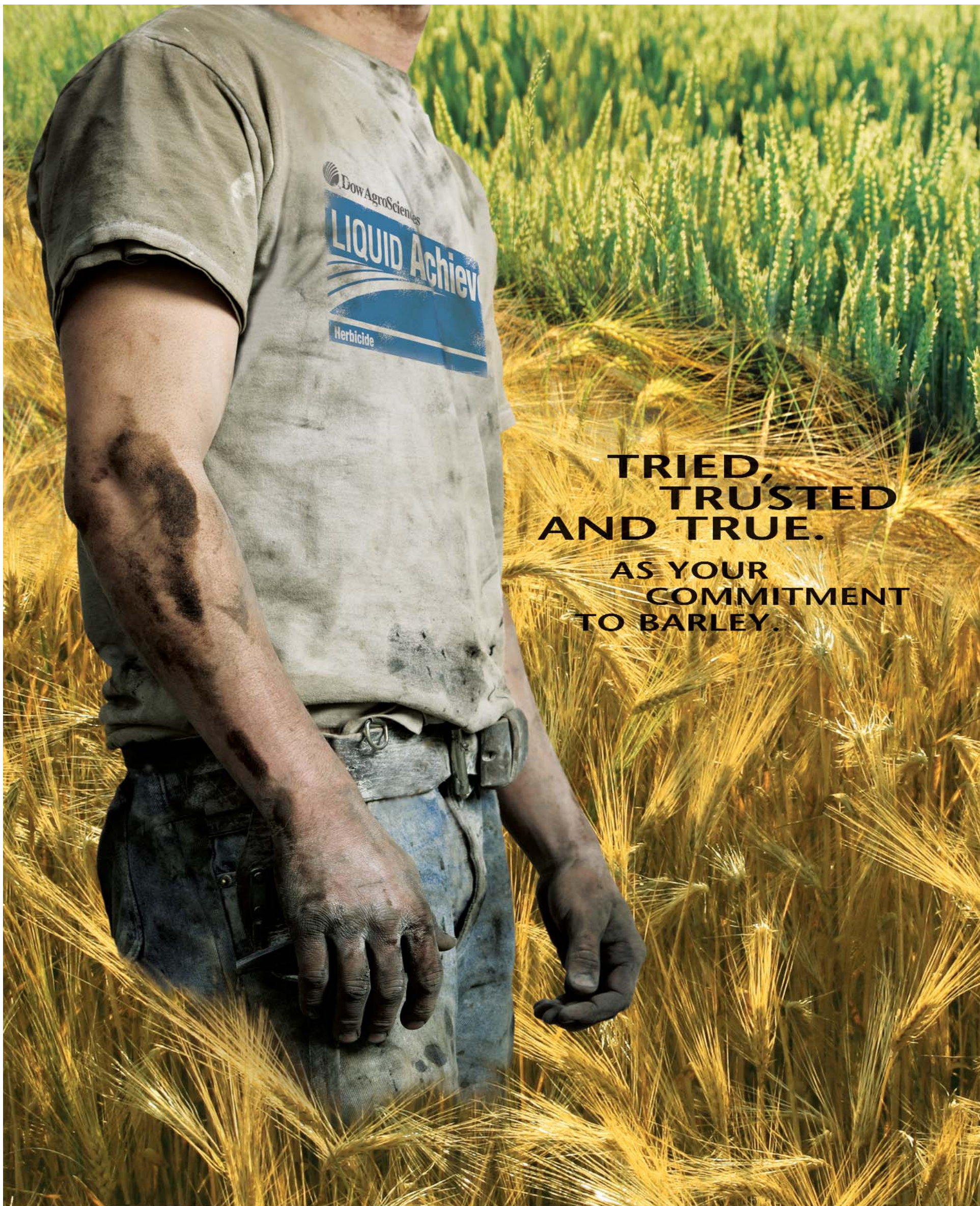
The proposed Agri-Retail Integrated Security Protocol is designed to secure all essential crop inputs, including fertilizers, under a "shovel ready" infrastructure upgrade program at agri-retail sites across Canada.

The Canadian Association of Agri-Retailers (CAAR) is proposing comprehensive security measures, such as: employee training and background checks; tank tags and valve locks; fencing/perimeter protection; lighting, alarm, recording and computer equipment; access limits; and prevention measures.

The cost of these measures is an estimated \$100 million. To offset this price tag, CAAR is asking the federal government for a 50 per cent tax credit or rebate for eligible security expenses. CAAR says similar programs offset costs for security upgrades at Canadian port facilities. In the U.S., agri-retailers receive a federal tax credit for security upgrades.

CAAR proposes the program start immediately and run until the end of 2012. For agri-retailers that have already taken it upon themselves to begin upgrades, CAAR suggests that upgrades initiated since 2008 be eligible for the program. The federal government has shown no interest in underwriting the cost of these upgrades and measures.

For more information, see CAAR's Agri-Retail Integrated Security Protocol proposal at [caar.org](http://caar.org).



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# Feeding initiative sets terms for funding

The Alberta Livestock and Meat Agency Ltd. (ALMA) has contracted the Alberta Crop Industry Development Fund (ACIDF) to develop and administer recommendations to invest \$8 million in making feed grains more competitive.

ALMA received the funds from the Government of Alberta in December 2009 to address the largest production cost in Alberta's livestock industry: feed.

Through its Feeding Initiative Advisory Committee, ACIDF has since worked with ALMA and a number of industry partners (including the Alberta Barley Commission, Alberta Pulse Growers Commission, Alberta Cattle Feeders Association, Alberta Pork, Alberta Beef Producers and Alberta Agriculture and Rural Development) to establish the recommendations.

Those recommendations reflect three strategic priorities: feed grain utilization, feed grain value and feed grain innovation.

"We've put together a good set of recommendations and now that needs to be shared with the stakeholders involved," says Rob Hand, who oversees ACIDF's Feeding Initiative.

Feed grain utilization will focus on getting more nutrients from grains and co-products created through food or fuel production.

"Energy ends up being the driver for all feed grain, including co-prod-

ucts such as DDGS or wheat mill-run, or off-grade, damaged grains," Hand says. "It's all about being competitive on the cost per unit of gain."

Feed grain value will focus on shifting from being ingredient-oriented to being nutrient-oriented, balancing profitability with affordability.

**The entire value chain must benefit from feed grains or producers will grow other crops with more return per acre**

"This has long been a concern between feed growers and feed users," says Mike Leslie, CEO of the Alberta Barley Commission. "As much as the livestock industry would like lower prices, so-called 'cheap' feed is not sustainable for producers. The entire value chain must benefit from feed grains or producers will grow other crops with more return per acre."

The Feeding Initiative program will also look closely at further adoption of near infrared reflectance spectroscopy (NIRS), an accurate and rapid method of analysis used to determine the nutritional makeup and components of organic materials.

The Alberta Barley Commission has helped fund the ongoing devel-



photo: ALMA

New recommendations for \$8 million in provincial government funding reflect three strategic priorities: feed grain utilization, feed grain value and feed grain innovation.

opment of this technology at the Alberta Field Crop Development Centre in Lacombe, with an eye to eventually seeing grain sold for its actual nutritional content rather than just its weight, plumpness, colour and moisture content.

Feed innovation will revolve around breeding and agronomics to make Alberta's primary feed grains more competitive with corn.

Hand says the Livestock Feeding

Initiative has an aggressive, pressing mandate.

"But we're confident researchers and industry innovators will come forward with good projects that deliver value in the short term," he says.

ALMA's and ACIDF's respective boards approved the recommendations in August. ACIDF's board will now use those guidelines to direct subsequent project funding.

# Beattie leads plant breeding at U of S

by Madeleine Baerg

As the new leader of the barley and oat breeding program at the Crop Development Centre (CDC) at the University of Saskatchewan, Dr. Aaron Beattie may be affecting your barley crop more than you think.

"Varieties don't stop at provincial borders," says CDC's managing director, Dorothy Murrell. "The crop development work that we do is tested across the entire prairie region and benefits all producers."

This attitude is shared by researchers at the Alberta Field Crop Development Centre in Lacombe and Agriculture and Agri-Food Canada's Brandon Research Centre in Manitoba. Researchers at the three centres regularly collaborate.

"We look at each other's data, we grow trials for one another, and we're always exchanging information and

germplasm with each other. In the end, we are all working towards the same goals," says Beattie, who has a decade's worth of research experience at CDC.

Work at all three centres is funded with a combination of private and public research dollars. (For example, in Alberta, producer check-off dollars provide about \$250,000 a year in funding to the Lacombe centre.)

"The value of research to the barley community cannot be overstated, because that's where better varieties are coming from," says Beattie emphatically. "If you're an Alberta barley producer, the check-off dollars remitted to the Alberta Barley Commission are money well spent because those dollars go directly back into breeding programs. It's a good return on dollars."

CDC's barley breeding objectives are primarily focused on improving yield. Specifically, Beattie would like

to build on the yield advances CDC has made in malting varieties like CDC Meredith and feed varieties like CDC Austenson (which out-yielded Xena in cooperative trials).

**The value of research to the barley community cannot be overstated, because that's where better varieties are coming from**

Straw strength and disease resistance are two other constants on his list of key priorities.

Another trait he's particularly interested in is low phytate. Low-phytate barley (LPB) contains more free phosphorus in the barley seed, making it environmentally and economically beneficial

for monogastric animals. CDC registered its first LPB a few years ago, and Beattie believes the trait could have value in malting barley varieties as well.

"From a brewing point of view, there is some indication that having a little more of that free phosphorus is a good thing for the yeast, which can potentially translate to more alcohol production during brewing," says Beattie.

Overall, Murrell doesn't see the CDC program changing significantly.

"The program has been on the mark for many years," she says. "While Aaron will undoubtedly make some changes as he takes over the reins, I am sure he will continue to take his signals from industry and stay focused on breeding goals around agronomy and quality."

Madeleine Baerg is a freelance writer based in Calgary.



# annual report 2010

## Alberta Barley Commission

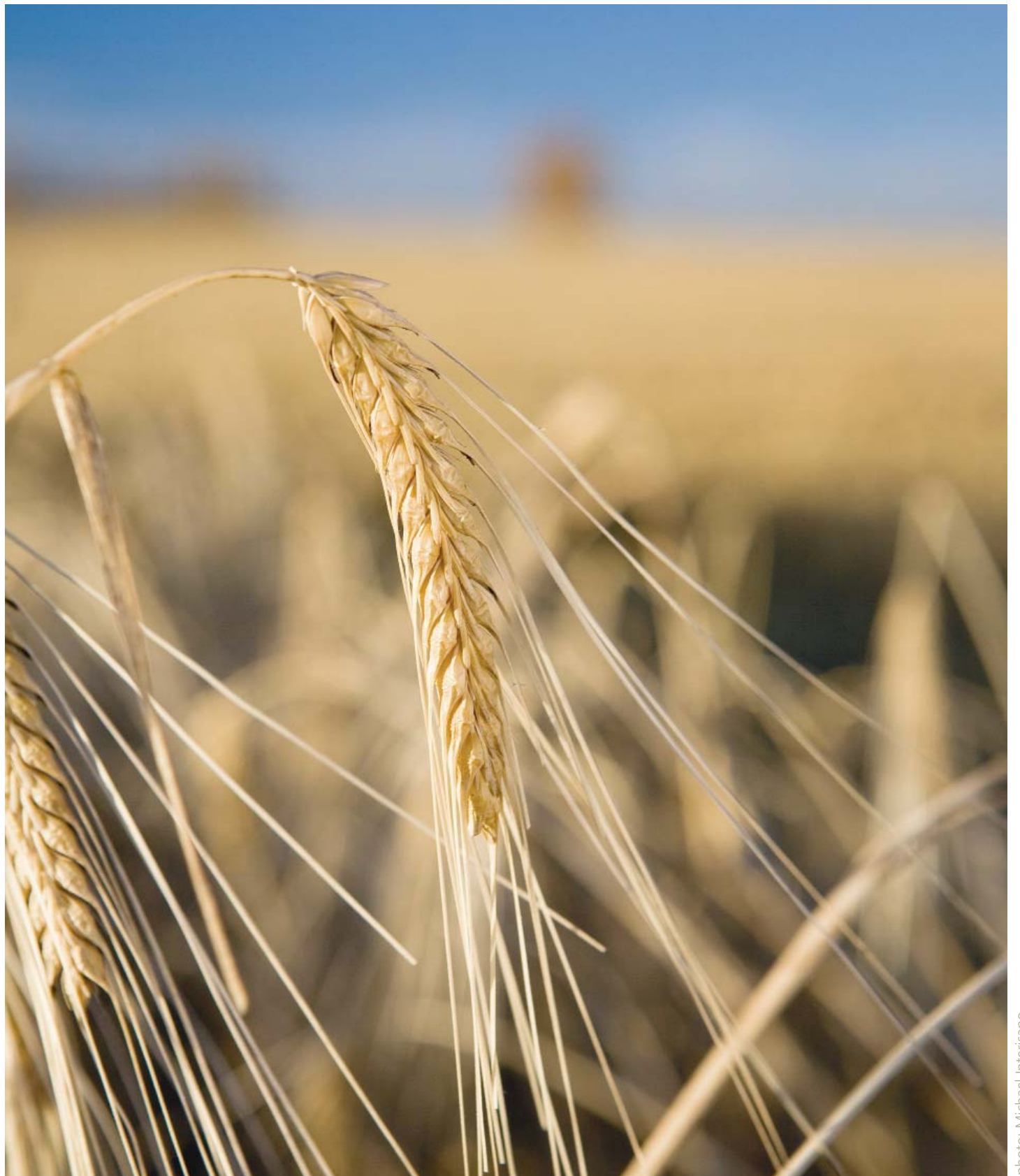


photo: Michael Interisano



## Chairman's & CEO's message

### Long-term strategic priorities

- Ensure the long-term sustainability of the barley industry and the Commission
- Leverage partnerships with like-minded stakeholders to optimize opportunities and impact issues
- Develop ways for producers and industry to capture more value from barley

### Short-term strategic priorities

- Execute a communication and extension plan addressing the Commission's core business areas
- Continue to develop and execute actions to lead to an increase in demand for barley:
  - Continue to investigate and foster ways to provide farmers with increased options to market their barley
  - Work to increase barley's relevance as a bio-economy crop
- Collaborate with the feeding industry to support its survival and growth
- Identify and act on key research priorities

### Research priority areas

- Agronomy & Production
- Malt
- Feed
- Food & Nutrition
- Bioproducts

### A singular purpose, an evolving approach

by Matt Sawyer, Chairman & Mike Leslie, CEO

**W**e are pleased to present the Alberta Barley Commission's annual report for the fiscal year August 1, 2009 to July 31, 2010.

In 1991, the Commission was established with a singular purpose: to represent the interests of the province's barley growers. That purpose remains today, although our organization has changed in dozens of ways.

Where we once competed with other producer groups for research funding, today we collaborate with them to ensure the funds we contribute on behalf of our 17,000 producers go further. We've also moved from funding small one-off research projects to investing in larger, longer-term, higher-impact initiatives. Less than five years ago, we would oversee about \$300,000 of research projects each year; today, we're monitoring \$10 million of ongoing projects.

In the early days of our organization, we focused on pursuing only what was best for barley producers. Today, we expect our efforts to generate benefits for all stakeholders in the barley supply chain. Our success cannot come at a cost to our suppliers and customers.

In short, the Commission has changed with the times while remaining true to its core purpose. We've become respected, effective and knowledgeable, contributing to agricultural products and development in Alberta, Canada and numerous international markets. We've evolved to be exceptionally adept at leveraging our finances and influence to provide the best possible return on your check-off dollars—and to ensure the long-term sustainability of Alberta's barley industry.

### 2009/2010 overview

In 2009/2010, the Commission had revenues of \$1.54 million, compared to \$1.3 million in 2008/2009. Our main source of revenue, producer check-off dollars, increased to \$1.65 million (less \$141,665 in refunds), up from \$1.35 million (less \$111,526 in refunds) the previous year.

This increase largely reflects a change in our check-off rate: on Aug. 1, 2009, the rate went from \$0.50/tonne to \$1/tonne.

By law, the Commission must holdback check-off funds for six months after they have been submitted. Therefore, the increase in check-off revenue is for the first six months of the fiscal year only. The \$926,000 in check-off dollars submitted in the second half of the fiscal year will become revenue for the first six months of the 2010/2011 fiscal year.

Almost all of the 2009/2010 revenue resulting from the new check-off rate was invested in producer services, market development and policy development.

The refund rate of check-off dollars increased slightly in 2009/2010 to 8.5 per cent, compared to 8.2 per cent the prior year. The increase, based on responses from producers when they requested a refund, was a result of lower barley prices, not an increase in the check-off rate. Generally, producers have been very supportive of the new check-off rate and see the value it will return to them.

During the 2009/2010 year, the Commission had \$1.5 million in expenses, compared to \$1.1 million the year before. In 2009/2010, the Commission invested more in producer services (\$673,535 compared to \$593,783), market development (\$317,049 compared to \$132,479) and policy development (\$212,034 compared to \$129,800). As well, the Commission saw a relatively modest increase in general and administrative expenses (\$238,173 compared to \$212,324); the largest increase being in office administrative expenses (\$33,689 compared to \$19,418).

Overall, the Commission is financially sound and well managed, with net assets (comprising unrealized gain on available-for-sale securities and the general fund) of \$927,823 in 2009/2010, compared to \$834,621 in 2008/2009.

Between August 2009 and July 2010, the Commission attracted more than \$5 million in additional funding for barley research projects. Where the government used to match research funds at a ratio of 13:1, the current level is 6:1. Working with government and industry partners, the Commission achieved a 12:1 ratio. This was due in part to multi-year federal program including Developing Innovative Agri-Products (DIAP) and the Canadian Agricultural Adaptation Program (CAAP). It is also a result of the collaborative approach we have adopted.

Details of other major Commission projects and activities in 2009/2010 are outlined on the following pages.

As is our custom in our annual report, we'd like to thank the many people who have contributed to our success and sustainability, both in the past year and throughout the past 19 years. These include our Board of Directors, our delegates and members, the Commission's staff and contractors, and our many government, research and industry partners and stakeholders. Your support is greatly appreciated.

Matt Sawyer  
Chairman

Mike Leslie  
CEO



## 2009/2010 highlights

### Market development

- Through the multi-year Alberta/Canada Barley Development Agreement, the Alberta Barley Commission provides \$250,000 a year in core funding to the Lacombe Field Crop Development Centre and the Lacombe Research Centre. Agriculture and Agri-Food Canada and Alberta Agriculture and Rural Development provide additional funds, which collectively support long-term projects on barley agronomy, breeding, disease and germplasm development by a number of scientists, among them: Drs. Jim Helm, Patricia Juskiw, Joseph Nyachiro, Kelly Turkington and John O'Donovan.
- The Commission successfully encouraged the Government of Alberta to remove a hiring freeze at the Lacombe Field Crop Development Centre. The freeze had prevented the hiring of staff wholly funded by the Commission and other private-sector investments.
- Working with the Alberta Livestock and Meat Agency and the Alberta Crop Industry Development Fund, the Commission has played an advisory role in developing recommendations to invest \$8 million of funds from the Government of Alberta to make feed grains more competitive and to provide the best possible value to feed grain producers and livestock producers and feeders.
- In July 2010, the Government of Canada invested \$1.1 million into a multi-purpose, high-starch shochu barley selection program aimed at increasing exports of Canadian barley to Japan for shochu, a distilled alcoholic drink. Additional project funding came from Alberta Barley Commission (\$40,000), the Canadian Wheat Board (\$20,000) and a Japanese shochu company (\$60,000). Rahr Malting Canada Ltd. and Alberta Agriculture and Rural Development also contributed to the project.
- The Commission supported a malting barley research project by Dr. John O'Donovan of the Lacombe Research Centre called the Improvement of Malt Barley Quality and Seed Homogeneity through Optimization of Agronomic, Genetic and Environmental Factors. The project focused on developing and evaluating improved management systems for current malt barley varieties that compare quality (plumpness and protein) and homogeneity (seed uniformity) for maltsters' processing requirements. The project also received funding from the Canadian Wheat Board, Rahr Malting Canada Ltd. and Agriculture and Agri-Food Canada.

### Producer services

- *Between the Rows*, an electronic newsletter for directors and delegates published six times a year, was established.
- The Commission expanded director- and delegate-secured pages and information on its website, albertabarley.com, to include weekly updates.
- Our *Barley Country* newsletter is a primary conduit for knowledge transfer and industry updates. Distributed to approximately 29,000 subscribers each issue, the publication is the most visible face of the Commission's

ongoing activities and the main way it informs producers about research, market and policy developments.

- The Commission hosted more than 100 participants at the 2009 annual general meeting in Banff, Alta.; the increasing success of this event is based on the many partnerships the Commission has formed with producers, government and industry.
- More than 300 people attended the Commission's six regional meetings across the province. These grassroots meetings offer producers an opportunity to learn about recent industry developments and research projects as well as an opportunity for the Commission to learn about the concerns and issues producers face.

### Policy development

- This past year, the Commission joined the Brewing and Malting Barley Research Institute and the Canadian Malting Barley Technical Centre, allowing it to have representatives sit on their committees and collaborate with a wider cross-section of the barley industry.
- Through membership in the Grain Growers of Canada, the Commission successfully lobbied Agriculture and Agri-Food Canada on behalf of its producers to ensure the federal government fills its plant scientist positions. The Grain Growers also played a leading role in building support for the Canada/Colombia Free Trade Agreement. This deal is a positive step forward for market access for Canadian farmers as Colombia is a growing market for wheat and barley and is Canada's seventh-largest market for pulses and specialty crops. Annual crop exports to Colombia from Canada average more than \$53 million and 111,000 tonnes. As well, the Grain Growers' efforts resulted in the Government of Canada abandoning its plan to end bonding (security protection) of licensed facilities through the Canadian Grain Commission.
- The Commission provided producer and agricultural perspective for trade negotiations between Canada and the European Union and Canada and Turkey.
- The Commission continued its tradition of working with other agricultural organizations to see the successful completion of a World Trade Organization agreement that will give Canadian agricultural producers fairer access to markets around the globe and will systematically reduce barriers to international trade.
- Through the Crop Sector Working Group, the Commission contributed to numerous provincial initiatives and issues that affect our producers. Among them: the development of Alberta's Land-use Framework; Water for Life/Wetland Policy responses and drafts; drafting policy with Agri-Environmental Partnership of Alberta on fragmentation and conversion of agricultural land; and the need for Alberta Environment to implement a cumulative effects management system.
- The Commission continued its efforts to have barley recognized as a "healthy grain" by Health Canada.





## 2009/2010 Management Discussion & Analysis

### Check-off dollars

The biggest change to our financials in 2009/2010 was the result of a change to our check-off rate, which increased to \$1/tonne on Aug. 1, 2009 from \$0.50/tonne.

This added \$301,434 of check-off revenue in the second six months of the year.

By law, the Commission must holdback check-off funds for six months after they have been submitted. Therefore, the increase in check-off revenue is from monies received in the first six months of the fiscal year only. The \$926,000 in check-off dollars submitted in the second half of the fiscal year will become revenue for the first six months of the 2010/2011 fiscal year.

The change to the check-off rate has positively contributed to the Commission's overall financial position and outlook. The increase in check-off revenue has allowed, and will continue to allow, the Commission to participate more robustly in a greater number of projects. As well, the Commission will be able to better withstand fluctuating revenues in years with poor crop conditions and yields, and an overall ongoing decline in the number of barley acres in Alberta.

### Program expenses

Almost all of the increased revenue resulting from the new check-off rate was invested in producer services, market development and policy development in 2009/2010.

The Commission increased its investment in producer services by almost \$80,000 to \$673,535 in the past fiscal year, compared to \$593,783 in 2008/2009. Producer services include research projects for variety breeding, agronomy and disease and pest resistance, the *Barley Country* newsletter, the website, participation at events, and annual regional and general meetings.

With an increased investment of \$184,570, the Commission's investment in market development more than doubled to \$317,049 in 2009/2010 from \$132,479 the previous year. Market development creates and develops opportunities for producers to sell their crops. The Commission's ongoing work to expand the demand in Japan for shochu barley grown in Alberta is one such example.

The increased investment of \$82,234 in policy development in 2009/2010 netted significant results, particularly with federal government agreements and negotiations related to trade and producer safety nets. Much of this work was carried out through the Grain Growers of Canada, which represents the interests of 80,000 grain, pulse and oilseed farmers in Canada, including the Commission's 17,000 members, to the federal government. At the provincial level, much of the Commission's policy work is carried out by the Crop Sector Working Group and its dealings with Alberta Environment.

### Net assets

The Commission's net assets were up almost \$100,000 over the past year, mostly due to a well-advised investment in a very solid, no-risk managed fund. The monies invested are general funds committed to various projects but not payable for typically two to five years. The Commission's general funds are managed by a professional (and prudent) fund advisor.

### Focusing on barley

Agriculture is a huge and complex industry, and what happens in one sector inevitably affects another sector. The Commission has come to realize it is most effective when it focuses its efforts in the barley sector. For example, railway, fertilizer and grain-standard issues affect all crops. By focusing our activities primarily on barley, our organization is much more effective and accountable.

### Comparing dollars to time

At the annual strategic planning session, our Board of Directors determined the areas in which our research dollars would be invested. Management later determined a corresponding breakdown for where its workforce's time would be focused. The two vary according to the number of partners and collaborators participating in projects and activities in the priority areas. (See table on left.)

### The importance of planning

It takes a decade to develop a new barley variety. It took at least three years to change our check-off rate. It takes time to do what we do.

Planning and implementing plans are central to the Commission's vision and ongoing activities. What we have achieved in the past five years at the Commission has not only benefitted our producers, but has better positioned the organization with the financial resources and project partners it needs to undertake increasingly larger and more important projects in the next five years.

### Priorities in 2010/2011

The concerns and issues surrounding feed barley will remain a concern as 80 per cent of Alberta's barley is consumed by the livestock production and feeding industry. The Commission will continue to work in an advisory and support role to assist provincial and federal initiatives related to the feed industry.

In agronomy and plant breeding, we will continue to have significant and long-term investments. We will focus on these areas because they typically generate the best returns to our producers.

We will continue to monitor and track developments in food and bioproducts. Although these areas currently use only small amounts of barley, in the long term they may become important customers for us as the industry changes in the future.

During the year ahead, we will focus our resources and efforts in the areas where the greatest number of producers can realize the greatest possible benefits.

Area	Percentage of research funds	Percentage of time
Bioproducts/Bioeconomy	10	10
Agronomy & Production	40	30
Feed	10	30
Malt	30	20
Food & Nutrition	10	10



## Auditors' Report


### To the Directors of Alberta Barley Commission

I have audited the statement of financial position of Alberta Barley Commission as at July 31, 2010, and the statements of revenues and expenditures and comprehensive income and changes in net assets for the year then ended. These financial statements are the responsibility of the Commission's management. My responsibility is to express an opinion on these financial statements based on my audit.

Except as explained in the following paragraph, I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In common with many similar organizations, the Commission derives revenue through "check-off" service charges received from barley producers, the completeness of which could not be satisfactorily verified through my audit. Accordingly, my verification of these revenues was limited to the amounts recorded in the Commission's records and I was not able to determine whether any adjustments might be necessary to check-off revenues, excess of revenues over expenses, assets and net assets.

In my opinion, except for the effect of adjustments, if any, which I might have determined to be necessary had I been able to satisfy myself concerning the completeness of the contributions referred to in the preceding paragraph, these financial statements present fairly, in all material respects, the financial position of the Commission as at July 31, 2010 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

  
Darcy W. Koshman, BA, CGA  
Certified General Accountant

### Statement of Financial Position

As at July 31, 2010

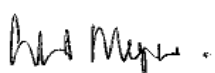
	2010 \$	2009 \$
<b>Assets</b>		
<b>Current</b>		
Cash	326,487	162,513
Short term investments at market (Note 10)	751,338	-
Check-off contributions receivable (Note 6)	203,953	-
Trade accounts receivable	11,420	152,109
Goods and services tax recoverable	2,366	-
Prepaid expenses	14,209	12,903
Commercialization of Shochu Barley		
Restricted Cash (Note 5)	94,428	174,105
	1,404,201	501,630
<b>Property, plant and equipment</b>		
Net of accumulated amortization (Note 8)	18,834	15,180
<b>Long term investments at market</b> (Note 10)	975,480	1,571,221
	2,398,515	2,088,031
<b>Liabilities and Net Assets</b>		
<b>Current</b>		
Accounts payable	67,021	60,206
Deferred check-off revenue (Notes 2, 6)	926,039	627,555
Grant commitments (Note 4)	375,317	558,524
Employee deductions payable	7,887	7,125
Commercialization of Shochu Barley		
Deferred Income (Note 5)	94,428	-
	1,470,692	1,253,410
<b>Net assets</b>		
Unrealized gain on available for sale securities	32,722	-
General fund	895,101	834,621
	927,823	834,621
	2,398,515	2,088,031

See notes to financial statements

### On behalf of the Board



Matt Sawyer, Chairman & Director



Leo Meyer, Vice Chairman & Director-at-Large

### Statement of Revenues and Expenditures and Comprehensive Income

For the year ended July 31, 2010

	2010 \$	2009 \$
<b>Revenue</b>		
Check-off revenue (Note 6)	1,654,214	1,352,780
Less check-off refunds	(141,665)	(111,526)
Newsletter advertising	17,333	20,975
Sponsorships	5,928	27,663
	1,535,810	1,289,892
<b>Program Expenses</b>		
Producer services	673,535	593,783
Market development	317,049	132,479
Policy development	212,034	129,800
Director's fees & expenses	55,569	61,950
Donations & grants	2,500	1,240
	1,260,687	919,252
<b>Excess of revenue over program expenses</b> (18%; 2009 - 29%)	275,123	370,640
<b>General and administrative expenses</b>		
Salaries and wages	113,645	103,131
Office	33,689	19,418
Rental	33,062	31,956
Memberships	13,182	16,828
Telephone	9,685	7,389
Professional fees	9,130	13,275
Amortization	6,078	5,333
Meetings and conventions	5,831	1,827
Insurance	5,295	5,283
Repairs and maintenance	3,024	2,789
Advertising and promotion	1,764	1,889
Interest and bank charges	1,464	1,341
Training	1,230	747
Travel	1,094	1,118
	238,173	212,324
<b>Excess of revenue over general and administrative expenses from operations</b>	36,950	158,316
<b>Other income</b>		
Loss on disposal of assets	-	(3,224)
Gain on disposal of investments	-	101,660
Interest income	23,530	8,444
	23,530	106,880
<b>Excess of revenue over general and administrative expenses</b>	60,480	265,196
<b>Changes in comprehensive income</b>		
Unrealized gain on available for sale securities	32,722	-
<b>Comprehensive income for the year</b>	93,202	265,196

## Statement of Changes in Net Assets

For the year ended July 31, 2010

	General Fund \$	2010 \$	2009 \$
<b>Net Assets – Beginning of year</b>	834,621	834,621	569,425
Unrealized gain on available for sale securities	32,722	32,722	–
Excess of revenue over general and administrative expenses	60,480	60,480	265,196
<b>Net Assets – End of year</b>	<b>927,823</b>	<b>927,823</b>	<b>834,621</b>

# Alberta Barley Commission

## Notes to Financial Statements July 31, 2010

### 1 Nature of the Commission

The Alberta Barley Commission (the Commission) is a non-profit, producer funded commission formed on August 1, 1991, under the Province of Alberta's Marketing for Agricultural Producers Act.

The Commission's mandate is to give Alberta barley producers an organization for developing new markets and products for barley and for influencing the direction of research dedicated to barley production.

The Commission is a non-profit organization and is exempt from income tax under section 149(1)(1) of the Income Tax Act.

### 2 Summary of Significant Accounting Policies

#### Basis of presentation

These financial statements use the deferral method, the key elements of which are:

1. Unrestricted operating grants and other contributions are recognized as revenue in the year recoverable. Sufficient grant revenue from grants with restrictions has been recognized to cover appropriate expense, the balance (if any) has been shown as deferred revenue.
2. Externally restricted non-capital contributions are recognized as revenue in the year proportional to the related expenses incurred.
3. Externally restricted capital contributions are recognized as revenue as the related asset is amortized.
4. Donations and contributions in-kind are recorded at fair value when such value can reasonably be determined.

#### Changes in accounting policies

The Commission has implemented the recommendations of the Canadian Institute of Chartered Accountants (CICA) Handbook Section 1400, "Going concern" which requires management to assess whether fact and circumstance appear to indicate that it may be appropriate to prepare financial statements on a going concern basis. If there is significant doubt, then management will disclose the existence of that doubt, the reasons, and why management has decided to use a going concern basis in any case (if it has) or other appropriate basis, if not.

The Commission has adopted the recommendations of the Canadian Institute of Chartered Accountants (CICA) Handbook Section 1506, "Accounting changes", which describes the criteria for changing accounting policies, along with the accounting and disclosure for changes in accounting policies, changes in accounting estimates and corrections of errors. These changes came into effect for years beginning on or after January 1, 2007.

The Commission adopted the new recommendations of the Canadian Institute of Chartered Accountants (CICA) Handbook under Section 1530, "Comprehensive income", Section 3251, "Equity", Section 3855, "Financial instruments – measurement and disclosure", Section 3861, "Financial instruments – presentation and disclosure", and Section 3865, "Hedges". These new Handbook Sections, which apply to years beginning on or after October 1, 2007, provide requirements for the recognition, measurement, presentation and disclosure of financial instruments. Section 1530 establishes standards for reporting and presenting comprehensive income, which is defined as the change in equity from transactions and other events from non-owner sources. Other comprehensive income refers to items recognized in comprehensive income but are excluded from net income calculated in accordance with generally accepted accounting principles.

Under Section 3855, all financial instruments are classified into one of five categories: held for trading, held-to-maturity investments, loans and receivables, available for sale financial assets or other financial liabilities. All financial instruments are measured in the opening balance sheet of the year of adoption at fair value.

The following is a summary of the accounting model the Commission has elected to apply to each of its significant categories of financial instruments:

Cash and cash equivalents	Held for trading
Portfolio investments	Available for sale
Accounts receivable	Loans and receivables
Accounts payable and accrued liabilities	Other financial liabilities
Long term debt	Other financial liabilities

Subsequent measurement and treatment of any gain or loss on the financial instruments is recorded as follows:

- a) Held for trading financial assets are measured at fair value at the balance sheet date with any gain or loss recognized immediately in net income. Interest and dividends earned from held for trading assets are also included in income for the period.
- b) Loans and receivables are measured at amortized cost using the effective interest method. Any gain or loss is recognized in net income.
- c) Held to maturity financial assets are measured at amortized cost using the effective interest method. Any gain or loss is recognized in net income.
- d) Available for sale financial assets are measured at fair value at balance sheet date with any gain or loss recognized in other comprehensive income and, cumulatively, in accumulated other comprehensive income in the equity Section of the balance sheet. Such accumulated gain or loss is transferred through net income to retained earnings on disposition of the asset.
- e) Other financial liabilities are measured at amortized cost using the effective interest method.
- f) Transaction costs that are directly attributable to the issuance of financial assets or liabilities are accounted for as part of the carrying value at inception, and are recognized over the term of the assets or liabilities using the effective interest method. Any gains or losses are recognized in net income.

The adoption of these new recommendations has no material impact (or disclose the impact) on the opening retained earnings or on the Commission's financial statements for the year ended July 31, 2010.

The Commission implemented the new Canadian Institute of Chartered Accountants (CICA) Handbook Section 1535, "Capital Disclosures". For non-publicly accountable entities, Section 1535 specifies the disclosure must be made regarding whether the entity has complied with any capital requirements; and if it has not complied, the consequences of such non-compliance. The Commission has included the required disclosure in Note 2 to the financial statements. These changes apply to years beginning on or after October 1, 2007.

The Commission adopted the Canadian Institute of Chartered Accountants (CICA) Handbook Section 4430, "Capital assets held by not for profit organizations", which has been amended to require capitalized assets to be amortized. Because in the past the Commission has capitalized certain assets but not amortized them, the Commission will be assessing the remaining useful life of assets and possible residual values when service potential ends and appropriate amortization rates to be used over 2009 and later. These changes apply to years beginning on or after January 1, 2009.

#### Measurement uncertainty

Certain amounts in the financial statements are subject to measurement uncertainty and are based on the Commission's best information and judgment. Actual results could differ from these estimates.

Examples of significant estimates include:

- check-off revenue;
- providing for amortization of property, plant and equipment and goodwill;
- the estimated useful lives of assets;
- the allowance for doubtful accounts;
- the recoverability of tangible assets;

#### Revenue Recognition

The Commission recognizes revenues when they are earned, specifically when all the following conditions are met:

- services are provided or products are delivered to customers
- there is clear evidence that an arrangement exists
- amounts are fixed or can be determined
- the ability to collect is reasonably assured.

Service charges collected are recorded as deferred revenue until the charge is no longer eligible to be refunded after the six month eligibility period. Accordingly, these statements recognize as income only those service charges received not eligible for refund. Service charges that are still eligible for refund are recorded as deferred revenue.

Investment revenue, advertising revenue and sponsorship revenue is recognized when earned.

**Capital management**

The Commission's objectives when managing capital are to continue as a going concern to protect its ability to meet its on-going liabilities, and to maximize returns for members over the long term. Protecting the ability to pay current and future liabilities includes maintaining capital above minimum regulatory levels, current financial strength rating requirements and internally determined capital guidelines based on risk management policies.

**Capital assets**

Capital assets are stated at cost less accumulated amortization. Capital assets are amortized over their estimated useful lives at the following rates and methods:

Furniture and fixtures	20%	declining balance method
Computer equipment	33%	declining balance method
Promotional equipment	33%	declining balance method

The Commission regularly reviews its capital assets to eliminate obsolete items.

Computer software is expensed in the year of acquisition.

**3 Financial Instruments**

The Commission adopted the new requirements of the CICA Handbook relating to the recognition and measurement of financial instruments. This section has to be adopted for fiscal years beginning on or after October 1, 2007. This section indicates when and at what amount a financial instrument has to be recorded in the balance sheet as well as the disclosure of gains or losses in the financial statements. Financial assets available for sale, financial assets or liabilities held for trading and derivatives, designated or not as a hedge, have to be valued at their fair value.

**4 Grant Commitments**

When funding for a research grant is received, it is set-up as a liability as typically no expenses attached to the grant have yet to be incurred. Expenses related to grants are then charged to the grant liability. The amount shown as Grants Payable is the amount of funding allotted to the various programs that is yet to actually be spent.

The funds to cover with liability are in the Commission's cash accounts, short term investments and long term investments.

The full amount of the grant expenditure is recorded as an expense in the year in which the grant was awarded.

**5 Shochu Barley Commercialization**

The Shochu Barley Commercialization project is funded by the Alberta Barley Commission, Agriculture Food Council of Alberta, Agriculture Council of Saskatchewan and others. The purpose of the project is to develop a value chain with key farmers to supply this premium barley market with "Grown in Alberta" Shochu barley which consistently meets Shochu specifications for the end-user. For more information go to <http://www.albertabarley.com/research/projects/projects.html>.

As the funds received by the Commission were solely for this project any funds not spent are segregated and reported as deferred income. When the appropriate expenditure is made, the corresponding amount is taken out of deferred income and recognized as income in the same period in which the expense is made.

The remaining funds for this project are held in a separate bank account and the use of this cash is considered to be restricted in that it can only be used for this project.

**6 Check-off Contributions Receivable**

Typically when goods or services are supplied an invoice is generated and it becomes an accounts receivable until paid.

The Commission's situation is somewhat different. The Commission receives revenues in the form of a check-off per ton when the barley is delivered. The buyer of the barley then remits this check-off to the Commission. As the Commission relies only on the buyers' remittances, it makes it difficult for the Commission to accurately determine its revenue.

To estimate check-off contributions receivable the Commission examines remittances received early in the next year and determines which remittances are for barley purchased in the current year. This amount is then recorded as Check-off Contributions Receivable.

As there is no reliable cost effective method of reasonably determining the amounts of additional remittances receivable, they are not recorded in these statements.

**7 Statement of Cash Flows**

A statement of cash flows has been omitted as it would not provide additional meaningful information not readily determinable from other financial information provided.

**8 Capital Assets**

Unearned revenue consists of the following:

	Cost	Accumulated amortization	2010 Net Book value	2009 Net Book value
	\$	\$	\$	\$
Computer equipment	51,557	35,793	15,764	11,655
Promotional equipment	9,510	8,727	783	667
Furniture and fixtures	25,016	22,729	2,287	2,858
	86,083	67,249	18,834	15,180

**9 Contractual Obligations**

The commission entered into a three year lease agreement for office space effective March 1, 2008. The future minimum obligations including estimated operating costs, are as follows:

Contractual obligation repayment schedule:

2011	\$19,206
------	----------

**10 Investments**

Investments are stated at their market value. It is the intention of the Board to hold all investments to maturity.

Investments maturing within the coming year have now been reclassified as short-term investments. They are also shown at market.

**11 Comparative Figures**

The prior year comparative figures were audited by another firm of chartered accountants.

Some of the comparative figures have been reclassified to conform to the current year's presentation.

# BMBRI hosts successful 2010 triennial meeting in Guelph

by Michael Brophy

Every three years, the Brewing and Malting Barley Research Institute (BMBRI) invites key stakeholders to review and discuss research and development progress and future needs for the malting and brewing industry. The meeting focuses on the progress of BMBRI's core activities in funding research projects, the evaluation and test results of new varieties and industry's influence on these activities in the future.

~

**Our organization recognises the critical importance to growers and processors of maintaining investment in research and development**

~

The BMBRI's triennial meeting is usually held in Western Canada; this year, it was held in Guelph in order to give large and small brewing companies in and around Ontario an opportunity to learn about barley production and development in Western Canada. BMBRI joined forces with the Ontario District of the Master Brewers Association of the Americas (MBAA) to get the word out to local industry. More than 70 participants from across Canada attended, including two from the Alberta Barley Commission, an associate member of BMBRI.

A full day of technical presentations and discussions took place on June 23, followed by an enjoyable evening of more informal conversations over a sampling of local brews. This was followed on June 24 by an interesting tour of University of Guelph's research farm at Elora, the highlight of which was a series of plots showing the progress of barley varieties from the 1920s to today.

Other meeting presenters and topics included:

- Dr. Michael Edney of the Canadian Grain Commission spoke on research related to using low phytate barley in the malting and brewing industry.
- Dr. Aaron Beattie of the Crop Development Centre at the University of Saskatchewan spoke on research results to

breed a specific enzyme (limit dextrinase) of interest to maltsters and brewers.

- Dr. Jennifer Zantinge of the Alberta Field Crop Development Centre in Lacombe discussed genetic markers for disease resistance and sprouting in malting barley.
- Dr. Anthony Anyia from Alberta Innovates in Vegreville focused his talk on progress to identify barley lines with improved nitrogen- and water-use efficiencies.
- Dr. Bill Legge of Agriculture and Agri-Food Canada's Brandon Research Centre updated participants on the progress of two-row malting barley breeding, including potential successors to AC Metcalfe.
- Dr. Bryan Harvey, professor emeritus of the University of Saskatchewan's Plant Sciences Department, presented views, challenges and opportunities for six-row malting barley breeding.
- Dr. Pat Juskiw of the Alberta Field Crop Development Centre in Lacombe provided an update on two-row malting barley breeding in Lacombe, including Bentley and other lines under development.
- Dr. Takashi Imure reviewed Sapporo's approach to barley breeding and how it is used in the Japan/Canada joint-venture breeding program at the University of Saskatchewan.
- Dr. Brian Rosnagel, the retiring barley and oat breeder at the University of Saskatchewan, commented on the past, present, future and his own perspectives on challenges and opportunities for barley research.

From the BMBRI's point of view, the meeting was well attended and fostered a great exchange of information. We were also pleased to share industry developments with participants across the malting and brewing value chain in Canada. Our organization recognises the critical importance to growers and processors of maintaining investment in research and development, and using the outcomes, if barley is to be competitive with other crops.

Michael Brophy is the president and CEO of the Brewing and Malting Barley Research Institute. For more details on the BMBRI's 2010 triennial meeting, visit [bmbri.com](http://bmbri.com).

## See the future of barley

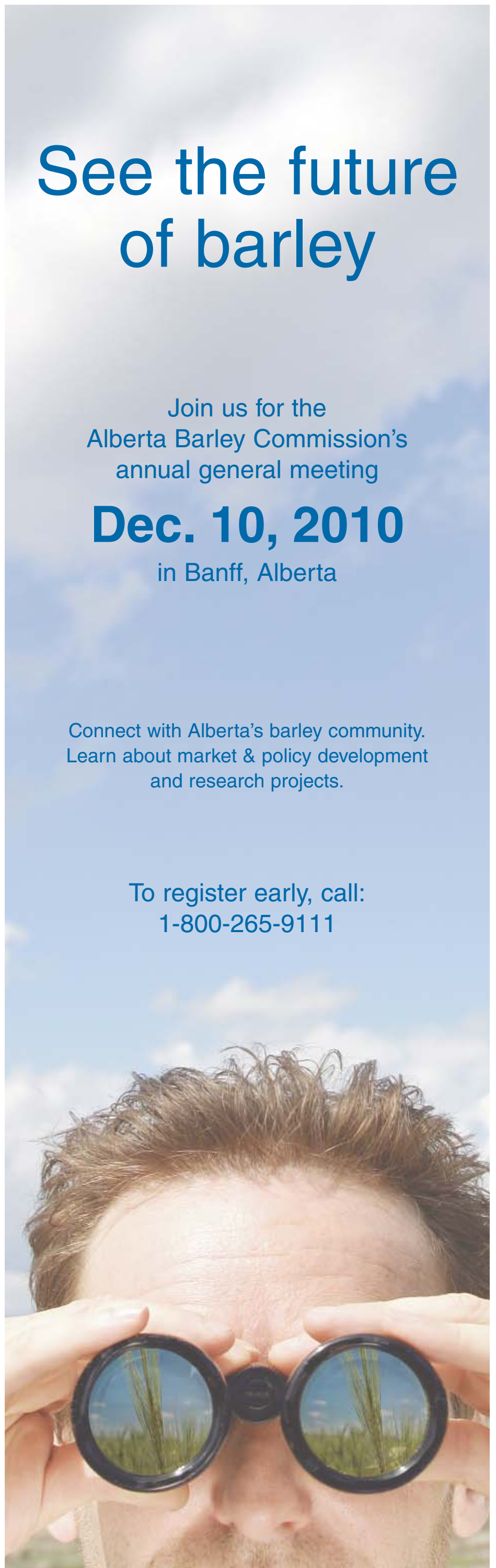
Join us for the Alberta Barley Commission's annual general meeting

**Dec. 10, 2010**

in Banff, Alberta

Connect with Alberta's barley community. Learn about market & policy development and research projects.

To register early, call:  
1-800-265-9111



# International Grains Council offers invaluable global insight

by Mike Leslie

This past June, I was among the more than 350 people who attended the 2010 International Grains Council (IGC) Conference in London. The conference featured speakers from the United Kingdom, United States, Australia, Italy, Kenya, Russia and France.

International gatherings like this one are invaluable to the Alberta Barley Commission. They offer insight into global trends and how local and regional activities, policies and production affect those trends. They provide insight on the future development of the grains industry worldwide, because even when our product is sold locally, it is priced internationally. In addition, knowing how other grains will be produced and traded is crucial to understanding how barley will be produced and marketed.

At the IGC conference, representatives discussed a number of changes grain producers will need to monitor in the future. The IGC's executive director, Etuso Kitahara, spoke mainly about corn (which he preferred to call maize) and wheat.

He said feed corn consumption will increase, especially in developing countries with a growing middle class. He predicted industrial use of corn will continue to increase, but at a slower rate. As well, U.S. corn will continue to provide the international baseline for all coarse grain prices, with other grains trading above or

below the corn price based on logistics and feed value.

Kitahara also forecast that competition for wheat exports would intensify.

Vince Peterson of U.S. Wheat Associates said wheat consumption is expected to grow faster than the world's population. Peterson predicts that, by 2050, demand for wheat will be 900 million tonnes a year—and that production will have to increase by 250 million tonnes a year to meet that demand.

Despite this predicted growth, Peterson said wheat has become “the poor third cousin” to corn and soy when looking at profitability and production acres.

Wheat production will need to be “incentivized” in areas where production is most efficient, he said.

During the conference, the IGC announced its review of grain and oilseed market developments and assessed its outlook for 2010/2011. It noted the decline in dollar-denominated export prices since the beginning of 2010, although this partly reflected the higher value of the U.S. dollar, especially against the euro.

Current crop prospects for wheat and coarse grains were mostly favourable and total supplies were expected to be close to the current year's 400 million tonnes. Despite long-term predictions made otherwise at the conference, the IGC expects wheat production will drop for 2010/2011, although ample carry-in stocks for global supplies are forecast to be similar to the previous years.



Participants at the 2010 International Grains Council Conference in London learned of Russia's long-term plans to expand its grain-export infrastructure and market share.

Since the conference, prices have been affected by a drought in Russia and uncertainty over the Ukraine's ability to export.

The IGC expects another record corn crop, especially out of the U.S. Also, while the use of corn and other grains in the bio-ethanol sector will again rise significantly, annual growth appears to have peaked in 2007/08. With regard to trade, some increase is expected in corn and barley shipments in 2010/2011, reflecting strengthening international feed demand.

The most interesting presentation was from the Russian delegation. They described their infrastructure

plans to build deep water ports, grain loading and storage facilities, and road and rail upgrades to expand the Black Sea's export potential. Prior to this summer's drought, Russian producers had been capturing feed barley markets in Dubai and the United Arab Emirates, at the cost of traditional exporters like the U.S., Canada and Australia. Russia's main restriction on expansion in international trade has been infrastructure barriers. If these issues are resolved, the Russians will shift the market share of all exporting nations.

Mike Leslie is the CEO of the Alberta Barley Commission.

## transport

# CN Rail strike comes to quick end

What could have been a crippling strike for Western Canadian grain producers, ended after just three days.

The Teamsters union at CN Rail, the country's largest railway, had walked out on Oct. 9. The two organizations reached a settlement on Oct. 12, only hours before the federal government was to debate legislation to end the strike. During the strike, managers had operated CN's trains.

In an unusual move, the Alberta Barley Commission had urged the federal government in September to impose arbitration to settle a pending strike by CN Rail.

Although the Commission does not typically comment on labour issues, the potential harm this strike

could have had on the grain industry made it imperative for farmers' voices to be heard.

“This stoppage could not come at a worse time,” Commission CEO Mike Leslie said in September. “Due to poor harvest conditions, the grain industry is facing serious quality issues resulting in poor grades and therefore values. The late seeding dates, cool wet summer, and even wetter fall with early frosts make it critical we have access to export markets. If not, the resulting flood of newly harvested feed grains trapped in Canada will drive prices to even lower than break-even.”

The Grain Growers of Canada had also called on the federal government in September to legislate CN conductors back to work, saying

a strike would back up grain into farmers' inventory and restrict cash flow.

“Perhaps more importantly in the long run,” Doug Robertson, Grain Growers president, said, “the disruptions to our ability to have our products on a timely basis to export position taints Canada's reputation as a good place to do business and that has other longer term ramifications in a global marketplace where Canadian farmers are competing against other countries that have more reliable systems in place to ensure delivery.”

“A railway work stoppage would effectively hold Canadian grain hostage in Canada,” Leslie said. “Without grain sales, farmers would go from having a really bad year due to weather to having a terrible year

due to transportation.”

Rail freight is an essential service for Canadian farmers, he argued. The ability to deliver product overseas is the basis for many relationships with countries that aren't able to meet all their grain needs. These relationships are the cornerstone of Canada's reputation as a good place to do business.

“The associated lost opportunities and added costs due to a work stoppage will compound our quality issues,” says Leslie. “The government needs to take swift and decisive action to minimize the damage to Canadian industry, Canadian workers, farmers, and the broader economy.”

As of press time in mid-October, the effects, if any, of the short-lived strike were unknown.

## Alberta Barley Commission resolutions

Eligible producers may present a resolution to the Alberta Barley Commission's Board of Directors for consideration and action. Resolutions are key to providing an opportunity for grassroots participation by eligible producers in the affairs and direction of the Commission. Resolutions are formal written statements accompanied with a proposed solution of a problem. They are to be clear, specific, brief and based on fact. Producers may raise resolutions at any time of the year but they are to be presented to a director at a regional meeting. Once reviewed by the Resolutions Committee, resolutions may be presented at the annual general meeting for consideration, where they are passed or defeated by a simple majority of votes. Resolutions passed at a regional meeting may not be modified at the annual general meeting.

The Commission's Resolutions Committee consists of two directors, one delegate and one staff and is responsible for preparing all resolutions for presentation at the annual general meeting, including amalgamating and/or withdrawing resolutions when necessary. Committee members are: Ron Heck, committee chair and director Region 6; Trevor Petersen, director Region 3; and Nikki Jeffrey, manager, Office & Projects. The delegate position on this committee is currently open; eligible barley producers interested in joining the committee can contact Jeffrey at [njeffrey@albertabarley.com](mailto:njeffrey@albertabarley.com).

## The Royal Agricultural Winter Fair Nov. 5 to 14, 2010

The Royal Agricultural Winter Fair draws more than 300,000 visitors to Toronto annually to see thousands of unique entries from elite Canadian and international breeders, growers and exhibitors, more than 4,500 large and small animals, shows, activities and—of course—the Royal Horse Show. For more information, visit [royalfair.org](http://royalfair.org).

## Farmfair International Nov. 5 to 14, 2010

Farmfair International in Edmonton is a major agricultural event for the global livestock industry. The fair includes cattle shows and events, world-class equine sales, competitions and clinics and a variety of small and specialty livestock programs. Additional events include draft horse pulls, stock dog trials and team penning competitions at Canadian Finals Rodeo, the professional rodeo championships of Canada. For more information, go to [farmfairinternational.com](http://farmfairinternational.com).

## Agri-Trade Nov. 10 to 13, 2010

Highlights of this annual Red Deer event include the Ag Innovations Awards and the Fortis Alberta/AgriTrend Agrology Learning Stage. For more information, go to [agri-trade.com](http://agri-trade.com).

## Agri-Trend Farm Forum Event Nov. 16 to 18, 2010

Agri-Trend's Farm Forum Event brings together Canada's largest agricultural consulting network, together with farmers and industry leaders in Saskatoon. Seven keynote speakers will discuss agriculture in the decade ahead. More than 70 technical breakout sessions will form the main program. For more information, go to [thefarmforumevent.com](http://thefarmforumevent.com).

## Canadian Western Agribition Nov. 20 to 27, 2010

The 40th annual Canadian Western Agribition in Regina is a week-long event that includes the Agribition Ranch Rodeo, the Agri-Ed Showcase and the Commercial Trade Show. For more information, go to [agribition.com](http://agribition.com).

## Grain and Oilseed Marketing Nov. 22 to 25, 2010

The Agricultural Research and Extension Council of Alberta (ARECA) presents From Novice to Specialist with Neil Blue and David Wong in Sunset House, Alta. This course is an opportunity for both beginners and experienced grain marketers to hone their skills. For more information, call (780) 837-2900 or go to [areca.ab.ca](http://areca.ab.ca).

## Advanced Agronomy Conference Nov. 24 & 25, 2010

The Advanced Agronomy Conference in Leduc is aimed at crop advisers, farmers, industry partners and anyone interested in learning the latest crop production ideas and techniques. Explore the latest research in Western Canada and on Alberta farms plus much more. For more information, call (403) 650-9196.

## CWB Elections Oct. 26 to Dec. 3, 2010

The Canadian Wheat Board 2010 election for five directors runs until midnight Dec. 3, 2010. This year, producers will elect directors from CWB Districts 1, 3, 5, 7 and 9 for a four-year term expiring in December 2014. In Alberta, grain producers in Districts 1 and 3 have the opportunity to vote for the following candidates:

- **Dan Gauthier** of Donnelly, Alta. in District 1. On his website, Gauthier succinctly says he stands for: the collective power of the single desk; a CWB dedicated to maximizing farmers' returns; a CWB controlled by Western Canadian farmers; producer cars; and positive change.
- **Henry Vos** from Fairview, Alta. is the incumbent director in District 1. Vos supports giving farmers three basic freedoms: the freedom to deliver their wheat and barley as they choose; the freedom to choose simple and transparent pricing opportunities; and the freedom to manage their cash flow. "These freedoms do not have to come at the 'sacrifice' of the CWB," Vos says. "I want to make the CWB better able to serve farmers' needs."
- **Lynn Jacobson** of Enchant, Alta. is running in District 3. "Some farm groups don't like the CWB's single desk marketing power and want it to change. These groups talk a lot about the 'freedom to choose' or having a 'dual market.' But the 'dual market' is a dead myth," says Jacobson on his website. "There are only two choices for Western Canadian farmers: one is a strong and viable single desk CWB; the other is the open market."
- **Brett Meinert** of Shaunavon, Sask. is also running in District 3. "I have a sound understanding of the economic basis for the existence of the CWB, and I am pleased with its current marketing power and its single desk status," Meinert said the Southwest Booster. He added: "the CWB has faced attacks threatening its very existence from inside Canada and from the outside world." He would counter such attacks, he says, by helping the CWB "evolve to be more user friendly while maintaining or enhancing its current marketing effectiveness."

- **Brian Otto** of Warner, Alta. is the third candidate in District 3. Otto, a former director and vice-chair of the Alberta Barley Commission, says "the CWB needs to be more responsive to farmers' needs and more business orientated." Otto is concerned the 2010 CWB Farmer Survey "shows wheat and barley producers see a problem with the lack of markets for their grain. The survey also shows just half (48 per cent) of wheat growers and only one-third (34 per cent) of barley growers would prefer only the CWB to market their crops."
- **Stewart Wells** of Swift Current, Sask. is the fourth candidate in District 3. Wells' website says he is running "because the CWB puts millions of extra dollars into the pockets of Western Canadian farmers every year." Wells also says: "In western Canada our options are clear—a strong CWB with the single desk selling advantage that maximizes returns back to the farmers, or a grain company owned and controlled system that maximizes returns to the grain companies."

For more information, go to [cwbelection.com](http://cwbelection.com).

## GrowCanada Conference Nov. 30 to Dec. 2, 2010

The GrowCanada partnership is an informal coalition of national value chain stakeholders working together to promote and advance innovation in Canada. Among the 500 attendees in Ottawa will be key industry leaders, growers and professionals from agricultural organizations, industry, government, universities and the media. For more information, go to [growcanadainnovation.ca/2010/index.php](http://growcanadainnovation.ca/2010/index.php).

## Western Canadian Grazing Conference and Tradeshow Dec. 1-2, 2010

This two-day conference and trade show in Vermilion focuses on innovations and opportunities in agriculture. Keynote speakers include agrologist Wendy Holm on the sustainability of agriculture; David Sauchyn, a senior research scientist at the Prairie Adaptation Research Collaborative, on the definition and prevalence of drought; and rancher Don Campbell on doubling production the same land base. This event also includes sessions on training stock dogs, prairie climate cycles and soil formation. For more information, go to [www1.agric.gov.ab.ca/\\$department/EFE.nsf/all/efe3054](http://www1.agric.gov.ab.ca/$department/EFE.nsf/all/efe3054).

## Market outlook

In mid-October, Agriculture and Agri-Food Canada released its latest grains and oilseeds outlook. Based on information from Statistics Canada, the federal ag department is expecting total national production of grains and oilseeds for the 2010/2011 crop year to be 59 million tonnes, 11 per cent less than the previous year.

Supply is forecast to decrease by seven per cent, despite slightly higher carry-in stocks and imports. Average crop quality in Western Canada is expected to be lower than normal because of the late harvest, while normal quality is generally expected in Eastern Canada. Total exports are forecast to decrease due to lower exports of wheat (ex-durum), canola, oats and flaxseed.

Total domestic use is forecast to increase due to higher feed use of corn in Eastern Canada and increased canola crush in Western Canada. Total carry-out stocks are expected to be well below the 10-year average. Grain

prices are expected to average significantly higher than 2009/2010 levels, partly due to the market reaction to the weather-related production problems in the Black Sea region and the ban on exports of cereal grains in Russia. The Canadian dollar is assumed to remain near par, vis-à-vis the U.S. dollar, albeit slightly stronger than last year. The main factors to watch are harvesting conditions in Canada, exchange rates and the condition of the world crops.

Barley production is estimated to decrease by 13 per cent, although yields are similar to last year and remain above trend. The supply of barley is about 12 per cent lower than last year due to lower carry-in stocks and production. Domestic feed use is projected to decline due to lower availability and lower live-stock numbers.

Total exports of barley are forecast to rise due to higher international barley prices and increased exports of feed barley to Saudi Arabia. This is related to the drought in Russia and the Ukraine and production problems in the European Union, which reduced their exportable surplus.

Carry-out stocks of barley in Canada are forecast to decrease significantly to a record low level.

The 15 per cent decrease in the world supply of barley is expected to provide strong support for barley prices throughout 2010/2011. The average Lethbridge barley price is forecast to increase by \$10 to \$20 a tonne from 2009/2010 \$170 a tonne. The Canadian Wheat Board September PRO for barley Pool A is \$227 a tonne, significantly higher than normal. For select two-row malting barley, the PRO is \$260 a tonne, more than 20 per cent higher than the previous year, mostly due to lower production in Canada and the EU.



Dr. Don Salmon at the 2007 Lacombe Field Day; he passed away in August.

## In memoriam: Dr. Don Salmon

Alberta's crop industry lost a great contributor and long-time innovator when Dr. Don Salmon passed away in Red Deer on Aug. 28. Salmon worked for 30 years as a research scientist and plant breeder at the Alberta Agriculture and Rural Development Field Crop Development Centre in Lacombe. Admired for his excellent work as much as his engaging personality, he had developed and released numerous varieties of spring and winter triticale. While Salmon had struggled with health concerns in recent months, his death came as a sudden shock to family, friends and countless colleagues. He died of complications to kidney treatment.

"We will miss a terrific friend, colleague and mentor who was always willing to go the extra mile, always with a joke and a smile," says John Brown, the branch head of Feed Crops Branch and general manager of the Alberta Grains Council, both of Alberta Agriculture and Rural Development.

# Firm's failure underlines message of 'seller beware'

by Terry Bullick

**W**hen the Mitchell Grain Company in Spruce Grove locked its gates in June, a number of barley producers learned—too late—that the Canadian Grain Commission (CGC) would not be reimbursing them for their unpaid deliveries.

Although the company had once held a licence (and had posted security) with the CGC, the licence had expired after the company notified the CGC its operations had changed. And its security had been returned.

Sellers should regularly check the Grain Commission's list of licensed dealers, especially before delivering grain

Normally, if a licensed company fails or is unwilling to pay producers, the CGC would pay producers up to 100 per cent of what they're owed.

Catherine Jaworski, the Grain Commission's manager of Policy, Planning and Producer Protection, says Mitchell Grain Co. reported its mode of operation had changed and that it would no longer be buying designated Canadian Grain Act grain using Grain Act names. This,



and the fact the company did not have an elevator, meant it

Jaworski says Mitchell's licence lapse underlines an important and ongoing message to producers: sellers should regularly check the Grain Commission's list of licensed elevators and dealers, especially before delivering grain.

The CGC maintains a current list of licensed dealers on its website ([grainscanada.gc.ca](http://grainscanada.gc.ca)).

Sellers should also know which grain dealers and buyers are exempt under the Grain Act and which operations are completely outside the act. (See sidebars.)

Producers, Jaworski says, can further protect their businesses from the risk of being unpaid in several other ways. These include ensuring you get CGC-authorized documents verifying your delivery, cashing payment cheques immediately and recognizing

that receipts are only good for 90 days and that deferred cheques are only good for 30 days.

She encourages grain farmers to know their rights and the rules governing grain sales. Details are available at [grainscanada.gc.ca](http://grainscanada.gc.ca) or by calling the Grain Commission's toll-free line at 1-800-853-6705. Also see the updated story, "Knowing what bonding can and can't do for you" at [albertabarley.com](http://albertabarley.com).

## Types of companies normally exempted from Canadian Grain Commission licensing—and why.

### Elevators shipping only producer cars

Reason: They do not buy grain from western producers. Also see producer car-loading facilities exempted from licensing.

### Agents acting solely for CGC licensees

Reason: They do not buy grain from western producers; instead, they buy it solely on behalf of a CGC licensee. Producers are protected by the security posted by CGC licensees.

### Seed dealers cleaning producer seed

Reason: They are not buying grain; they are cleaning and returning it to producers.

### Seed dealers that purchase only seed from producers

Reason: Quality assurance is governed by the Seeds Act, which is administered by the Canadian Food Inspection Agency.

### Elevators operated by nonprofit organizations

### Feed mills

### Bulk handling facilities at ports with no storage

### Container-loading facilities at ports

Reason: Licensing is not required to maintain the quality, safekeeping and orderly, efficient handling of Canadian grain.

### Distilleries

Reason: Licensing is not required as long as these facilities do not buy grain from producers.

## Companies outside jurisdiction of the Canada Grain Act\*

Feed lots.

Hog barns.

Standard farming operations that exclusively market their own grain products.

Eastern grain elevators (except those operating on the Great Lakes-St. Lawrence Seaway system).

Dealers who exclusively buy and sell grain produced in eastern Canada.

\*Companies with a mix of grain-buying operations that include the above and that purchase grain using Canadian Grain Act grade names are typically required to be licensed.

Source: Canadian Grain Commission

# Young farmer sees entrepreneurship as survival

by Robyn St-Hilaire

For Jamie Christie, entrepreneurship is more than an approach to business. It's the key to creative thinking and a matter of survival.

Christie is a 22-year-old producer who works 10 kilometres west of Trochu, while living in Linden and moonlighting as a four-plex owner and landlord since 2007.

His views on the future of farming may go against traditional ideas, but he's not afraid of ruffling feathers.

"Broad-acre agriculture is a commodity-based enterprise, and we need to face the realities of it. We need to look at opportunities that can benefit us and keep agriculture our own. That could mean scouting investment opportunities," Christie says. To hit his point home, he adds, "Changes are coming. You need to decide whether or not you're going to be a part of them."

Christie was raised on his family's 2,266-hectare (5,600-acre) grain farm and still works there. One day, he hopes to raise his own family on a farm. But he's taking his own stance on how he wants to innovate in farming, which he often lightly debates with his father, Wade, a Region 2 delegate for the Alberta Barley Commission.

"I like farming because it's dynamic and I see great opportunities going forward. The farm my family owns is smaller, and I think to be sustainable, we need to focus on our strengths and take advantage of what

the market presents. I also wouldn't rule out becoming part of a larger operation down the road," the younger Christie explains.

An agricultural service technician, Christie is working with marketing and agronomic consultants to determine how he can best leverage his labour and outputs.

~  
**Changes are coming. You need to decide whether or not you're going to be a part of them**  
 ~

"One idea that I'm passionate about is . . . the global market, expanding the focus from the local view. There are ways to link with consumers so that local farmers can compete globally. That's what I'm looking into," says Christie. "It's about learning how to market goods differently while using progressive methods to raise crops. Continuing to use proven methods isn't an option for me if I want to compete with others—I need to advocate for a better quality product."

Working with his consultants, Christie asks lots of questions—and moves forward with the answers.

"As quick as things move, you have to be ready to take on the challenges," he advises.

Perhaps his readiness and willingness to adapt to change are in his



photo: Terry Bullick

Jamie Christie is examining many opportunities in agriculture. "Changes are coming," says the 22-year-old farmer.

genes. A fourth generation farmer, Christie's great grandfather emigrated from the United Kingdom in 1913 to help a friend establish a farm near Trochu. When his friend succumbed to illness, Christie's great-grandfather took over to ensure the farm's survival.

Survival has been a theme throughout the Christies' endeavours. Four years ago they shut down their 300-sow feed-to-finish hog operation due to antiquated technology and weak markets. Today, barley, wheat, canola and peas are the farm's staples.

"We have between 647 to 809 hectares (1,600 to 2,000 acres) of barley. We grow Xena, Metcalfe, Cowboy and are working on

Bentley," Christie says. The goal is to raise malt-quality barley, and until they make the grade, the Christies market their barley to local feedlots.

Christie also commits part of his time to a steering committee for controlled traffic research, a Commission-funded research project with several other partners.

"The research is built on a practice (used) in Australia and Germany where all equipment uses the same wheel tracks to minimize crop loss, improve soil conditions away from the track and increase equipment efficiencies," he explains.

"Entrepreneurial minds help implement new methods into the agricultural world," Christie concludes.

## funding

# Federal government gives \$2.8 million in DIAP funds to barley research

Agriculture and Agri-Food Canada has invested \$2.8 million into barley research in Western Canada through its Developing Innovative Agri-Products (DIAP) program.

Several industry partners joined forces to apply for the new funds, including the Alberta Barley Commission, the Western Grains Research Foundation (WGRF), the Canadian Wheat Board, the Brewing and Malting Barley Research Institute and Rahr Malting Canada Ltd.

The Commission will also invest \$300,000 (\$100,000 a year for three years) in the DIAP research projects and—with the other industry part-

ners—will invest a total of \$3,805,208 into research projects over the next three years.

Most of the research will be related to barley breeding and focus on developing new barley varieties that are resistant to existing and emerging threats, while continuing to offer optimal yields. Research is key to ensuring new varieties are available as older varieties become less resistant to environmental stresses and disease. The balance of the research will seek further agronomic improvements and methods to control disease in barley production.

"Investment in new barley varieties just makes sense," Commission chairman Matt Sawyer says. "As de-

mand continues to rise for high-quality Canadian barley for feed, malt, bioproducts and healthy food, we want to be able to meet that demand with a high-quality, consistent crop. New varieties can offer quality traits for a specific end-use, as well as increased yield, better agronomic performance and improved resistance to disease."

Sawyer says the Commission's goal is "to collaboratively support barley development by Ag Canada barley breeders, as well as research by Ag Canada researchers into agronomic performance and disease resistance."

By working with government, research and industry partners, Sawyer

says, Alberta's barley producers are able to remain competitive.

Canada is currently the world's fourth-largest barley exporter with 9.2 per cent of the market, behind the European Union (30.8 per cent), Australia (23.3 per cent) and the Ukraine (15.9 per cent), respectively.

DIAP projects will take place across Western Canada as part of the Government of Canada's Growing Forward framework under the Agri-Innovations Program, a \$158-million five-year program that supports industry-led science and technology projects. The projects will be completed by the spring of 2013.

# Developments on trade, safety nets and sound science in Ottawa

by Richard Phillips

When it's fall in Ottawa, the temperature increases. Not due to weather, but because politicians have returned to Parliament and activities heat up.

We are trying to keep the following issues in Canadian agriculture and trade a priority in those busy schedules.

The current government and in particular the Minister of Agriculture and Agri-Food Canada, Gerry Ritz, have put tremendous effort into opening markets and negotiating bilateral and multi-lateral deals in many countries with Canadian agricultural export interests.

Currently, the government is considering new agreements with India, Morocco and Turkey, all of which will benefit Canadian farmers.

The official opposition, the Liberal Party, has been quite supportive of recent trade develop-

ments. Recently, the party named Martha Findley Hall trade critic, replacing Scott Brison who has been promoted to finance critic. We will be meeting with her and party leader Michael Ignatieff to help ensure they continue to be strong advocates of trade.

Regrettably, the other two political parties are either not supportive of trade, or have unrealistic reciprocal demands tied to supporting organized labour or environmental movements.

The Canada/European Union trade talks continue at what can only be called a "blistering pace" by Ottawa standards. With a population of 500 million, the EU would be our second-largest trading partner.

Agricultural trade with the EU, however, will only be meaningful if it includes a satisfactory process for dealing with low-level presence issues and approvals for genetically modified traits. Non-tariff trade barriers are often as important to solve

as tariff levels. We are continuing to demand a strong dispute resolution process because a trade agreement is only as good as your ability to enforce it.

As part of our own trade activities, the Grain Growers is, along with Canadian beef and pork producers, a member of the Canadian Agri-Food Trade Alliance. Through this body we work both on World Trade Organization files and provide substantive trade advice and direction to the government.

We have also been providing the government with advice and direction about sound science and Bill C-474.

The Grain Growers has assumed leadership in coordinating a producer/industry coalition to ensure that this anti-new crop technology bill—proposed by New Democrat Alex Atamanenko (Castlegar, B.C.) is defeated.

Recent letters from various Liberal MPs seem to indicate a

strong change of heart. This is due in large part to a wave of outrage from most business-minded farm organizations and a concerted education and lobby effort from the Grain Growers and Crop Life.

We will be active in writing letters, meeting with MPs and appearing at committee meetings. We are confident that, in the end, sound science and common sense will prevail.

Part of what makes the Grain Growers successful in Ottawa is having strong member organizations like the Alberta Barley Commission. We often turn to Commission staff for advice, support and direction.

Richard Phillips is the executive director of the Grain Growers of Canada and is based in Ottawa.



Richard Phillips

## profile

# Researcher Rossnagel retires—and reflects

by Robyn St-Hilaire

It was a lot different in 1977. Brian Rossnagel was a newly hired barley breeder at the University of Saskatoon working alongside one lab technician and a summer student, dreaming up new varieties of barley and oats while working on his doctoral thesis on semi-dwarf barley.

Today, more than 30 years later, professor Dr. Brian Rossnagel, program lead for barley and oats at the U of S Crop Development Centre (CDC), reflects on his career as he nears retirement.

"A lot has changed. We have what's comparable to a small business with bigger budgets, more specialization and over 20 program staff at the department," says Rossnagel, whose work has been based from the U of S's Plant Sciences Department. "I used to spend 80 per cent of my time in the field or lab. Now, at least 70 per cent of my time is in the office doing program and administrative work, in addition to securing funding."

But Rossnagel isn't complaining. Far from it. During his career, he's had a role in developing 90 new varieties, including 18 in oats, 25 in malting barley and the rest in feed and food barley. Like a diplomatic parent, Rossnagel refuses to



Barley breeder Brian Rossnagel is retiring from the University of Saskatchewan Crop Develop Centre. During his career, he helped develop more than 70 varieties of malting, feed and food barley.

name a favourite.

"Barley's barley," he says. "The only difference between malt and feed are the opinions of a group of people. I'm very pleased when each variety is registered."

Rossnagel is humble about his role in bringing new varieties to market.

"Developing a new variety takes 10 years and there are a lot of people involved. From specialists to students, everyone is important and collaboration is key. You never work alone in barley breeding," he stresses.

Among his creations are CDC Cowboy, CDC Trey, CDC Dolly and CDC Fibar. In 2009, Rossnagel

and research partner Bryan Harvey won Seed of the Year-West from SeCan for CDC Harrington.

Rossnagel has spoken at 300-plus events. His collaborative scholarly work has appeared in more than 100 papers in peer-reviewed journals, and he's been active in numerous professional and agricultural organizations. But, most importantly, he has become many farmers' first choice for information on barley and oats. The benefits realized by farmers are what drives him most.

"When you work in plant breeding, you start by creating variability and then you sort through thousands of lines to eliminate 'garbage'. Most

of the lines we develop aren't necessarily 'better' than one another, but the breeding process and your work reveals the 'best' lines and a few of those then become varieties," he explains.

"People focus on yield, but that's just one of many agronomic and quality characters we need to improve or maintain. Selecting varieties means weighing all characteristics, including performance, disease resistance and quality. And, you can't improve everything all the time."

A good example of prioritizing is Rossnagel's CDC Cowboy, which he named for his "pointy-toed-boot friends" who want a low maintenance crop for a decent, but not overwhelming, yield.

As he prepares to vacate his post, he's worried that having fewer people dedicated to barley breeding could lead to less creativity, and creativity is where "most good ideas are born."

With biotech, there is a risk of information overload and having fewer people work with more information. This can hamper creativity," he warns.

Rossnagel will become a professor emeritus when he retires in early 2011.

"The best thing will be not having to worry about the weather. Except, of course, when it comes to golfing."

# News and events

## Barley Commission 2010 regional and annual general meetings

Please check [albertabarley.com](http://albertabarley.com) for the most up-to-date information on our regional and annual general meetings.

### Region 1

#### Nov. 25, 2010 | Lethbridge Lodge, Lethbridge

Joint meeting with Alberta Canola Producers Commission. Featured speakers: Bill Chapman and Lee Melvill of Alberta Agriculture and Rural Development on market development and market outlook, respectively; Dr. Ross McKenzie of Agriculture and Agri-Food Canada's Lethbridge Research Centre will address fertility management; and Alan Hall from the Alberta Crop Industry Development Fund will speak on feed initiatives.

### Region 2

#### Nov. 29, 2010 | Three Hills Community Centre, Three Hills

Joint meeting with Alberta Pulse Growers Commission and Alberta Canola Producers Commission. Featured speakers: Bill Chapman of Alberta Agriculture on market development; Ken Sapsford of the University of Saskatchewan on weed control and herbicides; Mike Davey of FarmLink on market outlook; and Rob Hall from the Alberta Crop Industry Development Fund will speak on feed initiatives.

### Region 3

#### Nov. 24, 2010 | Lacombe Memorial Centre, Lacombe

Joint meeting with Alberta Canola Producers Commission. Featured speakers: Bill Chapman and Merle Good from Alberta Agriculture and Rural Development on market development and farm management and succession, respectively; Drs. Neil Harker, John O'Donovan and Kelly Turkington of Agriculture and Agri-Food Canada's Lacombe Research Centre on canola and barley research; Mike Davey of FarmLink on market outlook and Alan Hall from the Alberta Crop Industry Development Fund will speak on feed initiatives.

### Region 4

#### Nov. 25, 2010 | St. Paul Ag Corral, St. Paul

Joint meeting with Alberta Canola Producers Commission. Featured speakers: Mark Muchka from Alberta Agriculture and Rural Development on farm management and succession; Drs. Neil Harker, John O'Donovan and Kelly Turkington from Agriculture and Agri-Food Canada's Lacombe Research Centre on canola and barley research; Mike Davey from FarmLink on market outlook; and Rob Hand from the Alberta Crop Industry Development Fund will speak on feed initiatives.

### Region 5

#### Nov. 30, 2010 | Westlock & District Community Hall, Westlock

Joint meeting with Alberta Canola Producers Commission. Featured speakers: Bill Chapman and Murray Hartman from Alberta Agriculture and Rural Development on market development and canola agronomy, respectively; Dr. Kelly Turkington from Agriculture and Agri-Food Canada's Lacombe Research Centre on canola and barley diseases; Mike Davey from FarmLink on market outlook; and Rob Hand from the Alberta Crop Industry Development Fund will speak on feed initiatives.

### Region 6

#### Dec. 1, 2010 | ACFA Hall, Falher

Joint meeting with Alberta Canola Producers Commission. Featured speakers: David Wong from Alberta Agriculture and Rural Development on market outlook, Jennifer Otani from Agriculture and Agri-Food Canada's Beaverlodge Research Centre on lygus bugs; and Rob Hand

from Alberta Crop Industry Development Fund will speak on feed initiatives.

## Alberta Barley Commission Annual General Meeting

Presented by *Dow AgroSciences Canada Inc.*

### Dec. 10, 2010 | Banff Park Lodge, Banff

The Commission's annual general meeting is open to all barley producers in Alberta and features a day of unparalleled insight into barley research, policy and market development in the province. Featured speakers:

- Bob Treadway, a consulting futurist with TrendTalk (see story on page 1)
- Robert McCaig, managing director and director of Brewing with the Canadian Malting Barley Technical Centre, speaking on the centre's evolution and how it has served (and will continue to serve) barley producers
- Sharon McKinnon, policy program coordinator of the Alberta Crop Sector Working Group, will discuss how environmental initiatives are affecting the agriculture sector
- Doug Walkey, executive director of the Alberta Crop Industry Development Fund, will present an update on the partnership between his organization, the Alberta Livestock and Meat Agency and the Alberta Beef Producers
- Charlie Pearson, a provincial crops market analyst with Alberta Agriculture and Rural Development, will review the survey results on the adoption of transgenic barley in Alberta
- The Commission will also present financial and activity reports and resolutions brought forward at regional meetings.

### Director and delegate elections

The Alberta Barley Commission's Board consists of nine directors, one representing each of the Commission's six regions and three directors-at-large representing the entire province. Directors and directors-at-large are nominated and elected by eligible barley producers for three-year terms and cannot serve more than two consecutive terms. A region may have one director and one director-at-large, meaning no more than two Board of Director positions can be filled per region.

Nominations for these positions closed Oct. 31. Voting takes place at the Commission's regional meetings. Election results for directors are announced at respective regional meetings. As voting for directors-at-large occurs at all six regional meetings, votes are tallied afterwards and results are announced at the annual general meeting.

Each of the regions also has a minimum number of delegate positions based on crop production for that region. Delegate nominations and elections occur at each of the regional meetings where nominees are elected for a two-year term.

Positions up for election this year include:

#### Director-at-large

one available position with nominations eligible from regions 2, 3, 4 and 6

#### Director

Region 3 one position  
Region 4 one position

#### Delegate

Region 1 four positions  
Region 2 seven positions  
Region 3 four positions  
Region 4 three positions  
Region 5 two positions  
Region 6 two positions

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To have your event listed in *Barley Country*, submit it by fax to (403) 291-0190 or by email to [barleyinfo@albertabarley.com](mailto:barleyinfo@albertabarley.com).

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