



## Winter Wheat: A World of Opportunity

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The Canadian grain industry is undergoing a period of tremendous change right now. The change in legislation allowing farmers to sell their wheat and barley directly as of August 1 opens up the market and creates new marketing opportunities for western Canadian growers. While a farmer previously had to go through the CWB to sell their quality wheat for human consumption, that farmer can now choose where and when to sell their grain. The CWB's Pool is still an option, but now farmers also have the option of choosing competing bids from grain companies, flour millers and brokers.

Richardson is also going through significant changes as we are finalizing the purchase of 19 new elevators, associated crop input centres and additional terminal capacity to handle an increased volume of grain. We are expanding our grain network to improve efficiency and enhance our level of service to Prairie farmers and our domestic and international customers. Richardson already has well-developed relationships with end-use customers around the world for commodities such as canola, oats and peas, so we are well positioned to market Canadian wheat and barley to new markets. International customers are excited about the new opportunities to buy from different sellers in the Canadian marketplace.

We have seen some good interest from buyers for Canadian Western Red Winter wheat (CWRW) and we have already made some sales for new crop position. We are expecting good space in our country elevators and in our port terminals to handle the CWRW wheat harvest as it comes off the combine if a farmer chooses to market their grain at that time.

Generally speaking, the winter wheat came out in very good condition with little winter kill this year. With the lack of snow cover there was a lot of concern in mid-winter, but much warmer than average temperatures made the difference.

As we are just into flag-leaf stage now, leaf disease pressure from tan spot and septoria is high, with additional risk from stripe rust increasing. That said, growers are doing a good job of spraying fungicides when needed, so yield potential is still very high. In fact, it is higher than average in most areas. The risk of this crop flooding out in even the wettest areas is now minimal, as it is at a stage that is using a lot of water now. It appears that the only risk for this crop may be hail at this point.

Winter wheat has helped producers immensely this spring by reducing the number of acres they had to seed while struggling with wet fields, especially in southeast Saskatchewan. Not only does Canadian Western Red Wheat (CWRW) help with risk management for the grower while still providing a decent return, it brings a tremendous amount of opportunity to market Canadian wheat. The price point on CWRW typically allows millers to use it as a cost-effective blender when making flour.

Looking ahead, there are many opportunities to sell winter wheat to customers, both current and new markets, around the world. At Richardson Pioneer, we are excited about this new opportunity and we're ready to market CWRW wheat with our farmer partners.