

Report prepared for Peace River Agricultural Development Fund

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The objectives of the Research Committee are that members attend the Prairie Registration Recommending Committee for Grain (PRRCG) meeting, to have input into grain research and varieties grown in the grain industry of Western Canada, as well as have input in the directing of funds from the Western Grain Research Foundation administration of Wheat & Barley check off, to pertinent grain research. Also this committee directs local grain research into varieties and new crop developments which are beneficial to the area.

Committees activities and accomplishments:

Local Research

- Multiple meetings and conference calls to assist with Management of Research & Variety Trials operating
- Research Consultations with various companies, breeders & research stations to set up contract work for 2003 season.
- Involvement of committee members in which varieties to test and new crop developments
- Consulting with industry on new tests of crops for chemicals, fertilizers & woodwaste

Prairie Registration Recommending Committee

3 members (Maurice Fines, Gordon Hill & Bruce Baxter) and Research Manager attended the three day PRRCG meetings in Edmonton in February. Topics at the meeting were:

- change the mandate of the PRRCG –
- CFIA expectations equality in voting,
- recognition of crop species, follow testing recommendations protocols
- changing voting system
- Seed treatment for testplots (Raxil is preferred treatment, all coop entries to be treated)
- Registration of Candidate cultivars

Western Grain Research Foundation

- BCGPA committee chair Maurice Fines is an elected representative on the Western Grain Research Foundation 17 member group of various associations to administer funds for Research into wheat & barley.

Tasks in progress:

- Gathering information on new varieties and new breeding programs
- Contributing to recommendations for registration of wheat, barley and pulse varieties across Canada.
- Continue to assist manager in decision making processes in regards to operating of Research testing
- Working towards relocation of warehouse and assessing various equipment needs
- Attend Barley Symposium in Red Deer June 19 & 20

Extension and demonstration:

- Field Crop Variety Performance 2002 books compiled/ distributed (500 copies).
- Early release of canola data through e-mails to interested farmers
- Web posting of Research & Variety Trials data
- Articles in Peace Prospect page of Northern Horizon
- Display booth at Annual General meeting of BC Grain Producers
- Advertising through signage on plots and invite to self guided tours
- Western Grain Research Annual Industry Report pamphlet distributed to farmers at AGM

Finances:

| | Budget: | Actual: |
|----------|----------------|----------------|
| Income | \$7,647.00 | \$ 5,105.51 |
| Expenses | \$7,647.00 | \$ 5,105.51 |

Variances from original work plan, schedule or budget: none

Summary comments, conclusions:

Attending these key meetings is critical for the success and reputation of our research program, the Research Committee continues to have a presence at the table where decisions are made that affect the future of our industry.

Attachments: detailed financial research project and "in Kind" summary attached
Western Grain Research Foundation Industry report Winter 2003

PRRCG 2003 Annual Meeting

February 23 - 25 Edmonton AB

Barley and Oat Agronomy Team

A motion to change the mandate of the PRRCG was presented and voted ←
on by each committee. The motion was defeated.

CFIA expectations:

- equality in voting
- recognition of crop species
- follow testing and recommendation protocols

Discussion on changing voting system:

- weighted system 1/3 to each committee regardless of no. of members

Discussion on seed treatment for test plots:

- Raxil is preferred treatment
- all coop entries to be treated

Consideration of Candidate Cultivars:

| | |
|---------|--------|
| OT394 | |
| OT560 | failed |
| HB364 | |
| HB373 | |
| TR710 | |
| TRO1656 | |
| TRO1656 | failed |
| TRO1998 | failed |
| TRO1999 | failed |
| BT562 | |

Note: BT652 is a potential replacement for Lacombe

A Barley Symposium will be held June 19 & 20 in Red Deer. Jim Helm is the contact.

Submitted by G. Hill

Investor's Report to members of Western Grains Research Foundation

A business report on funding activity and progress to the 17 member organizations of WGRF.

New farmer-funded wheat and barley varieties are in the field and farmers own a piece of the genetics.

This is the result of producers' investment in breeding research through the Wheat and Barley Check-off Fund, administered by Western Grains Research Foundation (WGRF).

Through the Check-off Fund and the Endowment Fund, which supports complementary research, the investment of producers has made a dramatic impact on research in Western Canada, part of a growing trend of farmer-funded research around the world.

The new cereal varieties are the most obvious payoff. They feature everything from higher yield potential to disease resistance and quality gains, and the bulk of these

varieties are only now beginning to emerge from the breeding pipeline. But the full impact is much greater. Farmers now have a major equity stake in the genetics of their crops and have become key players in Canada's research effort.



Maurice Fines of Fort St. John, British Columbia, represents the B.C. Grain Producers Association on the Board of Western Grains Research Foundation.

Seventeen diverse member organizations across Western Canada – from B.C.'s Peace River Region to the eastern prairie of southern Manitoba – are represented on the producer Board of WGRF. This special *Industry Report* is an update to those organizations, and the producer research investors they represent, on WGRF research funding activity and progress this past year. More information is available on the regularly updated WGRF Web site, www.westerngrains.com, or directly from Board representatives and the Foundation office. Feedback is welcome any time.

Wheat breeding highlights

The Wheat Check-off Fund is set at \$0.20/tonne, deducted only from Canadian Wheat Board final payments to producers. It is allocated to breeding programs for a range of wheat classes, with about 30 percent invested in hard spring wheat and 20 percent in amber durum. The remaining funds are invested in Prairie spring, winter, extra strong and soft white wheat programs. Since the Wheat Check-off began in 1993/94, it has supported in part the development of more than 25 new varieties.

Breeding is a long-term process, with new varieties usually taking seven to 12 years to reach farmers. However, there is already significant progress from farmer funding, including:

- Yield boosts of 10 to 20 percent
- New hard white wheats and extra-strong durums



New barley lines. Barley breeders and WGRF producer Board members inspect new barley lines supported by WGRF farmer funding.

- Improved resistance to wheat midge and the wheat stem sawfly
- Higher and more tailored quality for a range of markets
- Specialized agronomics for a wide range of soil and climate zones
- Wheat nursery to screen lines for Fusarium Head Blight resistance

Barley breeding highlights

The Barley Check-off Fund is deducted at \$0.40/tonne from CWB final payments to producers in Saskatchewan and Manitoba. In Alberta, the Alberta Barley Commission administers its own check-off.

As in wheat, breeding barley is a long-term effort, but the Barley Check-off has already supported in part the development of over 15 barley varieties. Some of the key progress includes:

- New malt varieties to succeed king Harrington
- Dramatic gains in disease resistance and agronomic performance
- Hullless barley with major yield and threshability improvements
- Feed types with nutrition tailored to modern livestock production
- 10 to 15 percent higher yields
- New nursery to screen barley breeding lines for Fusarium Head Blight resistance



Endowment Fund progress

The Endowment Fund began in 1983 from \$9 million in producer money turned over by the Federal Government from the discontinued Prairie Farm Assistance Act, a forerunner of today's crop insurance program. Each year, WGRF allocates the Fund's annual interest to crop research projects that directly benefit the western grain industry.

In today's world of mega research funds, it's a relatively small funding source, but its long-term production is remarkable – over \$17.5 million in support to nearly 200 crop research projects since it began. The Fund fills an important niche, often supporting research that wouldn't otherwise receive adequate funding. At its peak, the Endowment Fund generated approximately \$1 million annually, but lower interest rates have cut that capacity significantly in recent years. The Foundation will continue to monitor interest rate fluctuations and forecasts to guide fund management and allocation decisions.

Key Foundation activity

Tax credit now available for producer Check-off investment. A major development in research support is that western Canadian farmers can now take advantage of a federal tax credit program for their annual investment in the Check-off Funds. The federal government announced that producers can now receive the Scientific Research and Experimental Development (SR&ED) tax credit, which has been available to other industries that invest in research and development. Details on claiming the tax credit are available on the WGRF Web site or by contacting the Foundation office.

Royalties received, funneled back to research. The first plant breeding royalties from new wheat and barley varieties developed with farmer funding have started to stream back to the Foundation. This signals the major equity stake farmers are gaining in the genetics of wheat and barley through their Check-off Fund investment. Roughly five percent of the price of pedigreed seed goes to the research institution that developed the variety. Under funding agreements with research institutions, one-quarter to one-third of plant breeding royalties come back to the Foundation. The total collected since 1998 is over \$360,000. Currently, royalties are re-invested into specific projects in the breeding programs that developed the varieties.

Change to Check-off opt-out deadline. The deadline to opt-out of (not support) the Wheat and Barley Check-off Funds has changed to August 31, to allow the Canadian Wheat Board to give farmers earlier final payments. The August 31 opt-out deadline will remain in effect for future years, and does not affect any other component of the Check-off or the opt-out mechanism.

New breeding agreements approaching. The Wheat Check-off and Barley Check-off Funds are currently allocated to breeding institutions based on 10-year funding agreements. But these agreements, which outline everything from the percentage of the Check-off an institution receives to breeding targets and accountability measures, expire at the end of 2004. The Foundation has started the process of developing new funding agreements, to begin in 2005, with all components of the first agreements open to review and potential change.

Reports and activity updates for producers

Extensive wheat and barley information. The Foundation has developed arguably the most extensive overview of information on wheat and barley breeding in Western Canada. Anchored on the WGRF Web site, www.westerngrains.com, it includes sections on who's doing what in research, class-by-class snapshots of breeding progress and details on new varieties. It's just one part of an effort to provide updates on activity and deliver information to help producers make decisions on their research investment.

New 2003 Wheat Breeding Report: "Canada in the Big Picture." This in-depth, easy-to-read report on wheat breeding in Western Canada covers all the key progress, trends and issues heading into the new year. It's available free-of-charge to western producers.

New 2003 Barley Breeding Report. From the big world of barley to key breeding developments that will affect grower incomes down the road, this report gives producers a broad overview of where barley breeding is taking the crop. It focuses on what's in the breeding pipeline, key trends and issues, and provides an inside look at how Western Canada develops barley varieties.

2002 PRRCG Report. Delivered from inside the Prairie Registration Recommending Committee for Grain (PRRCG) annual meeting in Winnipeg. Highlights of the key developments and a preview of the top crop lines recommended for registration. Includes feature sections on the latest wheat and barley lines.

More information, any time

All the latest WGRF news and information is available anytime on the WGRF Web site, www.westerngrains.com, including the WGRF Annual Report and the WGRF-sponsored special reports highlighted above. Check the site in the coming months for updated sections on the wheat and barley breeding network.

Most important, the Foundation welcomes comments and questions from members and producers. Contact Foundation Board members, visit the Web site or contact the Foundation office directly.



For more information: Western Grains Research Foundation can be contacted through the Web site or by contacting the Foundation office directly.



**Western
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