

WINTER CEREALS

CANADA 

Incorporating  and  News

GROWER

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OFFICIAL NEWSLETTER OF WINTER CEREALS

MANITOBA PRODUCERS - DON'T MISS THE ANNUAL GENERAL MEETING OF YOUR ASSOCIATION - WINTER CEREALS MANITOBA INC. - IN PORTAGE LA PRAIRIE ON APRIL 15, 2009. SEE PAGE 3 FOR DETAILS!

CWB ANNOUNCES CHANGES TO FREIGHT COSTS ON WINTER WHEAT

FREIGHT ADJUSTMENT FACTOR CHANGES FOR 2009-10

A separate Freight Adjustment Factor (FAF) will be applied to CWRW for the 2009-10 crop year to more accurately reflect rail freight costs incurred by this class. In recent years we have seen an increasing proportion of CWRW production in the eastern prairies, while the majority of markets for this class are best reached through west coast ports. This is very different from other wheat classes produced in western Canada.

The separate FAF will be implemented on all CWRW (generic and Select) for the 2009-10 crop year at many Manitoba stations to better reflect the rail costs incurred moving CWRW to market.

The CWRW FAF will not be calculated until late spring of 2009, but it is expected to be between \$15 and \$20 per tonne - which could mean an increase in freight costs between \$2.65 and \$7.65 per tonne.

The FAF will be based on catchment areas - essentially, the west coast catchment or shipment area for CWRW extends further east than it does for other wheat classes. The FAF line will be in western Manitoba - locations east of this line will pay freight to Thunder Bay plus the new FAF, while locations west of the line will pay freight to Vancouver.

Examples:

The current wheat FAF is \$12.35 per tonne. Farmers delivering CWRW are deducted the lesser of the freight to Vancouver, or the freight to Thunder Bay plus a FAF of \$12.35 per tonne. In 2009-10, they will be deducted the lesser of the freight to Vancouver or the freight to Thunder Bay plus a CWRW FAF of between \$15 and \$20 per tonne.

All examples assume the CWRW FAF increases to \$17.50 per tonne in 2009-10. Examples are based on 2007-08 freight rates; actual rates may vary in 2009-10.

Example A:

Farmer A lives in Indian Head, SK. Currently, Farmer A is deducted freight to Vancouver. In 2009-10, Farmer A will continue to see Vancouver freight deducted, and will not be affected by the separate CWRW FAF.

Example B:

Farmer B lives further east, in Fairlight, SK. Currently, Farmer B is deducted freight to Thunder Bay, plus a \$12.35 FAF. In 2009-10, with the separate CWRW FAF, it is anticipated that this station would move into the west coast catchment area. In this case, Farmer B could see an increase of approximately \$2.50 per tonne more for freight for CWRW.

Example C:

Farmer C lives in Brandon, MB. Currently, Farmer C is deducted Thunder Bay freight, plus a \$12.35 FAF. In 2009-10, Farmer C would see a deduction of Thunder Bay freight, plus a \$17.50 FAF. In this scenario, Farmer C would pay \$5.15 per tonne more for freight for CWRW.

TIDBITS OF INFO FROM OUR WINTER WHEAT MEETINGS

Since publication of our last issue both the Saskatchewan Winter Cereals Development Commission and Winter Cereals Manitoba Inc have completed their 2009 Annual General meetings. Some interesting items gleaned from this year's presentations have been selected for your interest.

At the January SWCDC meeting Dr. Rob Graff from AAFC Lethbridge updated participants on progress in winter wheat breeding and also new varieties that are coming onto the market. Four new hard red winter wheat varieties are eligible for the new General Purpose class. The traits of interest are outlined below.

CDC Peregrine is a new variety from Saskatchewan. It yields about 6% better than Falcon and has survival traits similar to Osprey. Maturity is about + 2 days to Falcon and straw height is approximately +25 cm over Falcon. This variety is rated VG for Stem Rust, G for Leaf and Stripe Rust and VP for Bundt. CDC Peregrine will be marketed through SeCan.

CDC Accipiter is a second new variety from Saskatchewan. It yields about 3% better than Falcon and has survival traits similar to Osprey. Maturity is about + 3 days to Falcon and straw height is approximately +8 cm over Falcon. This variety is rated VG for Stem Rust, G for Leaf and Stripe Rust and VP for Bundt. CDC Accipiter will be marketed through SeCan.

A third variety currently called W425 is a new variety from AAFC Lethbridge. It yields about 5% better than Falcon and has survival traits similar to Osprey. Maturity is about + 1 day to Falcon and straw height is approximately +6 cm over Falcon. This variety is rated VG for Stem Rust, VG for Leaf Rust, F for Stripe Rust and VP for Bundt. W425 with a new name will be marketed through Canterra.

181*45 is a new variety from the University of Manitoba. It yields equal to Falcon and has survival traits similar to Osprey. Maturity is about + 2 days to Falcon and straw height is approximately +16 cm over Falcon. This variety is rated VG for Stem Rust, Leaf and Stripe Rust and P for Bundt.

With the death of KVD there are many new varieties on the horizon. Dr. Graff reported that he will have 11 lines with potential to meet CWRW Select Quality standards in the 2009 Winter Wheat Co-op Trials and an additional 18 lines that may qualify for the new CWGP class. In total he will have 8994 plots and 18,600 single row variety trials in the ground spring 2009.

Brian Beres from AAFC, Lethbridge updated the commission members on his research project which is partially funded by the SWCDC. The Saskatchewan Commission is funding research conducted in Canora, Saskatchewan at the East Central Research Foundation. Brian Beres report contained extensive information on plant density and fertilizer management leading to the following "take home message".

- 1) Selecting the correct variety for your farm is critical, but you cannot rely on varietal selection without equal concentration on other agronomic management factors.
- 2) A seeding rate of approximately 450 seeds per square metre is the most productive rate for winter wheat and winter triticale.
- 3) There are advantages to using specialty fertilizers like ESN with his best results in single shoot applications. Blending specialty fertilizer with conventional improves cost effectiveness and 4) to get maximum return from specialty fertilizers ensure that your retailers and your handling equipment is clean before handling. Dirty equipment may destroy the protective coatings or remove other applied treatments.

At the 2009 Winter Cereals Canada AGM Dr. Guy Lafond from AAFC Indian Head discussed the pros and cons of different stubble types for winter wheat production. Citing research from multiple years and locations Dr. Lafond concluded that:

- 1) Canola is still the preferred stubble for winter wheat.
- 2) Field pea and oat stubble were very good for winter wheat and gave similar yields.
- 3) Wheat stubble is very poor for both winter and spring wheat and gives the poorest results overall.
- 4) Barley Silage stubble is excellent stubble for winter wheat with performance essentially equal to canola and pea stubble. Grain Barley stubble while popular with some producers results in significantly lower production. Barley silage results in a much lower level of competition from volunteer barley and yields therefore are improved.

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**SASKATCHEWAN
WINTER CEREALS
DEVELOPMENT
COMMISSION AGM
A SUCCESS**

The second AGM of the Saskatchewan Winter Cereals Development Commission was held January 12, 2009 during Crop Production Week in Saskatoon. The meeting kicked off Crop Production Week and about 75 winter cereals enthusiasts were present for the 9:00 am meeting. The day started with the obligatory business meeting where the results of elections, financial details and other necessary formalities were covered before the information sessions started.

The SWCDC was pleased to report that for the year ended July 31, 2008 we had collected a total of \$170,000 in levy and over \$2,000 in investment income. Producer requested refunds for the year were under 2.25% of total revenues.

After typical operating expenses such as fees for levy collection, office management, telephone, travel etc. the SWCDC had approximately \$129,000 to transfer to reserves giving a total surplus which can be used for research, education and promotion of \$173,000.00

The first guest speaker was Mr. Rick Istead, Executive Director of the Alberta Winter Wheat Producers Commission. Rick gave attendees an update on what is happening one province to the west. In the future the AWWPC and the SWCDC have agreed to work together to strengthen the voice of winter cereals producers in our 2 provinces.

The second presenter was Brian Beres from AAFC, Lethbridge. Brian is the moving force behind the research project that SWCDC is funding in Canora at the East Central Research Station. Brian outlined the nature of the research being funded by the SWCDC and also provided information on agronomic practices related to different types and application of fertilizer. A complete outline of the research being sponsored by the SWCC was included in Issue 36 (Fall Winter 2008) of the grower. This information can be accessed on the internet at our WCC site www.wintercerealscanada.org. Simply follow the links to the newsletter archives.

The final speaker of the morning was Dr. Rob Graff, Cereals Breeder from AAFC, Lethbridge. Dr. Graff explained the differences between existing varieties and new varieties expected to be approved at spring meetings. SWCDC members and your board were particularly interested to hear about a proposal being formulated by AAFC to streamline and improve winter wheat breeding by establishing test plots for early varietal testing of new winter wheat cultivars across western Canada. These plots would be used by all winter wheat breeders and allow breeders an opportunity to compare new lines early in their development.

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

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| 8 ½ x 11 | \$500.00 |
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Multiple insertion discount 10%
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All advertising must be camera ready or suitable for scanning.
Advertorial content is accepted at the standard rates.
Advertising deadlines are March 1st, June 1st and November 1st.

Material should be submitted to:

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*The views expressed in the Winter Cereals
Grower are not necessarily those of WCCI,
SWCDC or WCMI.*

**From the CWB:
Introducing the CWRW
program 2008-09**



The CWB will handle more than 1.4 million tonnes of Canadian Western Red Winter (CWRW) in 2008-09 – more than triple what was marketed just two years ago.

Western Canadian farmers produced nearly 1.7 million tonnes (MT) of No. 1 and 2 CWRW in 2008-09 compared to 1.2 MT last year, and 958,000 in 2006-07. Meanwhile, the percentage of CWRW marketed by the CWB has jumped from 46 per cent in 2006-07 to 80 per cent this year.

By March 31, 2009, the CWB will have moved 670,000 tonnes (or 54 per cent) of this year's program versus 545,000 tonnes for the same time period last year. While the CWB has moved more tonnes this year than last, the pace of movement off-farm has been affected by the larger volume of crop to be marketed, as well as the lower protein of the crop. While there have been many positive reports from buyers on the quality of CWRW Select, customer feedback on regular CWRW is not as positive and most customers do not consider it equivalent to U.S grown Hard Red Winter (HRW), which has hampered demand.

Fusarium was also an issue in many regions of Manitoba where CWRW is grown. Fusarium fungus infection damages baking quality and produces mycotoxins, including deoxynivalenol, (DON) which reduces the marketability of grain.

The CWB created a payment and delivery program to assist farmers delivering fusarium-affected wheat while still providing a safe product to customers. However, food safety requirements have become even more stringent in the past few years, with many large customers lowering their tolerance of DON from two parts per million (ppm) to one ppm. These food safety concerns will be a key consideration of any fusarium programs in the future.

**CWRW Select program gaining momentum with
customers**

The CWRW Select program continues to pay dividends to farmers.

Under the select program, farmers who grew and delivered AC Bellatrix, AC Readymade, AC Tempest, CDC Buteo, CDC Osprey, McClintock, Norstar and Radiant against CWRW Select Guaranteed Delivery Contracts (GDCs) received significant price premiums over generic CWRW.

While many customers continue to indicate a preference for the baking characteristics of HRW, the development and marketing efforts behind the CWRW Select program means Western Canadian farmers are gaining ground.

Graham Worden, senior manager of technical services in the CWB's marketing strategy department, said the quality of the select varieties grown in Western Canada is now comparable to the quality of the HRW grown south of the border.

That has translated into more widespread acceptance with customers. As product quality and consistency of supply has increased, so has customer demand. A major challenge for the future growth of CWRW Select demand is providing customers with increased assurance of both quality and quantity on a year round basis.

Southeast Asia, Latin America, Canada and the U.S. were the main markets. This year, 30,000 tonnes of CWRW Select was sold into the U.S., compared to 8,000 tonnes last year.

Tendering for select varieties has helped alleviate some of the shipping challenges seen in previous years by consolidating larger volumes of stocks at fewer delivery points. This consolidation greatly enhanced the CWB's ability to get this product to customers on time. Tendering will continue to be the primary tool used to source select varieties for 2009-10, with GDCs awarded to successful companies for sourcing the product from farmers.

For more information contact your local CWB Customer Service Representative.

ATTENTION MANITOBA WINTER WHEAT PRODUCERS

NOTICE OF ANNUAL GENERAL MEETING

WINTER CEREALS MANITOBA INC.

APRIL 15, 2009

CANAD INNS

Portage La Prairie, Manitoba

This is the first AGM for WCMI since the inception of levy collection August 1, 2009

LUNCH PROVIDED. SEATING IS LIMITED. REGISTER EARLY BY EMAIL OR TELEPHONE

REGISTRATION 8:30 AM

MEETING 9:00 AM

BUSINESS MEETING 9:00AM TO 11:00 AM

INDUSTRY INFORMATION SESSIONS 11:00 AM TO 3:00 PM

Presentations Include Information on: CWB Programs, CGC Programs, Crop Micro Nutrients, Agronomics and Using Seed Manitoba for Varietal Choices

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TO ADVANCE REGISTER CONTACT

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NOTICE : IS YOUR NEWSLETTER SUBSCRIPTION EXPIRING??

Winter Cereals Canada is updating the mailing list for the WINTER CEREALS GROWER. Members of Winter Cereals Manitoba Inc. (The designated winter wheat producer representative body for Manitoba) and members of the Saskatchewan Winter Cereals Development Commission (the designated producer body for producers of winter cereals in Saskatchewan) receive the Grower as the newsletter for both organizations. As long as you are levy paying members of either organization you will receive the Grower as our means of communicating with members.

If you are not a member of either organization you must notify Winter Cereals Canada if you wish to continue receiving the grower. Producers who do not notify Winter Cereals Canada will be deleted from the mailing list after this issue. Notification may be sent by email to jake@wintercerealscanada.org or by regular mail to our office address as listed in this issue.

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NEWS RELEASE

Ducks Unlimited and Bayer CropScience team up to increase winter wheat in North America



Bayer CropScience and Ducks Unlimited believe winter wheat has an important role to play in sustainable agriculture on the prairies and have joined forces to launch a North American project called "Winter Cereals: Sustainability in Action."

"By working with Ducks Unlimited, we want to expand the practice of growing winter cereals across the prairies in Canada and the United States," says Bill Buckner, head of North America and President and CEO of Bayer CropScience LP. "We recognize winter wheat is an excellent crop that provides economic advantages to growers when included in cropping rotations while also enhancing waterfowl and other wildlife habitats."

Partnering with Ducks Unlimited under the "Winter Cereals: Sustainability in Action" program, Bayer CropScience will make a commitment of \$20 million over five years to:

- Enable significant research to develop new winter wheat varieties adapted to prairie climatic conditions while providing grower incentives, technical support and education programs;
- Promote improvements and research in agronomic practices; and
- Conduct waterfowl and environmental research to ensure a sustainable habitat and production system.

"As leaders in the agriculture industry we see this initiative as an important and tangible part of delivering on our commitment to sustainable agriculture," says Buckner.

Winter wheat has gained a foothold on North America's prairies with growers. New varieties, improved marketing options and the agronomic advantages provided by winter wheat have made it an attractive choice for many growers.

"The goal of Ducks Unlimited and Bayer CropScience in this initiative is to support this trend by investing in innovations and grower programs," he says.

From a waterfowl conservation standpoint, one of the key limiting factors for continental waterfowl populations is a lack of nesting cover on the prairies. Ducks Unlimited Canada's research has shown that the density of hatched nests in winter wheat fields is 24 times greater than in spring wheat.

"This partnership between Bayer CropScience and Ducks Unlimited has the potential to provide unprecedented opportunities for expanding winter wheat on the prairies," said Don Young, executive vice president of Ducks Unlimited. "This is research that will not only benefit Ducks Unlimited waterfowl conservation and habitat efforts in the Prairie Pothole Region in Canada and the U.S., but also provide tremendous advantages to agricultural communities."

From an agronomic perspective, winter wheat provides economic advantages to producers when included in cropping rotations. Winter wheat can yield 10 to 30 percent higher than spring-seeded varieties, and autumn planting allows growers to spread their workload thus reducing potential production risks.

"Partnering with Bayer CropScience is a great example of how a sustainable vision for the agricultural landscape includes both profitable agriculture and habitat conservation," says Jeff Nelson, Ducks Unlimited Canada's executive vice president. "Ducks Unlimited Canada is dedicated to working with farmers and the agricultural industry to find pragmatic approaches to waterfowl habitat conservation."

More information on Bayer CropScience/ Ducks Unlimited Winter Cereals: Sustainability in Action initiative is available at wintercereals.ca.

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