



# Agri-News

May 4, 2009

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## Forestland As An Investment

From an investment prospective, forestland has two components – the land and the trees growing on it. These two elements cannot be separated, and there is no doubt that cutting down trees can affect the value of land.

“Investing in forestry has some distinctive characteristics unlike investing in agriculture or another business,” says Toso Bozic, woodlot specialist/agroforester with Alberta Agriculture and Rural Development, Edmonton. “The most important characteristic is the time-horizon for investment. From the initial investment, forestry requires between 20 to 60 years to generate any net returns. And while during this time only a small fraction of the cost can be recovered, the trees grow with little or no input, whatsoever.”

A mature grown forest can provide many valuable products that can be harvested. These products include: sawlogs for dimension lumber, high-value timber products (furniture-quality wood and veneer logs), wood fuel, wood for energy generation, wood for pulp and paper production, landscaping chips, wood shavings for animal bedding material, Christmas trees and some specialty forest products (decorative ferns, mushrooms, herbs and medicinal products).

“Many farmers and ranchers are now looking to woodlots as one way to diversify their farming operation,” says Bozic. “While woodlots provide an opportunity to enjoy the outdoors, the forestland is an investment, a timber source and a place for personal enjoyment.”

Woodlot landowners have considerable flexibility in managing how and when to sell their forest products. For example, when lumber prices are high, landowners can sell their logs for a premium but when prices are low, landowners can simply let trees grow and increase in value. Woodlot landowners also have an opportunity for wood value-adding and selling their lumber into the local farm community.

In the past 50 years, there has been a steady increase for the demand of wood and its products all over the world. At the same time, there is a decrease in the amount of land available to grow trees. As well as forest products, there are opportunities to invest in forestland for tourism, recreation, hunting and other environmental benefits such as carbon sequestration and environmental goods and services (EGS).

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“There are several potential investment opportunities,” says Bozic. “One unique long-term opportunity that can provide good return on investment, retain the value of the land and the timber on the land is called environmental goods and services (EGS). These EGS include one of the most important functions forests provide which is purifying drinking water for many communities. As society, we often overlook or don’t put a dollar value on the forest’s contribution to clean water in Canada.”

Studies show a correlation between water treatment costs and the amount of forest cover in watersheds. Once such study, published in the *American Water Works Association Magazine* (Opflow Vol. 30, No. 5 May 2004), surveyed 40 similar water treatment plants by describing their watershed, treatment system and treatment costs. This study found that the operating cost decreased as forest cover in watersheds increased, for every 10 per cent increase of forest cover, the overall treatment and chemical cost decreased by approximately 20 per cent.

Managed woodlots provide cleaner and more reliable water flow, the costs of treating water from forested riparian areas is much lower than treating water from waterways without tree cover. Land use changes such as deforestation affect water quality and quantity and thus lead to higher water treatment costs. But improving land use practices by protecting watersheds and planting more trees these functions can be maintained or improved. Water from forested watersheds contains less silt than water from areas without trees and remains cooler and more conducive to supporting a wide range of fish and aquatic wildlife.

There are already cases where EGS are working. Some major urban centres in North America – including New York City – have recognized the benefits of investing in afforestation of riparian areas, greatly reducing the costs of water treatment and enhancing the quality and quantity of water that reaches treatment plants.

Like any investment, forestland also carries risk. There are three types of risk associated with forest investment:

1. market fluctuation of wood and products
2. physical risk which includes things such as: fire, disease, insect infestation, and other natural disasters, as well as trading barriers and regulations
3. world wide market for EGS is currently not developed but that may change into future

“Each landowner needs to understand that a forest investment is a long-term investment, not just financially but also in the health and prosperity of future generations of landowners and Albertans,” says Bozic. “In the end, it becomes clear that a forest doesn’t only have an economic value, but also has social, religious, cultural and environmental values, and these are all long-term values.”

For more information on woodlots, forested land and their management, visit Alberta Agriculture and Rural Development’s website at [www.agriculture.alberta.ca](http://www.agriculture.alberta.ca) and search *Woodlot Management*.

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## **The Capacity to Communicate– Alberta 4-H’s Provincial Communications Competition**

The success of the Alberta 4-H communications’ program was exemplified by on April 4, 2009, when 14 senior-aged 4-H members arrived in Vermilion to talk, present and compete at the 33rd Annual Provincial Public Speaking Competition. The competition takes place during the annual Alberta 4-H’s Provincial Communications Competition.

The top two competitors from each of the seven regions delivered prepared speeches on the assigned theme of Today’s Youth. “All of the 14 speakers carried themselves with a degree of professionalism that would be the envy any seasoned speaker,” observed Cameron Horner, Alberta 4-H communications and marketing specialist. “These 4-H’ers could enter a boardroom today and not miss a beat.”

In a syncopated fashion, with prepared speeches alternating with impromptus, members were presented with three different current event-related topics, from which they crafted their impromptu speech. The impromptu subject matter ranged from oilseeds for bio-fuels to Canada’s *Young Offenders’ Act*, and members breezed through the topics unfazed.

“The composure of the competitors when they delivered their impromptu speeches was impressive, and the skills that members acquire by participating in 4-H’s public speaking program will help them to excel in their careers,” reported Robin Boschman, communications advisor for AltaLink and impromptu judge at the Provincial Communications Competition.

After the total of 28 speeches, the judge’s pencils came to a rest and the top three competitors were announced: Chris Loomis, member of Two Hills 4-H Beef and Multi Club, was awarded third place; Ted Andrew of the Dryland 4-H Multi Club took second; and, top honours went to Rosie Templeton, seven-year 4-H veteran and member of the Readymade 4-H Beef Club.

“It was an honour in itself to go to Provincials, and so winning was more than I could have imagined. It was definitely worth the six hour drive and countless hours of preparation,” explained Templeton, following the announcement of her winning the 2009 Alberta 4-H Provincial Public Speaking Competition. “As a 4-H member, I feel very lucky to have the

opportunity to compete in these events and improve my abilities as a speaker. I have been working towards an accomplishment like this over my entire 4-H career.”

In addition to being named public speaking champion, Templeton was also awarded the Grant A. Fletcher Memorial Award, which is given to the event’s top speaker. Templeton will go on to compete at the Canadian Young Speakers for Agriculture (CYSA) National Public Speaking Competition, which takes place in November in conjunction with Toronto’s Royal Agricultural Winter Fair.

The Alberta 4-H Provincial Communications competition is title sponsored by AltaLink, and is co-sponsored by Agrium and the Calgary Exhibition and Stampede.

**Note:** A photo of Rosie Templeton, the 2009 Alberta 4-H Provincial Public Speaking Competition winner can be downloaded from the Agri-News webpage at [www.agriculture.alberta.ca/agrinews](http://www.agriculture.alberta.ca/agrinews)

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## **Make It Safe, Make It Visible – Safe Transport of Farm Equipment in Alberta**

Farmers are gearing up for the very busy spring seeding season. Just in time for this busy part of the year, the Alberta Agriculture and Rural Development’s farm safety program has produced an updated version of **Make It Safe, Make It Visible**.

“During seeding, it’s often necessary for farmers to move their equipment from field to field, and that frequently entails moving slower farm machinery on public roads,” says Raelyn Peterson, farm safety coordinator with Alberta Agriculture and Rural Development, Grande Prairie. “Farmers are asked to keep a few important safety practices in mind before heading out on public roads. The **Make It Safe, Make It Visible** publication brings reminders of safety practices together in an easy to consult resource.”

The updated version is organized into two parts:

section 1 includes information on Safe Transport of Farm Equipment on Public Roads section 2 includes information on the *Traffic Safety Act*

“The publication covers hazards and things to watch out for when traveling on public roads as well as some prevention tips and measures farmers can take to ensure visibility and decrease accidents,” says Peterson. “The publication can help farmers identify farm equipment hazards on public roads, prevent these hazards by making farm equipment safe and visible, and understand and apply the regulations on highway transport of farm equipment as set out under the *Traffic Safety Act*.”

Copies of the publication are available by calling Alberta Agriculture and Rural Development’s Publications Office toll-free at 1-800-292-5697 or by visiting [www.agriculture.alberta.ca/publications](http://www.agriculture.alberta.ca/publications)

“According to the Canadian Agricultural Injury Surveillance program, 13 per cent of farm related fatalities across Canada are traffic related, and most of these involve tractors,” says Peterson. “Farmers often travel long distances between fields, and this requires them to travel on public roads throughout Alberta. Farm equipment is oversized and slow compared to other vehicles using the roads and this can result in collisions and other accidents.”

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## **Avoiding Traffic Collisions When Operating Farm Equipment**

To avoid traffic collisions between farm equipment and motorists, it is necessary to ensure that the farm equipment is clearly visible and follows all regulated requirements for lighting and signage.

Accidents involving farm equipment:

- the most frequent type of single-vehicle accident is a farm tractor being driven too close to the shoulder of the road and rolling into the ditch
- the most common type of multi-vehicle collision is a farm machine being hit as it is turning onto a public road from a farm road or another public road
- almost half of all collisions occur in the period of July to September, the peak harvest time

There are many potential hazards that farmers can run into when moving farm machinery and implements on Alberta’s public roads. Some of these hazards include:

- dust covered machinery causes poor visibility for the operator and for oncoming traffic
- dust covered signage and lighting makes farm machinery less visible to motorists
- inexperienced operators can make mistakes when they are not used to the limitations of equipment in terms of speed and manoeuvrability
- towing a heavy load too fast can lead to swaying and loss of control, resulting in a jack-knifed vehicle or an overturn
- extra riders on farm equipment are a distraction to the operator and are at risk of falling off the machinery and being injured or killed

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- soft shoulders increase the chance of a rollover when trying to make room for other vehicles to pass

Farmers can help prevent farm equipment accidents on public roads by focusing on three main areas:

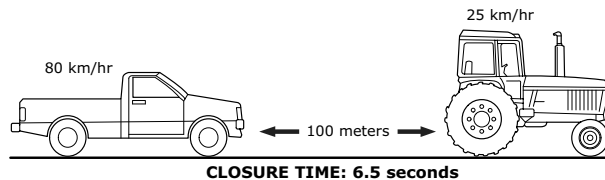
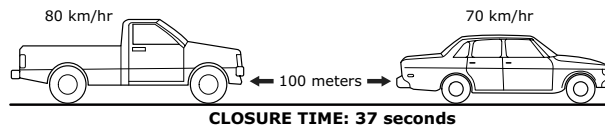
- **Make equipment safe and visible**
  - ensure equipment has the proper lighting and signage
  - ensure lighting and signage is free from dust and mud
  - slow moving vehicle signs should be properly mounted and not faded
  - be as visible as possible
- **Follow safe driving tips**
  - ensure new drivers have had proper training and that they are comfortable performing the task at hand
  - if new workers are ever unsure or uncomfortable, they should stop, ask questions and get help!
- **Drive defensively**
  - be alert and aware of surroundings and environment
  - check all tires for air pressure, cuts and bumps and tread wear
  - lock brake pedals together for highway travel - sudden braking on one wheel only at high speed could put the tractor into a dangerous skid
  - have a fire extinguisher and first aid kit on board
  - use safety chains and proper hitches when towing a load

“Being visible and knowing the limitations of your equipment is certainly half the safety battle,” says Raelyn Peterson, farm safety coordinator with Alberta Agriculture and Rural Development, Grande Prairie. “Knowing and doing, however, can be two different things. It is essential that farmers give themselves the time needed to drive safely and to keep their mind on driving safely and defensively.”

The *Traffic Safety Act* provides general information and clarification of the laws that apply to farm vehicles and equipment in Alberta, including information on tractors, towed farm implements and self-propelled implements. The updated version of Alberta Agriculture and Rural Development’s ***Make It Safe, Make It Visible*** includes information on daytime and nighttime travel.

“A safety message to Alberta motorists is that they must do their part by being vigilant and watching for farm equipment on the roads, especially during peak farming seasons in the spring and fall,” says Peterson. “Differences in speed between farm machinery and other traffic can result in rear-end collisions. Motorists often miscalculate the rate at which they are approaching farm equipment.”

Drivers of motor vehicles may catch up to the farm equipment sooner than expected. With slow-moving equipment, the reaction time is so small that quick decisions must be made to avoid a rear-end collision. This diagram shows the difference in reaction times for approaching another motor vehicle and approaching slow-moving farm equipment.



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## AFSC Boost Loan Capital for Farmers and Businesses

Agricultural producers, agribusinesses and commercial enterprises will now have access to an increased, stable source of capital through Agriculture Financial Services Corporation (AFSC).

The maximum loan or guarantee provided by AFSC to any individual or entity has increased to a cumulative total of \$5 million, up from \$2 million. Significantly larger project limits of up to \$25 million will allow AFSC to assist with larger agricultural and other eligible projects. The former limit was \$10 million.

AFSC lending programs provide access to long-term, fixed rate financing with flexible repayment options for all eligible farmers and commercial businesses, in addition to prepayment privileges without penalty. The option for 20-year fixed-rate financing is unique to AFSC, and interest rates are competitive.

These changes, reflecting Premier Ed Stelmach’s mandate to provide better access to capital for Alberta’s farmers, are effective as of April 1, 2009.

“This is another tool our Alberta producers and business owners can use to help establish, grow or sustain their operations,” said George Groeneveld, Minister of Agriculture and Rural Development. “During these uncertain times, it is important that Alberta’s agribusinesses and producers continue to have access to the capital they require in order to continue being innovative and industry leaders in Canada.”

AFSC provides lending and business risk management products and services in 50 offices throughout Alberta.

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## Alberta 4-H 2009 Summer Calendar

4-H members and leaders around the province are a busy bunch. The following is a list of some of the 4-H events and activities being held this summer.

- **Provincial 4-H Selections** – May 1 to 4, Olds College, Olds – enhances the skills, confidence and leadership of senior-aged 4-H members. Selections offers more than 50 members a spot on one of 11 different award trips in Canada and the U.S. Fourteen delegates are chosen to become Alberta 4-H Ambassadors, with one of those fourteen being named the Premier's Award winner, Alberta 4-H's most prestigious award.
- **Trees for My Community** – May 22 to June 1 – this province-wide initiative has 4-H members adding a little green to their surrounding community. The event is organized through the individual 4-H branches. The planting happens in May and June.
- **Provincial Equine Advisory Committee (PEAC) meeting** – June 3, Stettler – a voluntary advisory committee that shares in the responsibility of developing a comprehensive communication system regarding 4-H equine projects in Alberta. It is the committee's objective to stay current on equine industry issues and communicate facts about these issues to 4-H members and leaders, as well as to represent 4-H's position to the Alberta Equine Industry.
- **Beef Advisory Committee (BAC) meeting** – June 23, Stettler – a voluntary advisory committee that shares in the responsibility of developing a comprehensive communication system regarding 4-H beef projects in Alberta. It is the committee's objective to stay current on issues within the beef industry and to communicate facts about these issues to 4-H members and leaders, as well as to represent 4-H's position to the Alberta Beef Industry.
- **World Professional Chuckwagon Association (WPCA) Mentorship Opportunity** – July 1 to August 15 – members travel throughout the province, observing, shadowing and learning from the professionals in this fast-paced, high intensity sport. Alberta 4-H's WPCA mentorship program is sponsored by EnCana.
- **Key Member Training Program** – August 21 to 23, Lakeland College, Vermilion – for members, ages 15 to 20. The program verses delegates in the ways of proficient communication, dynamic programming and workshop planning, effective leadership and successful time management. Key members are chosen via an application process, through their district council.
- **Beef Heifer Show** – July 6 to 8, Olds Agricultural Society Grounds – this provincial competition focuses on first time attendees and hands-on learning. The Provincial Beef Heifer Show is a three-day event filled with clipping, conformation

and showmanship classes, as well as a "You're Hired" competition for senior-aged members.

- **Dairy Show** – July 15 to 17, Westerner Park, Red Deer – the event is held over three days. Competitors are presented with a number of ways to let their talent shine with dairy quizzes, print marketing competitions and record book evaluations, clipping classes and show ring judging and a daylong confirmation competition.
- **Horse Classic** – July 29 to 31, Olds College, Olds – the Horse Classic is three action-packed days where members from across the province get together to compare their horse knowledge, attend horse clinics, compete for event prizes and enjoy social activities.
- **Alberta 4-H Provincial Summer Livestock Shows** – there are numerous livestock shows being held throughout the province this summer. For a complete list and further details on 4-H's summer livestock shows, visit the 4-H website at [www.4h.ab.ca](http://www.4h.ab.ca)
- **Judging Competition** – August 7 to 9, Lakeland College, Vermilion – this is a tough competition with a high calibre of competitors who have all had to qualify to be eligible to participate. Delegates must analyze, compare and place the 11 livestock classes and then recite their reasons to an official judge. Four award trips are given out at Provincial 4-H Judging based on total point accumulation

Some additional 4-H camp events include:

- Leadership Through Counselling Seminar (LTCS) – June 29 to July 3, Alberta 4-H Centre
- Combined Camp 1 (4-H members, ages 10 to 13) – July 3 to July 8, Alberta 4-H Centre
- Junior Camp (4-H members, ages 9 to 11) – July 8 to 12, Alberta 4-H Centre
- Combined Camp 2 (4-H members, ages 10 to 13) – July 13 to 17, Alberta 4-H Centre
- People Developing People (PDP) (4-H members, ages 13 to 15) – July 19 to 24, Alberta 4-H Centre
- Club Week (4-H members, 15 years and older, as of January 1, 2009) – July 21 to 26, Olds College, Olds
- People Developing People II (4-H members, ages 13 to 15) – July 26 to July 31, Alberta 4-H Centre
- Intermediate Camp (ages 12 to 14) – August 3 to 8, Alberta 4-H Centre
- Combined Camp (4-H members, ages 10 to 13) – August 10 to 14, Alberta 4-H Centre
- People Developing People Plus (4-H members, 14 to 16 years) – August 16 to 21, Alberta 4-H Centre

For further details on 4-H's summer programs, visit the 4-H website at [www.4h.ab.ca](http://www.4h.ab.ca)

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## **Agri-News Briefs**

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### **Summer Solstice Super Market**

All Peace Country markets are invited to participate in the Grande Prairie Farmers' Market's Summer Solstice Super Market. The event is a great way to kick-off the summer market season and is being held on June 20, 2009 from 10:00 a.m. until 4:00 p.m. Vendor table rates are \$25 per 8' table, and vendors are asked to bring their own tent. For vendor registration, call Susan at 780-814-8224. Whether you are a vendor or a consumer, the Grande Prairie Farmers' Market Summer Solstice Super Market is an event not to be missed.

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### **ABP Semi-Annual General Meeting**

The 35<sup>th</sup> Alberta Beef Producers Semi-Annual General Meeting is being held in Edmonton on June 8 to 10, 2009. As well as the Board of Directors' meeting and the call for nominations for directors, the agenda includes reports from the Canadian Cattlemen's Association, the Canadian Beef Export Federation, the Beef Information Centre and CanFax. For further information or to register for the event, contact Rosanne Allen at 403-451-1174 in Calgary or e-mail [rosannea@albertabeef.org](mailto:rosannea@albertabeef.org)

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### **Measure Up For Success 2009 – the Lean Conference**

Interested in learning more about lean thinking - reducing waste, increasing productivity, saving money, time and creating a better customer experience? If you are, you'll want to attend the lean conference **Measure Up For Success 2009** being held in Calgary on June 1 to 4, 2009. The event is organized by Canadian Manufacturers & Exporters (CME) in conjunction with the Association for Manufacturing Excellence. For more information or to register, contact Cherril at 780-422-2004 or [cherril.guennewig@gov.ab.ca](mailto:cherril.guennewig@gov.ab.ca)