



Agri-News

January 19, 2009

McDonald and Bienert Receive 2009 Distinguished Service Award

Peggy McDonald and Eldon Bienert have worked in the horse industry in Alberta and with Morgan horses in particular for more than 50 years. This Alberta husband and wife team have individually and together worked tirelessly to promote Alberta bred horses nationally and internationally. For their years of work and their dedication to Alberta's horse industry, McDonald and Bienert were awarded the 2009 Distinguished Service Award.

From Dawnville Farms, established in 1973 in Leduc, they established a Morgan horse breeding program that is internationally respected. They were among the first breeders to bring Morgans into Alberta, and Dawnville Farms continues to operate as a breeding, training and boarding business. Bienert, a member of a homesteading family raised in Leduc, was among the first to bring electricity, telephone and gas to the area, was involved in 4-H and was a director and president of the Leduc Light Horse Association. In 1985, he was honoured as Leduc's Citizen of the Year.

On January 10, 2009, at the 27th annual Horse Breeders and Owners Conference, the Horse Industry Association of Alberta proudly presented the Distinguished Service Award to Peggy McDonald and Eldon Bienert in recognition of their significant contributions to the equine industry in Alberta.

"Peggy McDonald and Eldon Bienert are best known for their myriad efforts on behalf of their breed of choice – their beloved Morgan," said Pete Fraser, president of the Horse Industry Association of Alberta, while presenting the couple with their award. "Their dedication and influence has by no means been limited to the Morgan hoof print. For many years they have been relentless in improving the equine world through their efforts with the Equine Foundation of Canada – a non-profit

organization that supports our veterinary colleges through grants, scholarships, and the purchase of specialized equipment to aid in equine teaching and research. This is just one more example of the incredible vision and purpose, unwavering support and involvement, and big picture devotion to the equine that has been part of their daily routine for many decades."

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“McDonald was one of the founding members of the Canadian Morgan Horse Association, and she and Bienert have held many executive positions with the association, the Alberta Morgan Horse Club and the charity organization Equine Foundation of Canada,” said Les Burwash, head of equine programs with Alberta Agriculture and Rural Development, Airdrie. “Their many years of active support and dedication to the Morgan breed and to the horse industry in this province are very deserving of recognition.”

“Their attendance and competition at horse shows within Alberta, throughout Canada, in the U.S. and at Equitana in Germany has helped put Alberta on the map,” said Teresa van Bryce, manager, Horse Industry Association of Alberta and one of the conference organizers. “McDonald and Bienert are truly a team, having worked together successfully and with clear vision and purpose. As mentors, breeders and trainers, they have made significant contributions to Alberta’s horse industry.”

In receiving this award, McDonald and Bienert join an exclusive group of Alberta horsemen and women: Bill Collins, Marg and Ron Southern, Hans Hansma, Joe Selinger, Bruce Roy, Dave Robson, Dr. David Reid, John Scott and Doug Milligan.



Photo caption: (l to r) Pete Fraser, Eldon Bienert and Peggy McDonald - Distinguished Service Award presented during the 2009 Alberta Horse Breeders and Owners Conference

Note: Photo is available on the Alberta Agriculture website at www.agriculture.alberta.ca/agrinews

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Record Crop Production in Alberta in 2008

Strong grains and oilseeds prices resulted in more acres being seeded and harvested in 2008, giving Alberta record crop production in 2008. Based on the recently released Statistics Canada report entitled *November Estimate of Production of Principal Field Crops, Canada, 2008*, total production of principal field crops in Alberta in 2008, including major grains and oilseeds, forages and most specialty crops, reached a record 30.27 million tonnes.

“Total provincial crop production in 2008 was 13 per cent higher than in 2007, and 29 per cent above the 10-year average,” says Chuanliang Su, crop statistician with statistics and data development, Alberta Agriculture and Rural Development, Edmonton. “This was mainly the result of improved crop growing conditions and the larger seeded and harvested area, compared to 2007 and their 10-year averages.”

With respect to estimates for specific crops, total production of spring wheat jumped 39 per cent, to a record 7.27 million tonnes in 2008. The record production was due to an increase in harvested area and significantly higher yields. Total harvested area increased 18 per cent, to 5.66 million acres. The provincial average yield is estimated at 47.3 bushels per acre, up 18 per cent from 2007. For durum wheat, production jumped to 1.08 million tonnes (61 per cent higher than in 2007), as both yields and harvested area increased significantly from a year earlier. The provincial average yield is estimated at 43.0 bushels per acre, up 33 per cent from 2007, and harvested area increased 21 per cent to 0.92 million acres.

“Similarly, due to a larger harvested area and improved yields, total production of winter wheat more than doubled the 2007 production, reaching 0.39 million tonnes,” says Su. “Overall, total production of all wheat increased 44 per cent from 2007, to a record 8.74 million tonnes.”

In 2008, total barley production is estimated at 5.45 million tonnes, up seven per cent from 2007, and nine per cent above the 10-year average. The provincial average yield for barley is estimated at 66.7 bushels per acre, or 21 per cent higher than in 2007, while harvested area fell 12 per cent. Total oat production, estimated at 0.54 million tonnes, is down 14 per cent from 2007, and is 23 per cent below the 10-year average. The lower production is due to a 19 per cent reduction in harvested acreage, as a result of competition for land from other crops. The provincial average yield is estimated at 70.2 bushels per acre, or seven per cent higher than in 2007.

Canola production reached a record 4.32 million tonnes, 27 per cent higher than in 2007, and 65 per cent above the 10-year average. The marked increase in production is due to record harvested area and significantly higher yields. Total harvested area was up three per cent to 5.17 million acres.

With respect to yield, the provincial average is estimated at 36.9 bushels per acre, or 23 per cent higher than in 2007.

Production of dry peas in 2008 jumped 39 per cent, to a record 0.73 million tonnes. This stems from a combination of higher yields and record harvested area. The provincial average yield is estimated at 38.4 bushels per acre, or 18 per cent higher than in 2007. The harvested area increased 18 per cent, to a record 0.70 million acres.

Additional information can be found on Alberta Agriculture and Rural Development's website at www.agriculture.alberta.ca. For further information on Alberta's 2008 crop production, contact the statistics and data development unit of Alberta Agriculture and Rural Development.

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Making Plans to Make the Right Crop Decisions for 2009

There is a heap of uncertainty this year on the cost of farm inputs and the possible value of the 2009 crops. When faced with so much uncertainty, it's important to know how to adjust plans to take advantages of the situation and to make the right decisions.

"There are some free tools available to help producers analyze the situation and plan," says Harry Brook, crop specialist with Alberta Agriculture and Rural Development's Ag-Info Centre, Stettler. "The most important information is the total cost of production. Not just the cash costs incurred in growing the crop, but the total costs of putting the crop in and harvesting it. This includes labour costs, land costs, depreciation and some allowance for profit. Knowing exactly what the costs are per acre and per crop, arms producers with the knowledge of the break even price and where profit starts. Generating financial numbers isn't just an exercise for the banker; they can be used to make better decisions."

Usually, not much can be done about price other than pre-pricing some future production. As of early January 2009, it doesn't look like prices will be as advantageous as they were in the spring and early summer of 2008.

"When doing calculations on returns and expenses, use a reasonable estimate of crop price at harvest," says Brook. "On the plus side, prices will not likely be as low as they were in 2006. At least this year, declining crop prices are being matched by reduction in some input prices."

Urea was selling for over \$1000/tonne in the fall and now is reported under \$500/tonne. If producers have storage available, this might be a good time to pick up some fertilizer for next year's crop as well. Pre-pricing inputs and even pre-selling part of the next year's crop are also good tools to reduce

the whole price risk of cropping.

"One of the best tools that can be used to get the maximum value from fertilizer dollars is the online calculator program AFFIRM," says Brook. "AFFIRM, available on Alberta Agriculture's website, generates fertilizer recommendations for various soils dependent on soil moisture conditions, the current crop, previous crop, soil test results and fertilizer budget. It allows producers to get the most from every fertilizer dollar.

"For a relatively quick and dirty cost-and-return estimate, the **Crop Enterprise Costs and Returns** calculator can be used. It allows a comparison of various crops for anticipated returns and actual crop costs can be included to help get an idea of anticipated returns from several alternatives."

A more in-depth tool is **Crop Choice\$**, which allows producers to input not only expected yields, costs and returns but also crop insurance costs, and growing and moisture conditions. Once a base plan has been typed in, it can be modified and used for what-if scenarios. The program generates probabilities regarding profitability and where the break even is. While it takes time to use this program, it generates a lot of useful information. Presenting a lender with this kind of information is most impressive and useful.

"As with all these tools, the accuracy and usefulness of the information it provides is only as good as the information that is put in," says Brook. "Using actual costs will give the best information to make informed, correct decision.

"Start the 2009 crop year right with informed, reasonable cropping decisions based on accurate, specific information for your farm. If you don't plan to get anywhere, that's where you'll end up."

The mentioned calculator tools are available on Alberta Agriculture's website at www.agriculture.alberta.ca by searching *Cost of Production*, or navigating through *Decision Making Tools* from the homepage.

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Children Need to Know About Agriculture

Many Grade Four students think chocolate milk comes from brown cows, and that eggs come from a carton. To help Alberta students understand the importance of agriculture and to dispel their misconceptions about where their food comes from, the Classroom Agriculture Program (CAP) needs agriculture volunteers.

"Last year, nearly 19,000 elementary students across Alberta registered for CAP," says Lindsey Metheral, education

coordinator, Alberta Beef Producers. “Endorsed by the Minister of Education and the Minister of Agriculture, CAP volunteers go directly into classrooms and talk to students about the farm.”

Since inception in 1985, the demand for this program continues to flourish; however, over the years there has been a decrease in the number of volunteers donating their time to speak with the children.

CAP volunteers are farmers, ranchers, agri-food experts, government members and individuals who have an agriculture background and experience. This network of volunteers delivers the program between March and June of each year.

Presentations are one hour and often include story-telling, hands-on props and fun activities.

CAP provides ideas and guidance to all volunteers. **Volunteers must register by February 1, 2009.**

One presentation takes about five hours, which includes training, preparation and the presentation.

CAP is a not-for-profit organization that relies on people who are dedicated to preserving and promoting agriculture.

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Competitiveness Analysis Report on Alberta's Dairy Supply Chain

The livestock sector in Alberta is in transition as it responds to increased labour costs, fluctuating currency exchange rates, increased feed grain costs, as well as a range of new costs relating to food safety and handling. The dairy industry in Alberta, while somewhat protected from some of the factors through supply management, is confronted by a range of different challenges. These include increased market penetration by imported dairy ingredients, prospective increases in domestic market access under a WTO-Doha agreement, and sluggish growth in domestic dairy product sales.

To gain a better understanding of these issues and to enhance sustainable growth of the Alberta dairy industry, Alberta Agriculture and Rural Development commissioned a report from the George Morris Centre (GMC) titled ***Cost Competitiveness Analysis of the Alberta Dairy Supply Chain***. Funding for the project was provided through Agricultural Policy Framework Renewal. The report was presented at the Alberta Milk Annual General Meeting on November 19, 2008, in Red Deer.

The objectives of the study were:

- to determine the cost competitiveness of the dairy farm segment in Alberta relative to competing regions
- to determine the cost competitiveness in dairy processing of Alberta relative to competing regions
- to assess Alberta cost competitiveness relative to specific changes in the pricing of the milk component “solid non fat” (SNF), and its impact on the utilization of all milk components (butter fat, SNF) and on milk revenues

To meet the study objectives, the following were undertaken:

- models of 250-cow and 500-cow dairy farm facilities were constructed – the models were replicated with input price data from Alberta and from competing regions
- models of processing facilities (a fluid bottling operation and a butter-powder plant) were developed – these included prices representing key inputs and the resulting costs compared across regions
- future milk pricing scenarios were developed – these served as a basis upon which to interpret production costs

“The findings of both the farm and processor analyses indicate that the Alberta dairy supply chain is in the lower cost range among competing jurisdictions,” says Richard Heikkila, senior economic analyst with Alberta Agriculture and Rural Development’s economics branch, Edmonton.

Alberta occupies the mid-low range of competing regions in milk production cost with average costs at the 500-cow scale of approximately \$0.55 per litre. Wisconsin had slightly lower production costs, but Alberta was the low-cost producer among western jurisdictions. Alberta had a comparative advantage in terms of low-cost feed and replacement heifers, however labour cost is a clear disadvantage that mitigated some advantages.

“With regard to milk products, Alberta was generally observed to be a relatively low-cost processor,” says Heikkila. “This was especially the case in fluid bottling, where high relative labour costs in Alberta were less of a disadvantage.”

The final section of the report addressed milk component pricing. The report concludes that component pricing could be adjusted within the supply management system to facilitate growth in dairy protein products.

The report is available on the Alberta Agriculture website at [www1.agric.gov.ab.ca/\\$department/deptdocs.nsf/all/econ12457](http://www1.agric.gov.ab.ca/$department/deptdocs.nsf/all/econ12457)

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Agri-News Briefs

Hort Snacks a New e-Newsletter

Hort Snacks is an informative monthly e-newsletter that provides timely and relevant information on various horticulture crops. This newsletter is authored and compiled by Rob Spencer, irrigated and specialty crop specialist with Alberta Agriculture and Rural Development, Stettler. Pertinent and timely information, notices regarding workshops and seminars, insect of the month and disease of the month are just a few of the regular features that will be included in the monthly e-newsletter. Producers and growers interested in receiving ***Hort Snacks*** free of charge can contact Spencer toll-free at 310-FARM (3276) or e-mail Robert.Spencer@gov.ab.ca.