

*ALBERTA GRAIN COMMISSION  
2004-05 YEAR-END REVIEW*

*Mission:*

*The Alberta Grain Commission provides advice to the Minister and appropriate groups to enable a prosperous, sustainable, and market-driven farm and agri-sector.*

*2004-2005 Crop Year in Review*

Crop growing conditions during the 2004 crop season in Alberta generally improved from a year earlier, although adverse weather conditions in the fall significantly reduced crop quality. As a result, yields for most major crops in Alberta in 2004 were much higher than the 10-year averages. Crop quality of the major crops, however, was below average.

Cool, wet weather conditions prevailed across the province for most parts of the fall, delaying crop maturity and hindering harvesting operations. Frosts and snow brought additional challenges to the harvesting season. Crop lodging and sprouting in both standing and swathed crops occurred in many areas. Some grains and oilseeds were taken off damp and tough, and needed to be dried. Combining progress in 2004 was well behind normal. About 4% of the 2004 crop was left in the field to be harvested in spring of 2005. The majority of those crops were in the Peace Region.

*Mandate*

The Alberta Grain Commission's (AGC) mandate, as directed by the Minister of Alberta Agriculture, Food and Rural Development (AAFRD), is to:

- Examine all facets of the grain industry (cereals, oilseeds, pulses, and specialty crops), from producer to end-user.
- Make policy recommendations to the Minister on any matters pertaining to the grain industry.
- Maintain liaison with other governments, groups, or boards within and outside Alberta.
- Carry out other such assignments related to the matters above, and as may be specified by the Minister.

The results we achieve are met by working with a vast array of dedicated groups, including governments, industry groups, regulatory agencies, private companies, and other interested parties and individuals.

## AGC Goal 1: Provide Policy Input

---

### *Risk Management*

- We examined the conversion to electronic trading on the Winnipeg Commodity Exchange (WCE). We made a submission to the Manitoba Securities Commission (MSC) regarding this transition.
  - ✓ *Result:* Early indications are that the transition will be successful.
  - ✓ Both the WCE and the MSC commended us on our detailed and thoughtful submission.
  
- We met with the Canadian Grain Commission (CGC) regarding bonding and financing of inventories. We made recommendations to the CGC regarding these and other issues.
  - ✓ *Result:* The views of the AGC were advanced and understood. We have identified areas of common interest and differences.

### *Logistics System*

- We met with the Inland Terminal Association of Canada and discussed a number of industry issues including the financing of inventories.
  - ✓ *Result:* The AGC's understanding of the industry has increased and we used this knowledge in meetings with other organizations including the CGC.
  - ✓ Further work is being done in the area of financing grain inventories.
  
- We facilitated a meeting with a container facility developer and the Canadian Wheat Board to discuss the future of container transport through Prince Rupert.
  - ✓ *Result:* The AGC's understanding of the industry has increased and we continue to monitor developments in container transport. Many factors have come together and the Prince Rupert container facility is being constructed.
  
- We strived to monitor the performance of the grain handling and transportation system.
  - ✓ *Result:* The AGC is continuing to monitor the transportation system and staff meets with Quorum Corporation at least annually.

## Trade

- We made two submissions to the federal government regarding Canada's trade position. The AGC met with Canada's Chief Negotiator for Agriculture and other groups to advance trade liberalization.
  - ✓ *Result:* The AGC is encouraging provincial and federal governments to actively pursue trade liberalization.
  - ✓ In July 2004, the federal government signed the Framework Agreement which outlines the goals of the Doha round of WTO negotiations.
- We liaised with other groups to ensure the interests of the grain industry are considered in the BioSafety Protocol.
  - ✓ *Result:* We continue to link to the Canada Grains Council and the department to ensure the interests of the grain industry are considered before Canada ratifies.

## Various

- We made a submission to the Seed Sector Review.
  - ✓ *Result:* The AGC stressed the importance of wide consultation with users of certified seed. The key areas of support from the AGC included: 1) The immediate creation of an industry wide consulting body; and 2) Enhancing the flexibility and responsiveness of the variety registration system, in particular, exploring the options to KVD.
  - ✓ A National Forum on Seed has been established and consultations have taken place regarding variety registration and innovation.
- We made a submission to the Plant Breeder's Rights (PBR) Office concerning the proposed amendments to the PBR Act.
  - ✓ *Result:* The AGC supported amending the PBR legislation with the goal of increasing incentives for new varieties in the marketplace.
  - ✓ The AGC stressed that a farmer's privilege to save seed must be explicitly protected in the Act.
- We monitored the deliberations of the Cereal Grain and Oilseeds Value Chain Roundtables.
  - ✓ *Result:* An AGC member was invited to sit on the Wheat Working Group for ongoing input.

## AGC Goal 2: Advance Marketing Choice

---

- We worked with AAFRD to launch the Choice Matters campaign (print and Internet). We developed a plan to respond to public comments/questions regarding MC issues.
  - ✓ *Result:* We responded to public comments/questions regarding MC issues.
  - ✓ We received feedback from both MC supporters and non-supporters.
  - ✓ Industry is debating the role of the CWB in the western Canada grain industry.
- We worked closely with the department and an industry network (Grain Vision) to advance marketing choice.
  - ✓ *Result:* An increasing number of groups speak out in favour of less regulation in the way grain is marketed in western Canada.
- We completed an internal review of the CWB's claims on value adding.
  - ✓ *Result:* This knowledge is used as background information for Choice Matters material.
- We began daily reporting of Montana open market malt barley prices in addition to Montana wheat prices.
  - ✓ *Result:* Montana malt barley prices are publicly available to compare the Canadian and American marketplaces.
- We studied other single desk marketing systems in Ontario and Australia. We completed and distributed our report on the Ontario marketing system.
  - ✓ *Result:* The AGC and others have increased their understanding of marketing systems in other jurisdictions.
- We made a submission to the Minister responsible for the Canadian Wheat Board on governance issues and called for a review of the mandate and governance system.
  - ✓ *Result:* The Minister responsible announced an election review. AGC will provide a submission on this issue.
- We liaised with MC candidates and the election coordinator during the CWB election.
  - ✓ *Result:* One MC candidate was elected by acclamation.
  - ✓ Election turnout was poor (32%) and few statutory declarations were signed (15) in western Canada.
  - ✓ The AGC made the election coordinator aware of a number of instances where the CWB was providing inappropriate communication during the campaign period.
- We liaised with CWB directors and staff.
  - ✓ *Result:* We influenced changes made to CWB programs and producers now have various options to price their designated grains outside the traditional wheat and barley pools.

## AGC Goal 3: Effective Communications

- We prepared and published on-going price reports in an accurate and timely way and responded to an increased level of inquiries. New price reports and graphs were added to the website.
  - ✓ *Result:* The daily price report receives over 85,300 visits/year and the weekly feedgrain report receives over 13,900/year.
- The AGC website has been maintained and improved.
  - ✓ *Result:* Current information is readily available on the internet. (eg. Report on *The Canadian Barley Industry in Transition*, grain basis tracking)
- Invited more guests to AGC meetings to gain broader understanding of issues facing the industry.
  - ✓ *Result:* The members of the AGC have met with a broad array of representatives of the grain industry. There is a significant knowledge base at AGC.
- AGC members attended a number of annual meetings and industry functions.
  - ✓ *Result:* AGC members are informed about commodity issues and farmer concerns.
  - ✓ The AGC provided ongoing briefing to the Minister and kept the Minister informed on various issues.

## AGC Members

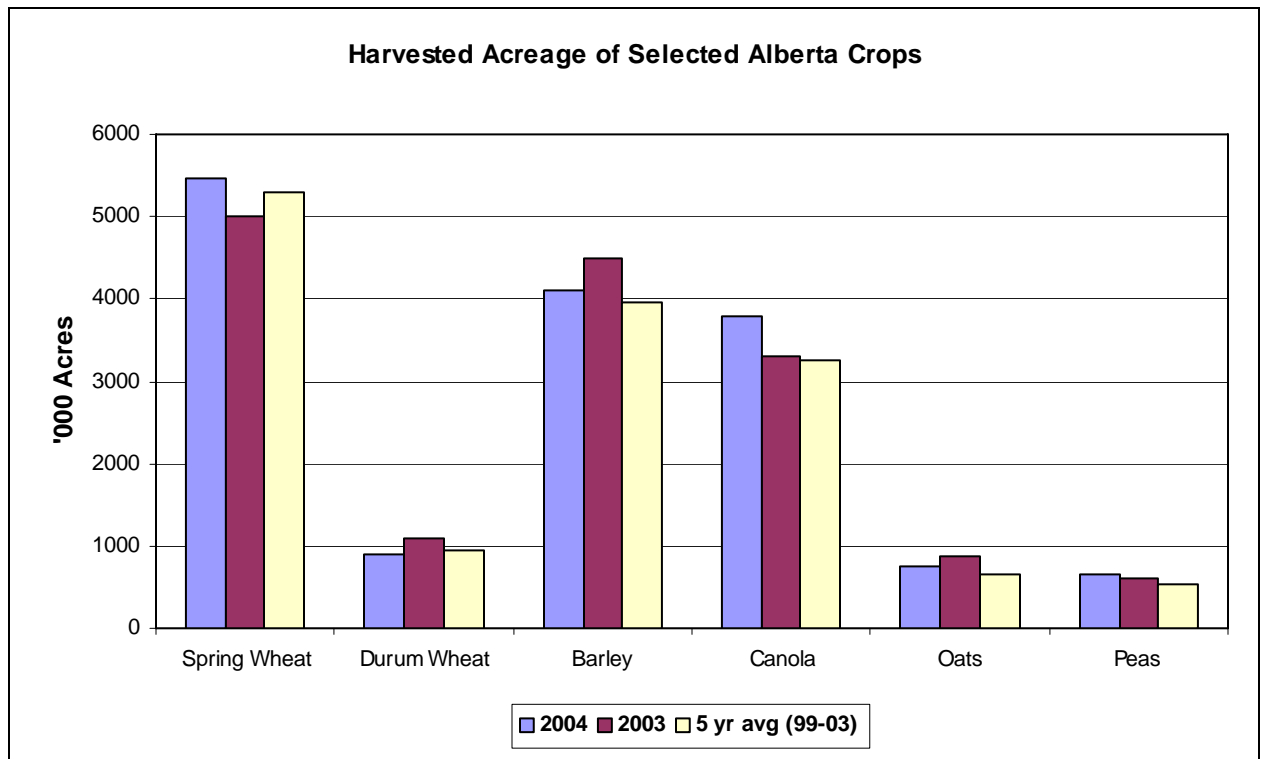
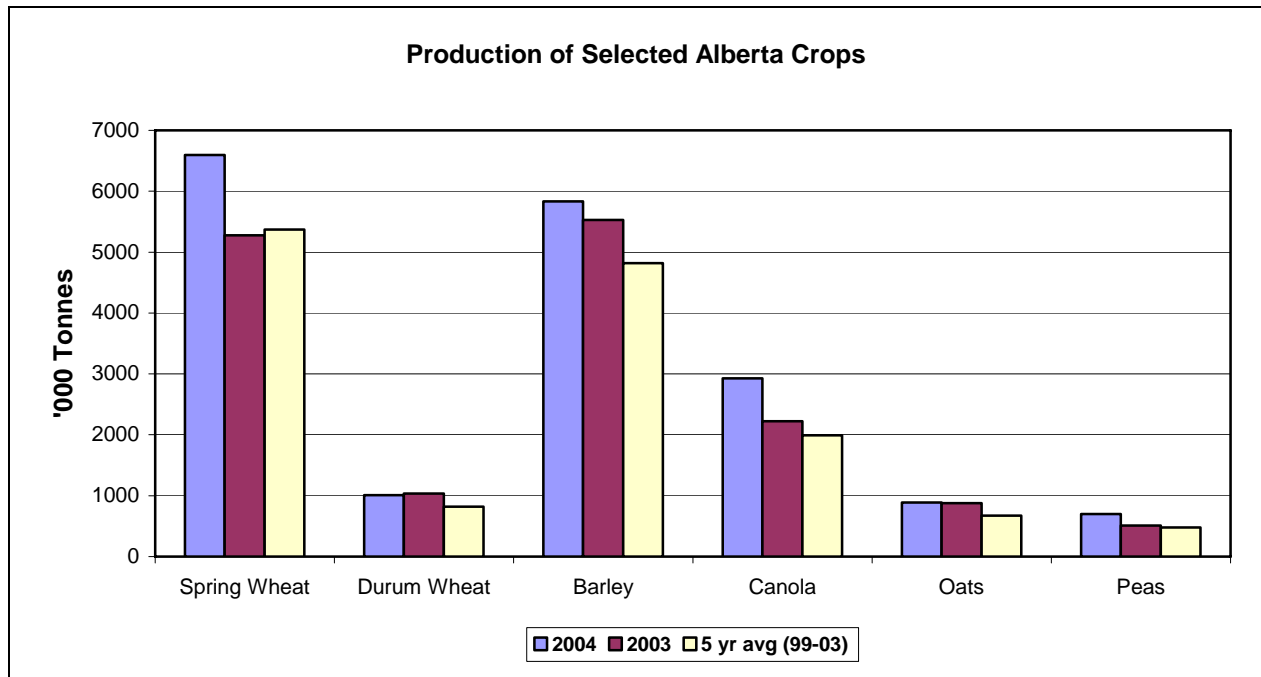
Eugene Dextrase – High Level, Alberta – Farmer (Chairman)  
Doug Horner MLA for Spruce Grove-Sturgeon-St. Albert (Vice Chairman until November 2004)  
Hector Goudreau MLA for Dunvegan-Central Peace (Vice Chairman from December 2004)  
Lloyd Annable – Carmangay, Alberta – Farmer Member  
Stan Blade – Department Member (until June 2004)  
Bob Hymas – Strathmore, Alberta – Farmer Member  
Jim Ness – New Brigden, Alberta – Farmer Member  
Terry Niemela – Eckville, Alberta – Farmer Member  
Lou Normand – Edmonton, Alberta – Department Member  
Greg Porozni – Vegreville, Alberta – Farmer Member  
John Richter – Beiseker, Alberta – Farmer Member  
Harry Schudlo – Sexsmith, Alberta – Farmer Member  
Peter Woloshyn – Edmonton, Alberta – Department Member (from June 2004)

## AGC Staff

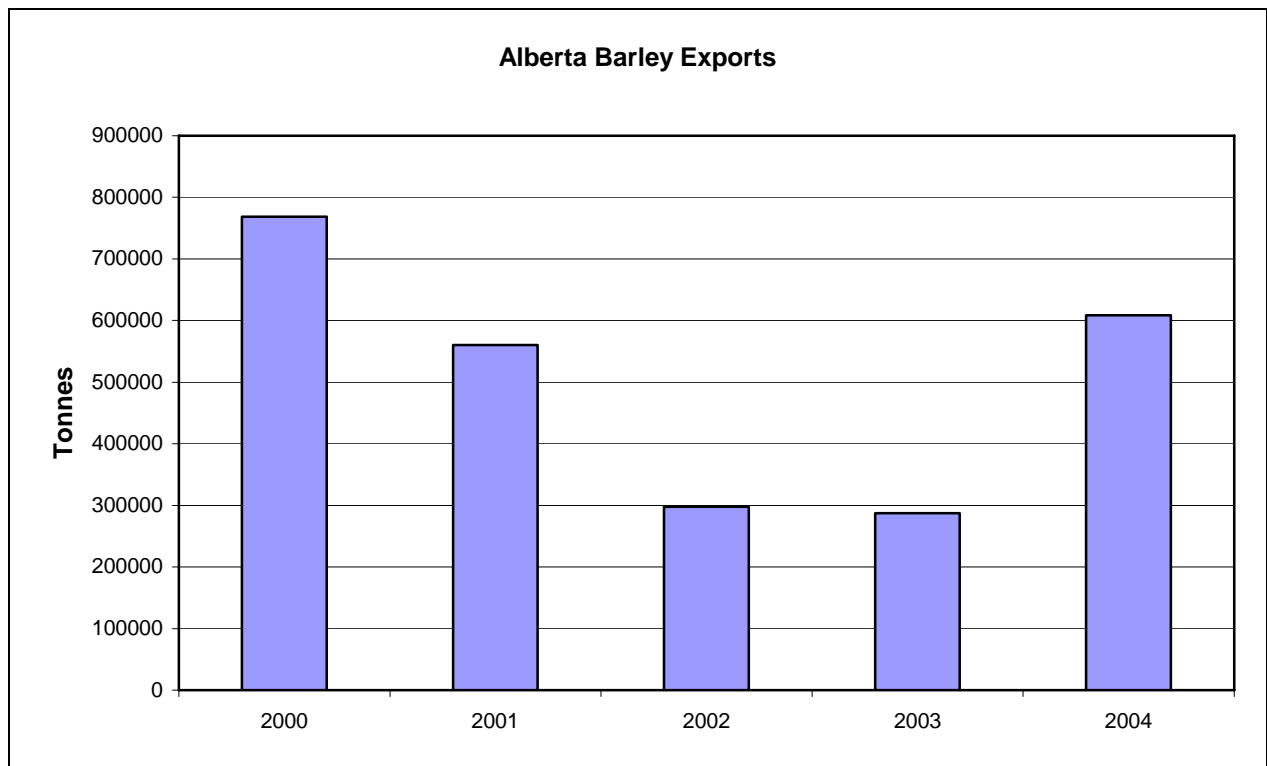
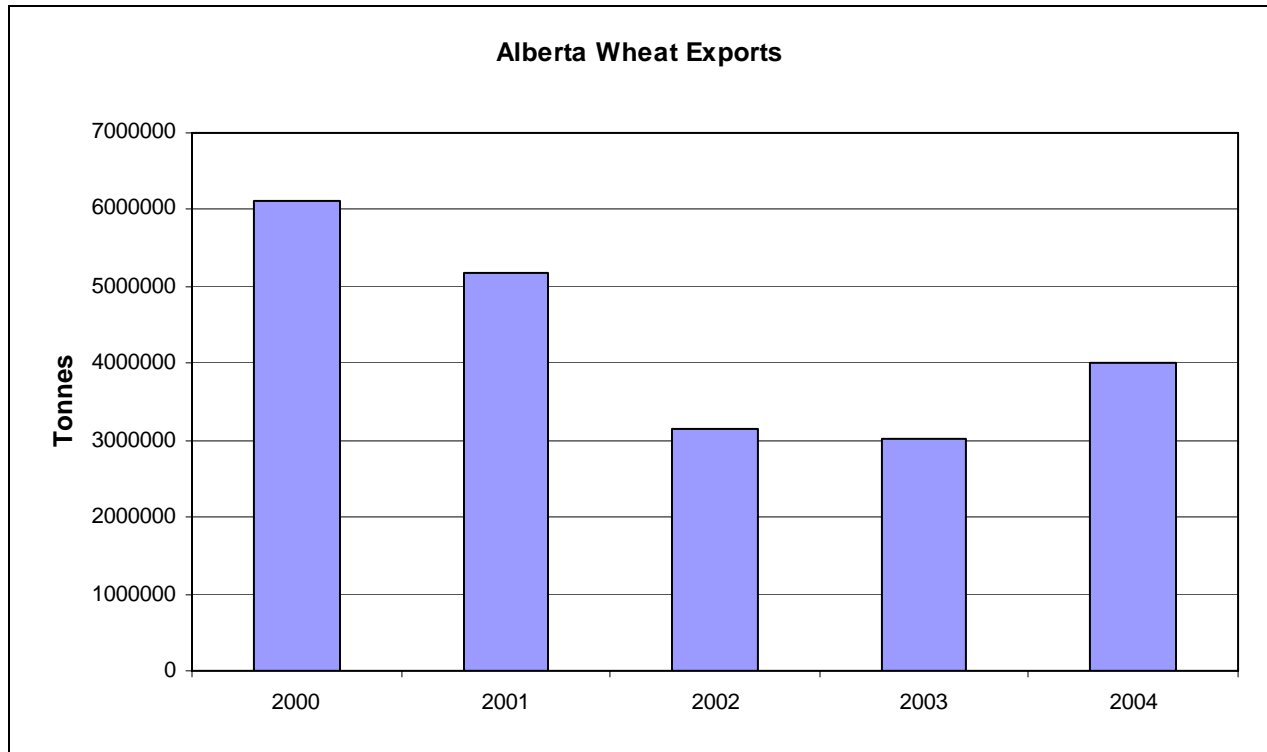
Brenda Brindle, P. Ag., General Manager  
Izzy Huygen, A. Ag., Research Officer  
Julie Toma, P. Ag., Research Officer  
Maura Winterburn, Administrative Coordinator

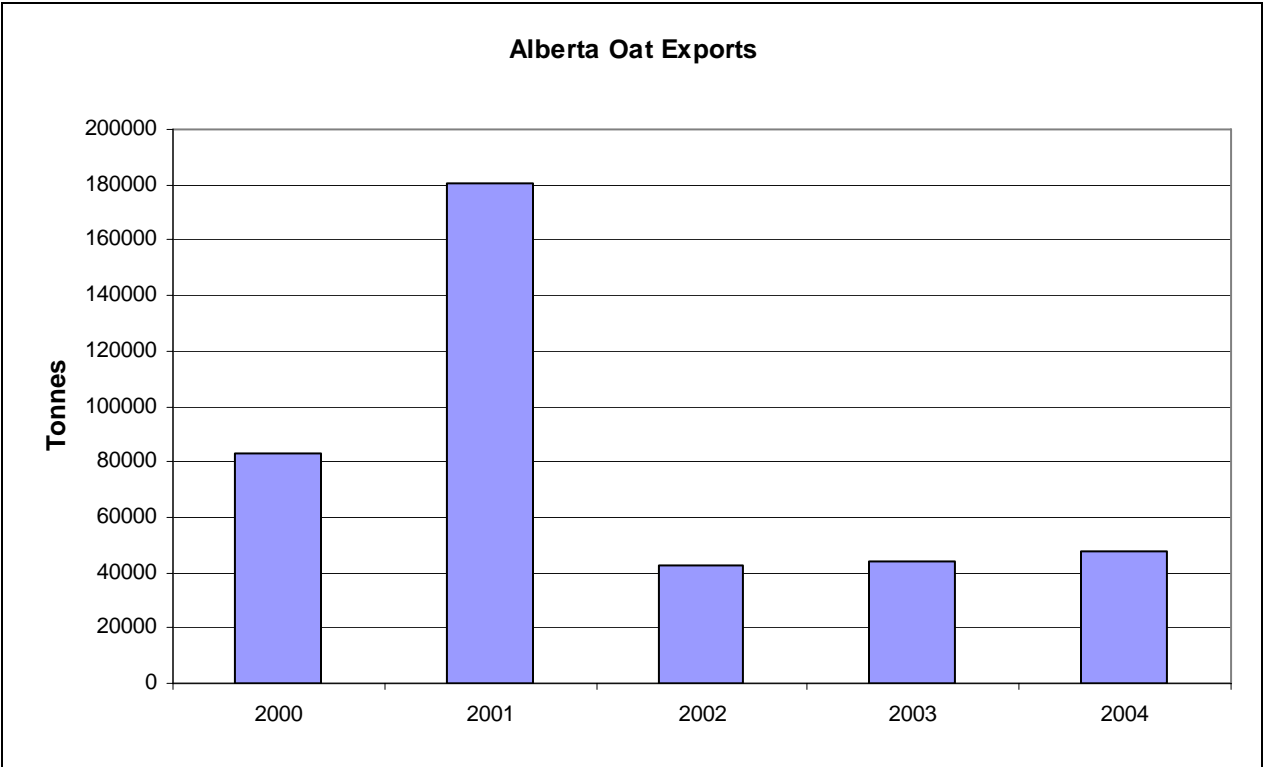
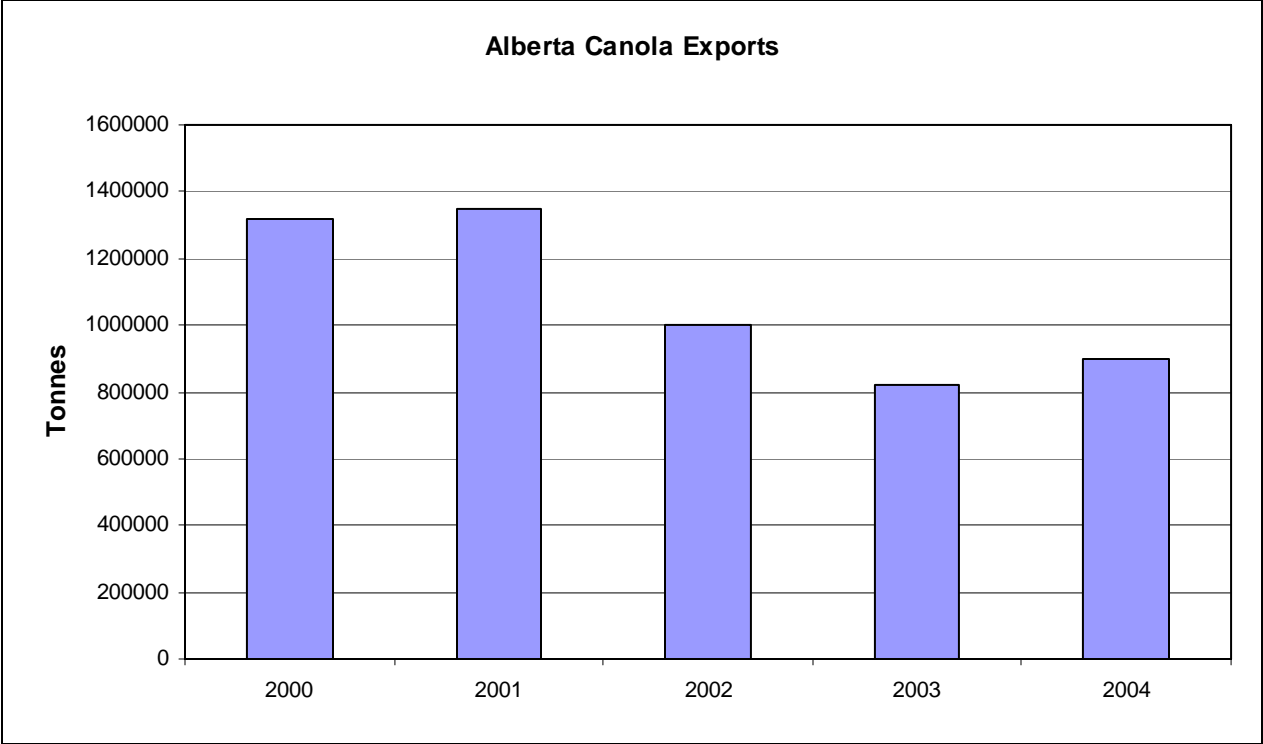
# Appendix

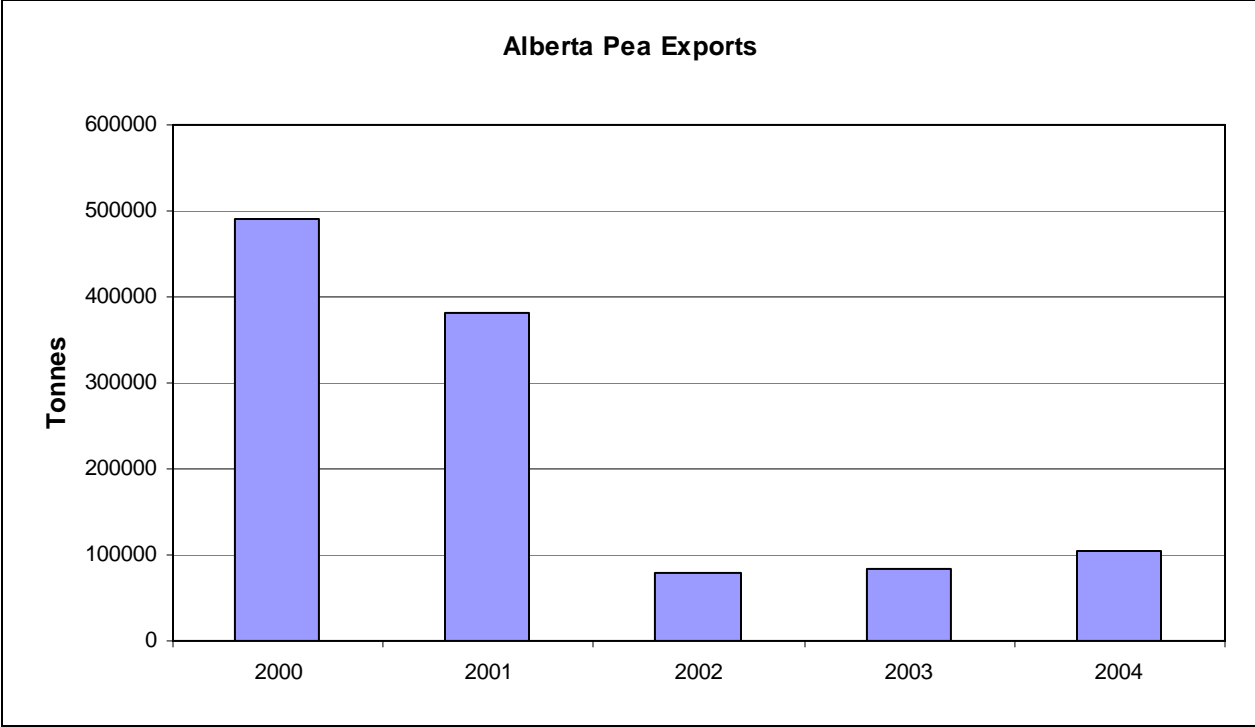
## Production and Acreage Graphs



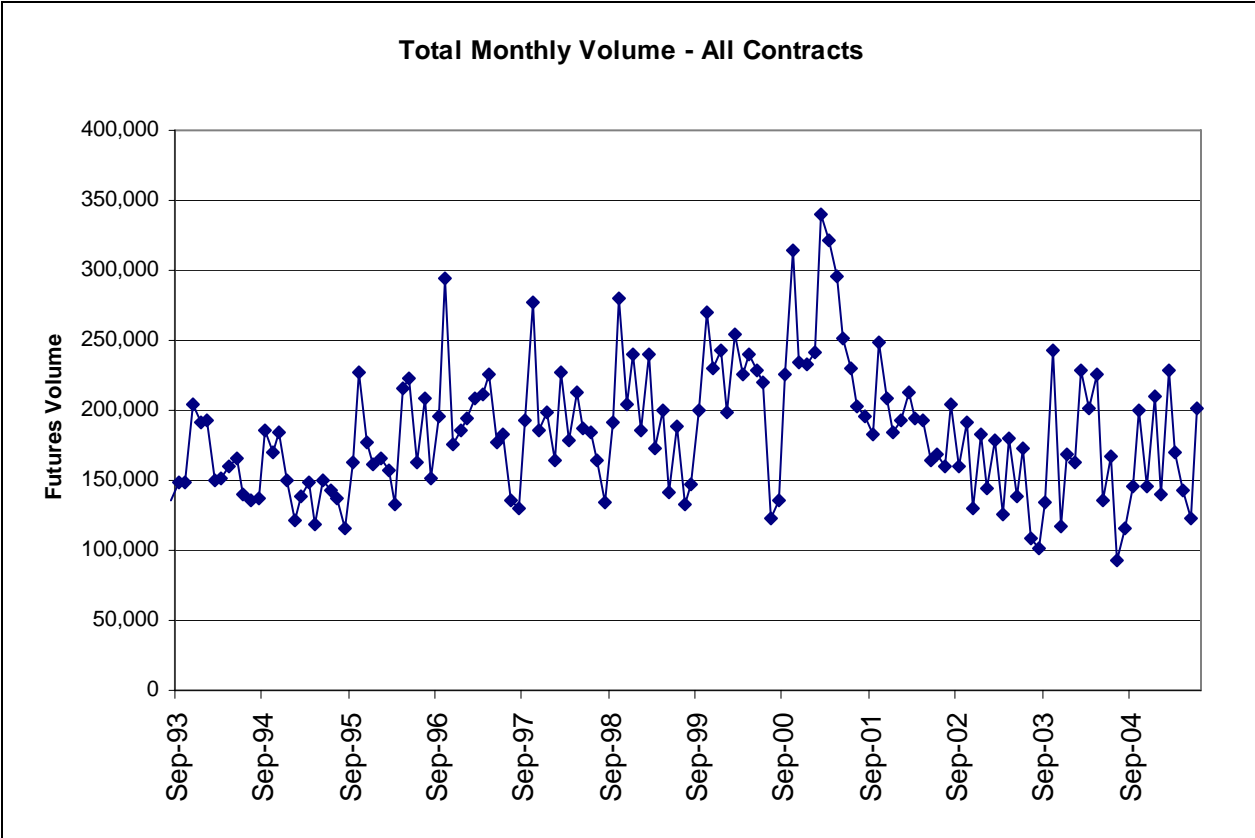
*Exports of Selected Alberta Crops*



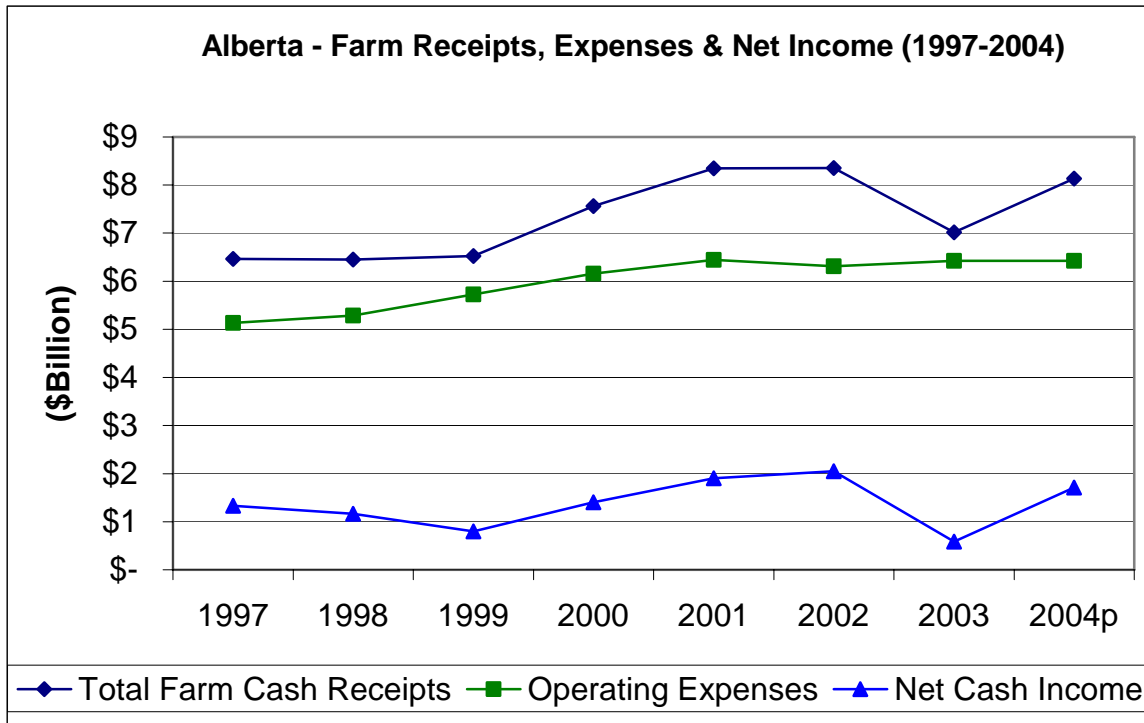




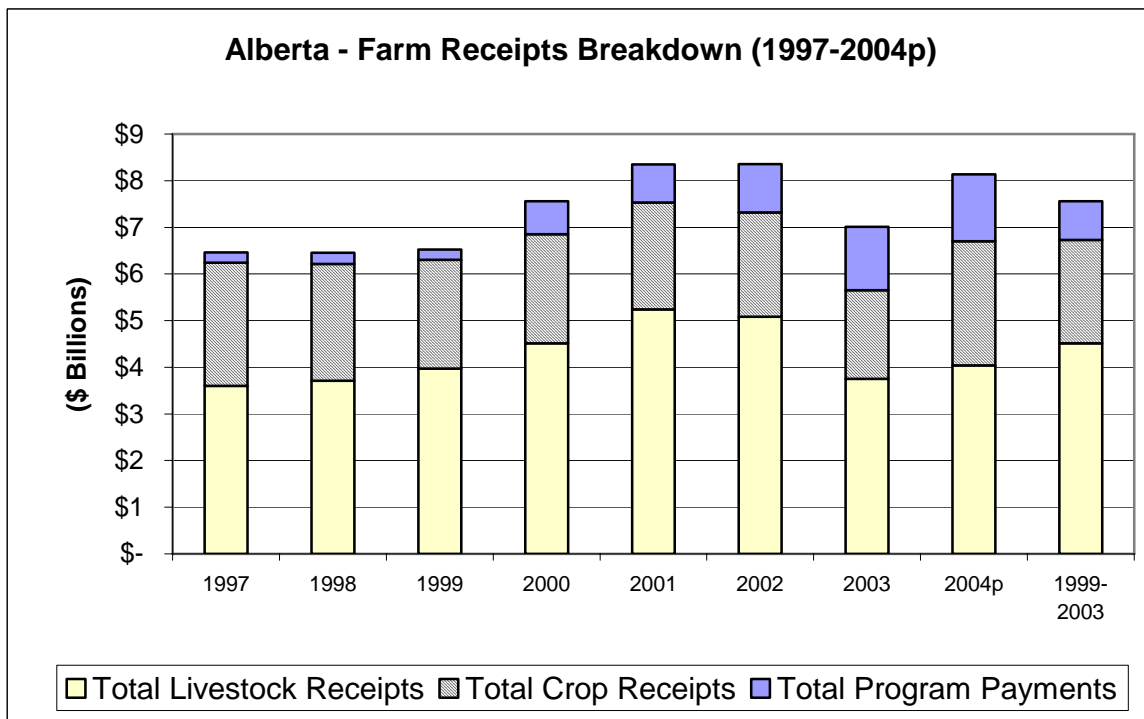
*Winnipeg Commodity Exchange Trading Volume*



## Farm Income Measures

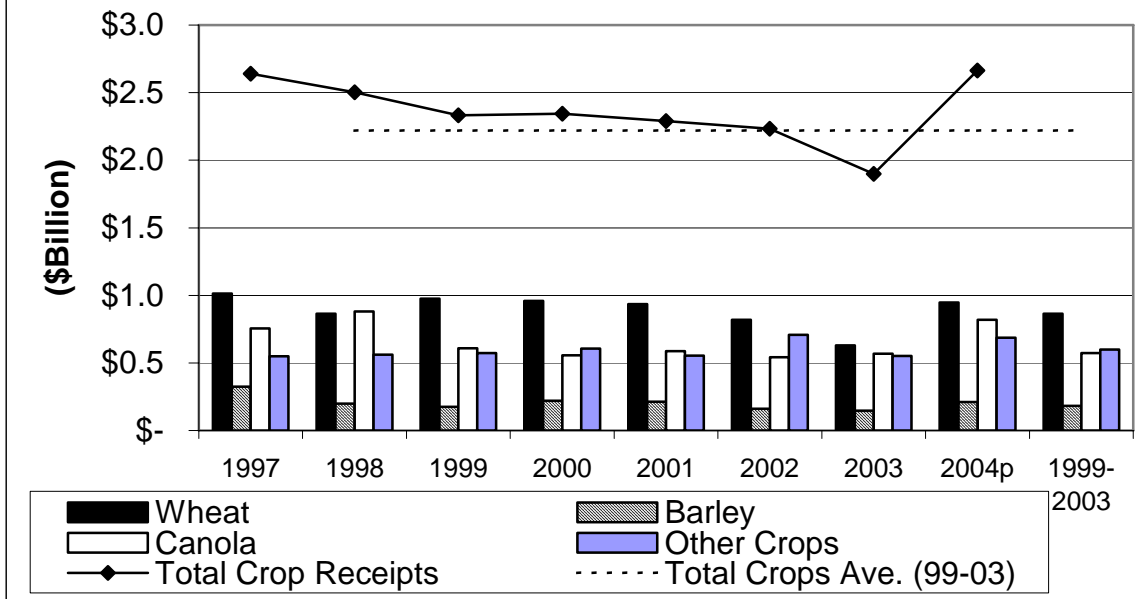


Farm receipts include market receipts and program payments.  
 Operating expenses after rebates and before depreciation.  
 p = preliminary



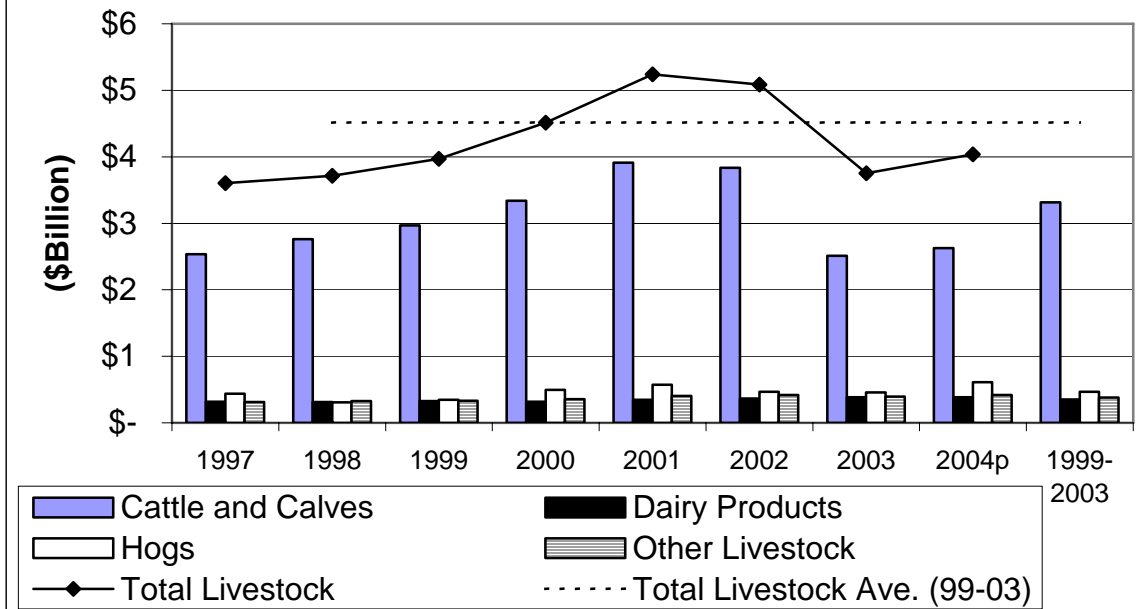
p = preliminary

### Alberta - Crop Receipts Breakdown (1997-2004)



Receipts include market receipts only and not program payments.  
 Note the five year average (1999-2003)  
 p = preliminary

### Alberta - Livestock Receipts Breakdown (1997-2004)



Receipts include market receipts only and not program payments.  
 Note the five year average (1999-2003)  
 p = preliminary