

# WILD ROSE NEWS

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## Wild Rose Agricultural Producers' Submission on The Review of the Grain Handling and Transportation System

*"that every consideration possible be given to ensure  
that all producers receive reasonable access to grain  
handling and transportation systems"*

### Synopsis

Over the course of the last six months, an increasing amount of attention has been placed, and rightfully so, on the grain handling and transportation system in Western Canada. Interested parties have compiled lengthy dissertations outlining methods designed to make improvements to the system, primarily focussing on addressing individual or corporate needs. While this proves to be an effective method in gathering a myriad of ideas to offer solutions to the problems surrounding grain transportation, it does pose for an amazing variation of opinions on who, and how, people will be affected.

Since the release of the **Phase One Report**, the Canadian Transportation Agency has heard the case involving the level of service complaint brought forward by the Canadian Wheat Board against CN and CPR. While CN made an out of court agreement, CP continued on with their case and we wait for a decision expected near the end of September. While others have viewed this process as an impediment to an affective study of the grain handling and transportation system, Wild Rose has maintained that it was an important step in addressing complications in the system. To the credit of both CN and the Canadian Wheat Board, an out of court agreement served as a stepping stone in the effective negotiations between, not only important participants in the grain handling system, but as integral components in the delivery of producers' grain to market.

We believe that noticeable improvements to the systems operation were made, and although they may only be temporary, they do

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**It would seem essential the caps remain in place until such time as there is a truly competitive industry in the transportation sector.**

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serve as an example of how better cooperation results in more streamlined operations.

Wild Rose Agricultural Producers believe that it is the producer who should have an overriding voice in how the system should work since it is his product being marketed. As the Phase One Report pointed out “**all the costs incurred between seeding of the crop and the delivery of the product to the end user are borne by the farmer.**”

The grain handling and transportation system is not a typical business enterprise. In a so-called normal business environment, business adjusts to producer's needs in order to assure market share and stability. In this case, however, it is the producer who must make adjustments as the transportation and grain handling businesses justify financial growth through limited access and more focussed service. Because the transportation system is very monopolistic in both its service and its operation, one of the few methods that producers have in influencing the financial picture of their input costs is through freight rate caps. **It would seem essential the caps remain in place until such time as there is a truly competitive industry in the transportation sector.**

Elevator rationalization and rail line abandonment continue to impact the agricultural community, quite often in a negative fashion. A producer's ability to market his grain is becoming far more dependent on where he lives. As railways and elevators disappear across the Canadian prairie, a number of economic and social concerns arise in rural communities whose services have disappeared. Rural roads become more heavily used resulting in greater maintenance costs. **These costs, to a great extent, must be paid by farmers through rural property taxes.** Primary and secondary highways are also deteriorating at a more rapid pace resulting in more financial contributions from federal and provincial coffers.

Wild Rose believes that elevator rationalization and rail abandonment has a dramatic impact on the social fabric of rural Albertans. It affects schools, businesses, churches, and ultimately impacts a way of life. This is not to say that change is bad, or for that matter, unnecessary, but it does point out the important ramifications that may occur as a result of any recommenda-

tions that are put forward.

In communities no longer being offered rail or grain services, small businesses suffer and often fold. The disappearance of the local elevators from many small towns has caused a significant decline in property tax revenue. This, combined with declining commercial tax revenue, has dramatically affected the ability of many rural communities to continue to offer the services they have in the past. Good jobs formerly held by grain company officials or rail way employees disappear so people are forced to move away to seek employment. Schools are affected as young families move away.

One of the important principles that must be maintained to the greatest extent possible is that of equality. Land remains one of Alberta's greatest assets and the effective use of that land is paramount in Alberta's economic future. In government's haste towards open markets and value-added production, they have eliminated a great deal of the infrastructure that traditionally supported grain producers. Adaptations have been made to compensate, yet input costs continue to rise, commodity prices continue to be flat and the location of your farm has now become a more important component of profitability. Wild Rose certainly understands that modifications must be made, but strongly urges **that every consideration possible be given to ensure that all producers receive reasonable access to grain handling and transportation systems.**

After considerable discussion and recognition of the need for change, Wild Rose has concluded that the best possible method of grain handling and transportation is a zone-based car allocation system. We believe that elevator rationalization and rail line abandonment is an inevitable result of today's business climate. Unit trains sent to various zones will help to ensure more efficient and faster loading at port. If sufficient information is disseminated to the CWB, it will also provide producers the opportunity to market large amounts of grain at one time. Hopefully, it can result in preferential blending at the elevator to assist in offsetting additional transportation costs that may occur as a result of distance from the elevator.

## Wild Rose Submission – cont'd

Within the zone based car allocation system, there should be a type of contract that provides for a series of incentives and penalties for all those involved in the system. These parties should include the producer, the Canadian Wheat Board, grain companies, railways, port handlers and any others involved in the network. The contracts should specifically outline the responsibilities of those involved as well as all the incentives and penalties that may be applied. Of equal importance, however, is to **ensure that the producer does not get penalized for the failure of one component to perform**. As stated in the Phase One Report, the producer presently pays for weather delays, work stoppages, general labour disputes, and any other unforeseen circumstances that impact the timely delivery of grain.

Perhaps the most controversial component in the grain marketing system is the involvement of the Canadian Wheat Board. **We believe it is important to keep the role of the CWB separate from the politics that surround the issue of its function**. It must be noted, however, that with the election of directors to the CWB there is a strong possibility that significant changes will occur in the next few years that may have dramatic implications on the present system.

As an underlying philosophy of this organization, we believe that producers should democratically decide how their grain is marketed. Presently, the CWB has, and continues to fulfill the mandate it was given by producers. Certainly changes are forthcoming, but **producers and not governments** should introduce those changes. A zone car based allocation system still allows the CWB the flexibility to effectively market producer's grain for export. By restricting the CWB to a port position only, it effectively neuters the CWB and usurps the newly passed Bill C-4, An Act to Amend the Canadian Wheat Board Act. Wild Rose believes that significantly altering the mandate of the Canadian Wheat Board should not be given any serious consideration given the current status of the legislative function of the CWB.

Business Card

Pennock Acheson Nielson Devaney

The present non-competitive nature of the system does not provide for any effective way for producers to share in any improvements made to the system. In any discussion for change, the manner in which the producer can benefit needs to be given paramount consideration.

One area where governments should focus on is in providing the proper economic climate for abandoned rail lines to be purchased and operated. Whether this means monitoring the lines for sufficient traffic or facilitating reasonable purchase terms, it does seem like one area where detrimental impacts on the producer could be significantly reduced. Competitive short lines may also lead to the slowing down of elevator rationalization which again could benefit both the producer and rural communities in general.

After the debacle of the grain transportation system in the winter of 1996, there has been a recognition that change is necessary. Certainly, progress is essential to compete effectively in the international marketplace. No one has a greater interest in the system than grain producers. Apparently, improvements in efficiency must take place at the expense of equality in the delivery of services to producers. It is unfortunate that governments fail to recognize the dramatic implication this will have on rural communities. The trend to larger, more centralized farms will no doubt continue, but it should not have to occur at the expense of the smaller operator. The task is daunting, but recommendations to improve the system will have far-reaching effects on the agricultural community in general.

**Many thanks to the members of the Edberg Unifarm Local for their recent Donation to Wild Rose Agricultural Producers. Your contribution is most certainly deeply appreciated.**

# PRESIDENT'S REPORT

## *Greetings once again fellow producers.*

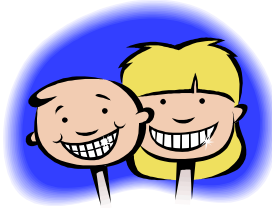
**I**t was a special and interesting summer for the Holt family. Our oldest son Stephen got married August 8<sup>th</sup>. He and his new bride Danielle, are living on the dairy farm and looking after regular chores, while Monica and I are enjoying the new home we built on an adjacent quarter.

It certainly has been another interesting and stressful year for crop production. Here in the Bashaw area we squeaked through another year with minimal rainfall, but survived because it fell at optimum time of crop development. Marketing this year's crop and having enough money to pay next year's input costs may prove to be almost as stressful as growing it. If you already detect a little pessimism in my outlook, you will see why when you read the price forecasts for wheat and barley elsewhere in this issue.

After a relatively quiet summer on the meeting circuit, activity is picking up as organizations catch up on business that can only be done with farmers' input. Regional Directors made the decision at the Summer Council meeting in Westlock not to seek out or support candidates for the upcoming CWB elections. We will, however, organize forums so producers can make informed decisions when they vote. Regional Directors are now busily organizing these forums.

I attended a very interesting, and, I think, productive meeting with Justice Willard Estey in Calgary, Sep-

tember 15. Much to my surprise, when I arrived at the meeting room at the designated time, I was the only one invited to provide input for the afternoon. It seems Mr. Estey has been bombarded with mountains of technical information on his grain transportation study, and he wanted to get grassroots information from an organization whose members are most affected of all the parties he met with. He was very interested in my thoughts on how rural Canadians are and will be affected by the rationalization going on in elevators and rail



lines. I think the 2 ½ hours we spent together were very productive.

September 24 we attended a meeting at the office of the Canadian Grain Commission to provide input as to how they can trim approximately 15 M from their budget. Seven farm organizations and two elevator association representatives from Western Canada spent the day learning more about the CGC and providing advice.

The CGC was formerly a direct arm of Government until 5 years ago when the direct ties were cut. They must now balance their budget, with 89 percent of revenue derived from

fee for services. Only 6.5 M of their budget of approximately 85 M comes from Ottawa. The CGC had a 24 percent volume decrease last year due to lower grain exports. This of course affected their income dramatically.

Although all meeting participants strongly recommended going to government for help, we all recognize (given the Liberal Government non-commitment to Agriculture) this may be a slim hope. I think higher user fees will be the result. When this is combined with low commodity prices it puts more pressure on already cash strapped farmers. Your Board of Directors will be providing more input in the near future, probably in the form of surveys developed through the CGC.

Some Regional Directors have set the dates for their fall meetings. As always, I will try to attend as many of these as possible. I look forward to seeing as many of you as possible, and having an opportunity to discuss the issues with you in more detail.

*Regards,*

*Alan Holt*

# WHAT SEED ROYALTIES MEAN FOR FARMER-FUNDED RESEARCH

## What is the role of seed royalties?

**W**ith more farmers buying Certified seed to take advantage of new variety hybrids and other technology, that is becoming a common question.

Anytime a cost is added to seed price it can become a contentious issue, and royalties are no exception, says Keith Degenhardt, Wild Rose member on the Board of Western Grains Research Foundation. As one of Western Canada's largest supporters of crop research, with 18 member agricultural organizations and around \$5 million in annual research funding, the Foundation is a good barometer of farmer concerns about royalties.

The real danger with royalty concerns, as the Foundation sees it, is that they have potential to give research a negative image and affect farmer support for important crop development work, says Degenhardt. To keep competitive globally the industry needs a continuous stream of improved varieties, along with related research into areas such as sustainability and agronomics.

Part of the Foundation's role in encouraging support for research is to help explain the issues behind it to their member organizations, he says. The following overview of royalties is from the Foundation's regular *Industry Report* newsletter. It looks at the role of royalties and what that means for farmer-funded research.

### How royalties are structured

When you buy a compact disc, a small percentage of the sale price goes the songwriter. When you buy a book, a portion goes to the author. The principle is the same with royalties on Certified seed, says barley breeder Dr. Bryan Harvey of the University of Saskatchewan's Crop Development Centre.

"Basically, royalties are payments to the owner of an intellectual property right for the use of that right," he says. "That applies to things such as copyrights, patents and plant breeders' rights."

When a plant breeding institution sells the rights of a variety it developed, it negotiates a royalty rate into its contract, says Harvey. The rate differs with each variety and situation, but most royalties on cereal seed are between five and 10 percent.

With public breeding institutions, the royalty rate is a secondary priority in negotiations to finding a buyer with the best business

plan for making the new variety available to farmers. Plant breeders' royalties are only collected on Certified seed. The royalty is included in the seed price, collected by the distributor, and funneled back to the owner of the variety.

### What they contribute to seed cost

As an Avonlea, Sask., farmer, former Director of the Canadian Seed Growers Association and one of seven founding members of Value Added Seeds, Ron Watson knows the costs that go into the price of Certified seed. He says there are many components involved and producers may not be aware of how little actually trickles down to research.

"There is a tendency for farmers to think that a large chunk of the price they pay for seed goes to plant breeders' fees, but it's a very small amount," he explains. What are commonly referred to as research royalties are actually a combination of three things: research royalties, seed company levies and grower mark-ups.

**Research royalty.** The plant breeders royalty that goes back to wheat and barley breeding institutions, which originally did the work, is negotiated separately for each variety, but generally makes up around five percent of the price of Certified seed.

**Seed company levy.** Another component of seed price is the levy that seed companies use to generate their returns. Many cost recovery factors from licensing, marketing and distributing the variety contribute to that levy.

**Grower mark-up.** The remainder of seed price is determined by individual growers, who must consider the hard costs they incur producing and promoting seed, the added value of their labor and management, and the market value of their commodity. As with royalties to research, most of the margin for seed growers goes to cover cost. It's important to remember that it often takes around three years of seed multiplication and associated costs before a new variety is sold commercially, and those costs have gone up significantly as the federal government has withdrawn its subsidizing of regulatory and testing costs.

### What role they play in research

Wheat and barley research royalties are a significant cost recovery mechanism, but they are not meant to pay the total costs of crop development, says Dr. Jim Bole, Director of the Cereal

*(Continued on page 6)*



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Research Centre (CRC) in Winnipeg. Wheat and barley breeding in Western Canada is done almost exclusively at public research institutions with government funds covering at least 80 percent of total costs annually.

At the CRC, Agriculture and Agri-Food Canada's major Centre for cereal development, seed royalties typically pay less than 10 percent of the cost of running a breeding program, he says. That doesn't exactly make cereal development a lucrative business.

"A private company would have a great deal of trouble making a profit based on the cost recovery of the current royalty system," he explains. "By far, we rely on our 'A-base' or government funding, and the farmer check-off is also playing a significant role."

The reality is that cereal development is heavily subsidized by government dollars, say researchers, and farmers would likely be shocked if the full amount of cost recovery was deferred to them in the price of seed.



### What they mean for farmer-funded research

The limited role of royalties and the current era of research funding challenges clearly reaffirms the importance of Western Grains Research Foundation's Wheat and Barley Check-off, says Allen Oberg, a Forestburg, Alta., producer and Chair of the Foundation.

Since its inception in 1993/94, the Check-off has helped deliver the benefits of new crop technology to producers in Western Canada, and has had a major impact on the region's crop development effort.

By collecting over \$4 million annually, the Check-off contributes around 20 percent to the total cost of cereal breeding in Western Canada. Since the funds are targeted directly at research work, they have doubled wheat and barley development research on the prairies.

With that strong support, it may seem unfair for farmers to also pay seed royalties, says Oberg. But the fact is, farmer funding through the Check-off was not set up until after plant breeders rights and the royalty system were in place. The Check-off is a completely different system operated by farmers that exists to serve farmers.

The bottom line is if royalties alone paid for enough research farmers wouldn't need the Check-off, he says.

It was organized by farmers specifically to fund the extra research they need to get improved varieties into fields and keep up with competitors such as Australia and the United States.

But though the issue of "paying on both ends" through royalties and the Check-off has been largely out of the Foundation's hands, part of its role is to represent producer concerns to the research community, he says. For now, the Foundation has negotiated with research institutions so that a percentage of royalty revenue is returned to WGRF. That gives producers better control of where royalties should best go to meet the goals of farmer funded research.

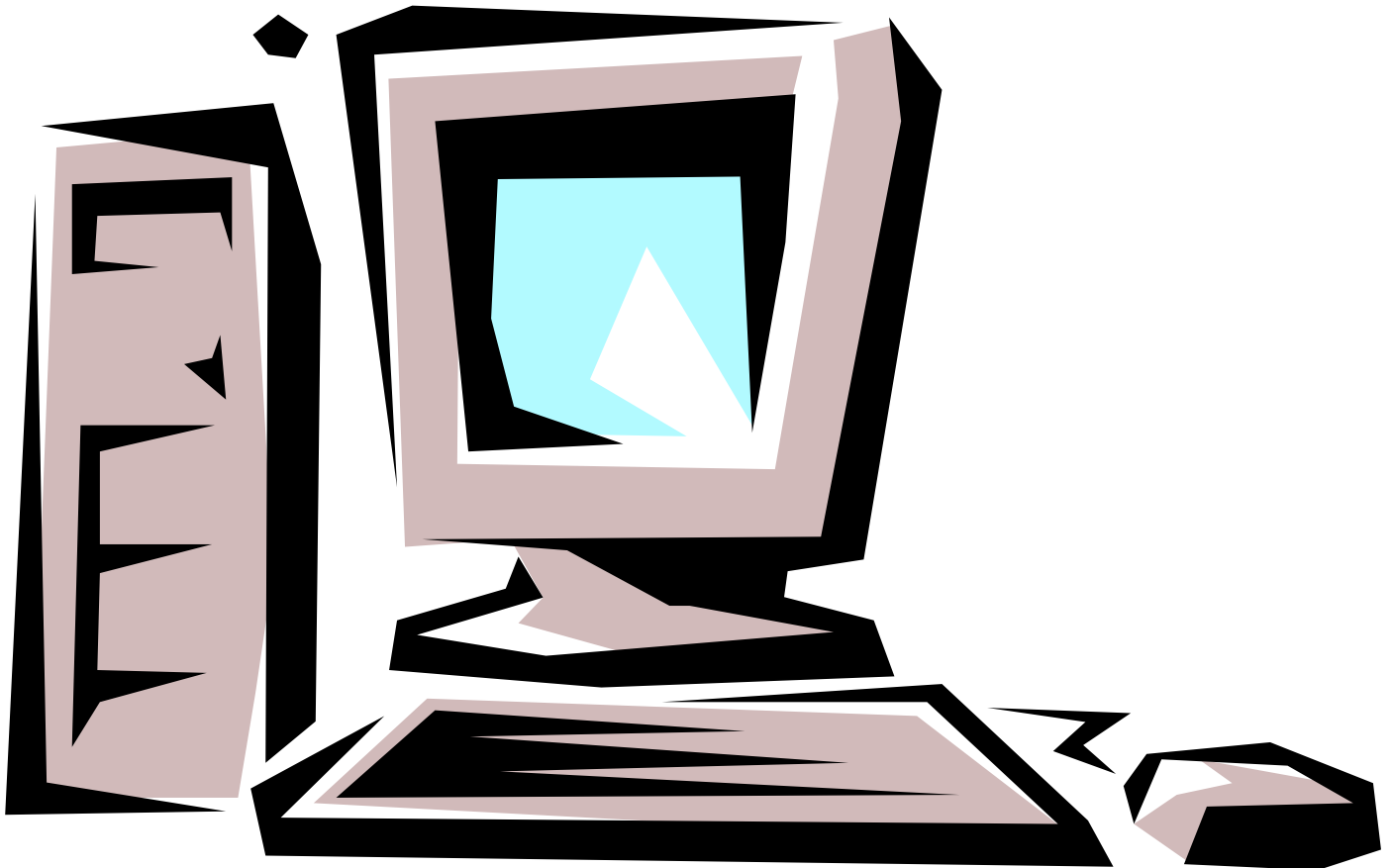
"We will continue to protect farmers' investment in research, and champion the research needs of our industry," says Oberg. "We have to pursue our goals around the existing system, but we are also well-positioned to be a voice for farmers within that system so it can continue to improve in the future."

## FARMER'S GUIDE TO COMPUTERS

**Modem** – what you did in the hay field  
**Keyboard** – where you hang your keys  
**Windows** – what you shut when it's 30 below  
**Windows 95** – what you open when it's really hot  
**Log On** – what to put on the stove when implementing the windows  
**Hard Drive** – getting home in January  
**Download** - getting the firewood off the pickup  
**Megeahertz** - what you get if you're not careful downloading  
**Microchips** - what the calves leave in the pasture  
**Crash** - what you do after you finish a big meal  
**Computer** - what you say when calling your dog "puter"  
**Byte** - what "puter" does when you don't feed him



Submitted by Rose Johnson



## UNIFARM HISTORY BOOK UNDERWAY

**T**he Society's funding drive which began in December 1997, is now at the stage where the Editorial Committee has made the decision to enter into contractual arrangements with a writer/author. The person contracted is Carol Jaques who now lives in Calgary, but grew up on a farm. Several of her immediate family have been involved in farm organizations, and her brother in law is the director of a farm cooperative. Carol has several university degrees, the last being a Masters degree. Her thesis covers historical aspects of the former United Farmers of Alberta farm organization. Beginning early in September, she started her perusal through our organized files and written synopsis gleaned from these files.

About 70% of the files have been synopsis, and the remainder will be completed before the end of 1998. We

have also received a number of offers from former locals and members of Unifarm offering documents, pictures and information that we might find useful. We have not forgotten these offers, and plan to make contact as time and progress allows.

### *Support the Unifarm History Book Society*

A schedule of work has been agreed upon which will see a completed draft of the book including photos imprinted on a CD computer disc ready for printing in late fall of 1999. The schedule for printing will depend on our funding situation at the time.

The former individual producer members of Unifarm as a group, have contributed the largest amount in donations ranging from \$50.00 to \$300.00, with several higher. Two non-Unifarm agricultural organizations have also contributed quite generously. The former organizational members of Unifarm, particularly the marketing boards and commissions, do not appear to have a commitment to the project, and funding from this group is not substantial. Only two have responded positively. One former member cooperative has contributed quite generously. The History Book Society will require further financial support for printing, when that time approaches in the summer of 1999.

Alf Petersen

## WILD ROSE AGRICULTURAL PRODUCERS ANNUAL CONVENTION

**T**he 3<sup>rd</sup> Annual Convention of Wild Rose Agricultural Producers has been scheduled for Thursday, January 7 and Friday, January 8 at the Red Deer Lodge in Red Deer, Alberta.

The format for the conference will be significantly different this year as the first day will focus on presentation based on the theme "Marketing in Agriculture for 2000 and Beyond". On Friday, the focus will shift to Association business and policy development. The new two day format as well as a more central location should encourage greater participation by members. Registration packages will be mailed to every member in November.

**Please mark these dates down in your calendar and plan to attend the Convention.  
Your participation is essential.**



# GUIDE TO REGULATIONS FOR CWB DIRECTOR ELECTIONS

## The Electoral Districts

The CWB designated area has been divided into ten electoral districts, with some crossing provincial boundaries.

## Terms of Office

For the first election, five Directors will be elected for two-year terms and five for four-year terms. The first directors from even-numbered electoral districts (2, 4, 6, 8 and 10) will hold office for a period of two years and the first Directors from odd-numbered electoral districts (1,3,5,7 and 9) will serve for four years. After the first election, all Directors will be eligible to stand for four-year terms.

## Who can Vote

Individuals who are actual producers (as defined by the Canadian Wheat Board Act) and those who can demonstrate an entitlement to the grain grown by an actual producer will be eligible to vote.

In addition, qualified voters must be at least 18 years old as of the last day of the election period. If an individual is under 18 years old, they can designate someone else named in the permit book, who is eligible, to vote on their behalf.

Producers may only vote once in an election. A producer who produces grain in more than one electoral district will be included on only one final voters' list. These producers can choose which voters' list they wish to be included on by advising the Election Co-ordinator at least 14 days before the last day of the election period.

## The Voters' List

All actual producers as shown in the 1997/98 or 1998/99 records of the CWB will be automatically eligible to vote and their names will appear on a preliminary Voters List published by the Election Co-ordinator.

All other producers who may still be entitled to vote, may be required to provide the Election Co-ordinator with proof of their eligibility. (To be inclusive and to simplify administrative procedures, every effort will be made to include on the preliminary Voters List all those who were named in 1997/98 Permit Books as being entitled to share in a portion of the grain produced by an actual producer -- with the exception of governments and financial institutions.)

## Candidate Information

A detailed candidate information package (which includes nomination papers, a disclosure statement and a candidate biography/policy statement form) is available by contacting the Election Co-ordinator.

Each candidate must be a Canadian citizen, at least 18 years of age, and be named in a permit book as an actual producer or a shareholder in a corporation, co-operative or partnership that is named as an actual producer in that electoral district. A person may be a candidate in an electoral district in which they conduct business or in an electoral district that borders that electoral district.

## Nominations

Nomination papers must be signed by 25 qualified voters from the district where the candidate intends to run and must be accompanied by a \$500 deposit. Candidates must also sign a disclosure statement describing any actual or potential conflicts of interest and provide a statement that they meet the qualifications to be a candidate.

## Election Spending

Election expenses are limited to \$15,000 per candidate. Within two months after the election, each candidate must provide the Election Co-ordinator with a statement listing:

- o Donors of money, goods or services over \$100.
- o An accounting of all his/her election expenses.
- o A declaration swearing to the accuracy of the financial statement.

These accounts may be audited by the Election Co-ordinator.

## Third Party Spending Limits

Third parties, or persons who are not candidates and who incur advertising expenses during an election period, will be required to register with the Election Co-ordinator as third-party intervenors and will be subject to spending limits. The third party election expenses spending limit will be a total of \$10,000 for all electoral districts taken together during the election period.

## The Vote

The Election Co-ordinator will mail to each voter a package containing: a ballot paper with the names of the candidates;

*(Continued on page 10)*

## FARM PROPERTY ASSESSMENT AND TAXATION

On September 11, 1998 the MLA Farm Property Assessment Review Committee released the "Discussion Paper on Farm Property Assessment and Taxation". The discussion paper examines a number of issues relating to the assessment and taxation of farm property. Those issues include what should be considered "farming operations" for the purposes of assessment, farm residences tax exemptions, residential sites on farm properties and how farm land should be valued for assessment purposes.

The following is a summary of the key recommendations contained in the Discussion Paper

- **A new definition of farming operations would be used to determine what uses qualify property as farmland for the purpose of assessment**
- **Woodlots would qualify as a farming operation and be assessed on the basis of their productive value as a woodlot in a similar fashion to all other farm property**
- **An updated productive value system be developed and periodically reviewed to ensure it reflects current conditions in the agricultural industry**
- **All land not being used for farming operations would continue to be assessed and taxed on the basis of its market value**
- **Municipalities should continue to be allowed to apply a business tax on farming operations**
- **Municipalities should also be allowed the flexibility to apply different tax rates on farm property based on the type of agricultural operation taking place**

As you can see, there are very significant implications to the recommendations in the discussion paper. Wild Rose strongly urges members obtain a copy of the report and read it through very carefully. Copies can be obtained by contacting Paul Leeder in Alberta Municipal Affairs at (403) 427-8862. Also watch for a notice of public meetings in your area.

If you have any comments or concerns about the Discussion Paper, please give the office a call at 451-5912.

## CWB Director Elections – cont'd

*(Continued from page 9)*

biographical histories of the candidates, which may include a policy statement; and a postage paid return envelope. If a qualified producer does not receive a ballot, they should contact the Election Co-ordinator.

The preferential vote system will be used to ensure that Directors obtain the support of a majority of producers casting votes in the district. Voters will be asked to rank their preferred candidates: first, second, third, etc.

If, after an initial count, no candidate has received a majority of votes, a second count will be held with the candidate who

received the least number of votes dropped from the count and that candidate's votes assigned to the voter's next choice. This will continue until one candidate receives 50 percent plus one of the votes. If a voter does not rank all candidates on a ballot, that ballot will be included in successive vote-counts as long as candidates that are ranked remain in the running.

## FARM EQUIPMENT ON ALBERTA HIGHWAYS

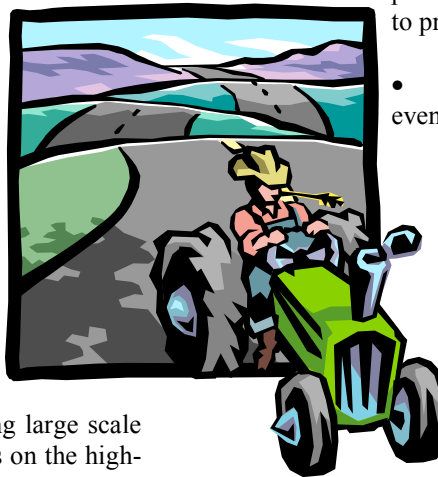
The size of farms and farm machinery and the high density of traffic have resulted in a number of accidents involving farm equipment on Alberta highways. Movement of farm equipment and hauling of grain has therefore become a problem for farmers and other vehicle operators who share the roads.

Here are some factors which often contribute to farm implementation accidents on public roads.

- Misjudging the size of farm implements. Wide implements may overlap into another lane and create a hazardous situation.
- Failure to signal intentions clearly.
- Motorists misjudging the size and speed of farm implements and not slowing down when they approach farm implements.
- Inadequate lighting and markings on farm implements to warn motorists of slow speeds and overall width.
- Operator's inexperience in handling large scale tractors and other farm implements on the highway.
- Road conditions such as wet road, bumps, potholes, snow and ice, soft shoulders and roadside obstacles.
- Unsecured loads. A falling load can create a hazardous situation for other vehicles.
- Swinging out to turn into a narrow driveway and crossing the center line to do it.
- Hurrying and fatigue on the job.
- Loose parts, poor tires, excessive speed, uneven braking on separate wheels.

There is no doubt farm equipment and motor vehicles can share Alberta roads safely provided safety rules are observed.

- Awareness of the size and speed of equipment. Defining limits of equipment with flags during the day and lights at night.
- Traveling in daylight at times when traffic is lightest. If you must travel at night, remember rules are the same for farm equipment as those of other vehicles. Headlights, tail-lights, reflectors and clearance lights must be appropriately located and operational.
- Ensuring that a slow moving vehicle sign is in place, stop lamps are operational, the rear view mirror is adjusted to provide clear vision and brakes are locked together to prevent one wheel being jammed by the brake.



- The brakes are checked to ensure they are set evenly.
- The tire pressure should be even. Awareness of tires that contain fluid or ballast; it is more difficult to check their pressure. The operator's manual will show you how to check the tire pressure.
- Use the throttle rather than the brakes to slow down, in order to avoid jackknifing equipment, if a tractor is towing machinery on the highway.
- Signal your intentions clearly to avoid confusion and allow other vehicles adequate reaction time when entering or exiting from the road.

Like most farmers and farm families in Alberta, you want your farm to be productive and a safe place to grow; therefore, together we can make Alberta highways and roads safe and visible.

Solomon Kyereman Teng  
Manager, Farm Safety Program  
Alberta Agriculture, Food and Rural Development

## WILD ROSE REJOINS CANADIAN FEDERATION OF AGRICULTURE

**A**t the National Council Meeting of the Canadian Federation of Agriculture in July of this year, Wild Rose Agricultural Producers request to rejoin the CFA as an associate member was formally approved. Regional Director Keith Degenhardt represented Wild Rose at the meetings in the Maritimes and indicated the CFA was very pleased to have Alberta voice at the table once again. If finances permit, Wild Rose will try and obtain full member status within the year.

As Canada's largest farm organization, representing over 200,000 farmers in Canada, the CFA provides Wild Rose Agricultural Producers the benefits of a well-established national farm lobby group. Not only does it have an influential voice in national agricultural issues, it allows for regional input to the federal government, something that has been sorely lacking in general farm policy.



Look for an update on CFA activities at the Annual Convention, January 7 & 8, 1999 in Red Deer at the Red Deer Lodge.

### WILD ROSE SPONSORING CWB CANDIDATE FORUMS.

**Candidate forums are being scheduled throughout Alberta. Locations being considered are: Vulcan, Drumheller, Lacombe, Camrose, and Fahler. In addition, five other locations across the province will host these candidate forums. Watch your local paper and listen to the local radio station for further information.**

## PROPOSED CHANGES TO THE ALBERTA FARM IMPLEMENT AMENDMENT ACT

**F**or several years, farm implement distributors, dealers and manufacturers have expressed the need for uniformity of legislation throughout western Canada. Through consultation, a need has been expressed for consistency of legislation across the prairies creating a level playing field for all members of the industry – farmers, dealers and distributors. A tri-province meeting was held in May of 1998 to discuss this issue.

The Farmers' Advocate of Alberta Office recently released a Discussion Paper which outlines the proposed changes. Specifically, the Farm Implement Amendment Act will:

- ⇒ Alter the existing form for Sale Agreement of a new farm implement to be less onerous and more practical in its requirements.
- ⇒ Reduce the number of hours of operation allowable for filing a Notice of Failure to perform to 50 hours of use. This will hopefully continue to provide a farmer suffi-

cient time to confirm the equipment is operating to manufacturers' specifications while synchronizing present Manitoba legislation

- ⇒ Provide greater clarity to the responsibilities of dealers, distributors and farmers with respect to emergency repair parts. As well, requiring the provision of a replacement or rental unit when emergency parts are unavailable as legislated in both Saskatchewan and Manitoba.
- ⇒ Increase the amount payable by a distributor to a dealer for the return of unused parts upon termination of their agreement. This change is in conjunction with changes in Manitoba and is similar to changes being lobbied for in over 40 states.

Copies of the Discussion Paper can be obtained by contacting the Farmers' Advocate Office at 427-2188.

## WILD ROSE AGRICULTURAL PRODUCERS LAUNCH NEW WEB-SITE



[www.wrap.ab.ca](http://www.wrap.ab.ca)



**W**ild Rose Agricultural Producers officially unveiled its new web-site location this week. The web-site located at [www.wrap.ab.ca](http://www.wrap.ab.ca) provides both members and the general public with a wide array of information both on the organization and on agriculture in general. President Alan Holt said "The new web-site exemplifies the growth of Wild Rose and will provide the agricultural community another valuable source of information. I especially want to commend the Government of Alberta, and particularly the Department of Agriculture, Food and Rural Development for its cooperation in helping set up the site on the Agricultural Input Monitoring System (AIMS)

for which members of Wild Rose provide regional information. AIMS provides pricing information across the province, we believe it can become an invaluable tool for farmers and ranchers."

Alan went on to say that "the agricultural community is becoming increasingly dependent on quick, reliable information and the Internet certainly is one avenue where that information is readily available." Wild Rose Agricultural Producers are already planning to expand the site to add the capabilities of member and non-member discussion rooms where input on numerous agricultural issues can be compiled.

"It is imperative that, as Alberta's largest producer funded general farm organization we continue to receive input on all agricultural issues from as many members and non-members alike" said Holt. He went on to say that "the more information and feedback we receive, the better equipped we are in putting forward effective and realistic proposals. I hope every producer in Alberta who has access to the Internet will take the time to look through the web-site and provide their comments and suggestions for improvement."

## MANURE APPLICATION RATES

**M**anure can greatly benefit the soil when applied at the proper rates. It provides nutrients for crops and can improve soil structure by increasing the organic matter levels. Because manure is "natural", people sometimes fall into a false sense of security thinking the more manure, the better. Research shows this is not true, especially when applied repeatedly at high rates.

Dr. Chi Chang, a soil scientist at the Lethbridge Agriculture and Agri-Food Canada Research Station studied the effects of long term manure application with a project starting in 1973. One to two year feedlot cattle manure was annually applied on both dryland and irrigated clay loam soils. The manure was incorporated with no added fertilizer. The following results were found after a 10 year period from 1973 - 1983. Some are positive, some are negative.

On dryland, grain yields generally declined at the 24 tonnes per acre rate, and under dry conditions at the 12 tonnes per acre rate. Organic matter levels on dryland in the top foot of soil were increased from 2 percent to about 3 percent, 4 percent and 4.5 percent for the 12, 24 and 36 tonnes per acre rates respectively.

Manure had an acidifying effect on the soil. On dryland, the pH

in the top foot of soil decreased from about 7.9 to 7.6, 7.4 and 7.2 for the 12, 24, and 36 tonnes per acre rates respectively.

Salinity (salts) in the soil also increased. An E.C. measurement of over 2 is considered saline and may start affecting yield. On dryland, E.C.'s in the top foot increased from 1 to about 3, 4 and 6.5 at the 12, 24, and 36 tonnes per acre rates. A similar trend occurred under irrigation, but at a lower soil depths due to water leaching the salts down.

Dr. Chang's research also pointed out other concerns such as high levels of excess nitrates, phosphorous and sodium. Excess nitrates can cause human and animal health problems when it contaminates water. Phosphorous loading creates algae blooms in lakes. Organic phosphates in manure are much more soluble than inorganic phosphate. This means surface runoff through manure can carry organic phosphates into streams, etc. excess sodium causes the formation of hardpan (solonetzic) soils. These undesirable effects can be avoided for the most part by applying manure less frequently and at lighter rates. Odor problems and surface movement or organic phosphates can be reduced by incorporating manure. Manure incorporation also reduces ammonia losses making more efficient use of the nitro-

*(Continued on page 14)*

## HOW LOW CAN WE GO? An Overview of Present

I would like to provide an overview of grain prices, both present and future.

It was privileged to be one of the 14 western Canadian Farm leaders invited to attend an information providing meeting in Winnipeg. This meeting was sponsored by the Canadian Wheat Board.

As a result of this meeting, I think we all realized political forces (E.U. and U.S.) have a much greater effect on the prices Canadians receive for their grains, than any economical factors, or for that matter, supply and demand. Grain prices are now at an 11 year low when using nominal figures and the lowest price in history when using constant dollars. I think all producers are aware of what input costs have done over this same period of time.

Now, what are these political forces that have decimated our grain prices? In my opinion, farmers in the U.S. and more so those in the European Union have much more political clout than those of us in Canada. (Anything over nothing is more.)

European farmers now receive \$172/acre subsidy in the form of direct support. This has resulted in an increase of 13 percent in E.U. production. Although they have committed to increasing their set-aside acreage from 5 percent to 10 percent in the next year, this will have a minimal effect on production, as the most marginal land is the first to be taken out of production. The E.U. Payment of \$307 Cdn/acre has resulted in a drop in farm prices of 1/3 in the last year.

The most dramatic effect this whole scenario may have on Canadians is the potential loss of our domestic malting in-

dustry. Because our maltsters export about 2/3 of their production, they have to compete with heavily subsidized exports from E. U and U.S. We are now in a situation where we have decreasing world stocks, coupled with decreasing prices. The subsidization has upset the normal forces of supply and demand, which of course is opposite to what should rationally happen.

In spite of recent protests at the American borders, our U.S. counterparts are still faring much better than we are. The 98 U.S. Farm bill will put 22 BILLION dollars in the pockets of U.S. farmers.

The grain subsidy is administered in the form of Loan Deficiency Payments. If the cash price (set on a county by county basis) is lower than the value of the loan, the farmer sells the grain and repays the loan, and receives a loan deficiency payment. Cash prices are set low enough to discourage forfeiture. This system doesn't distort actual prices as much as the former EEP (Export Enhancement Program).

The best barley market in the whole world is in the Lethbridge at the present time. The subsidy distortion could result in U.S. barley close to the border coming into Alberta.

I hope I have given you an overview of the problem, so now what's the solution? Good question. Unfortunately, I have little hope for a quick solution of the problem.

Given the Federal Government's lack of commitment to help farmers, particularly Western Canadian farmers, I think looking to them for help holds little hope.

My experience on the National Safety Net Committee gives me the background to say this. At the last meeting of the NSNC, pres-

sure was put on Government by farm leaders from across Canada to increase their 600M per year commitment to safety nets. This request received almost mute response. Falling commodity prices in most sectors of agriculture have been paralleled with more user fees and removal of other government support.

With absolutely no relief for grain prices until at least 2000 when the next round of WTO talks take place, the future for grain farming is not good at this time. The only advice I can give you at this time, is to talk to your MP and MLA and hopefully if enough producers tell them the same story, it may eventually sink in.

Is our western grain industry heading in the same direction as the Eastern fishing industry? With every dollar generated at the farmgate having an end effect of \$10 on our economy, and given the huge size of our Western grain sector, someone is going to have to do something soon to turn this situation around. Who will that be?

**Alan Holt  
President, Wild Rose**

## Manure Application Rates – cont'd

*(Continued from page 13)*

gen content of manure. Although I have not talked about hog manure, similar trends will occur. Manure is great for the soil .. up to a point.

**Brent Flaten Soil Specialist – Stettler**



## CTA RULING VICTORY FOR WESTERN FARMERS

On September 30, 1998 the Canadian Transportation Agency delivered its ruling in relation to the Canadian Wheat Board's "level of service" complaint against CP Rail. The CTA ruled that CP failed to meet its service obligation regarding the delivery of grain to major corridors and there was "undue discrimination" against CWB grain moving to Vancouver.

The CTA found that "CP failed to meet its level of service obligation by not allocating to CWB grain moving to Vancouver its reasonable share of available capacity and resources and failing to supply the number of cars it had undertaken to supply under contract with the CWB for movement of grain into the United States."

The CTA also ruled that during the complaint period (the winter of 1996-97) CP discriminated against CWB grain moving to Vancouver, compared to other commodities. "The Agency finds the difference in treatment of grain to be unreasonable, in the circumstances, and is of the view that this difference constituted a breach of CP's statutory duty in this case," the decision reads.

As mentioned in Wild Rose News July Edition, CN Railway and the CWB had negotiated financial compensation and rate-related arrangements early in the CTA hearings thereby avoiding a CTA decision.

Wild Rose intervened on behalf of the Canadian Wheat Board at the very beginning of the process and we are delighted that the decision to get involved was justified. Again it is important to remember that **Wild Rose was there supporting Alberta farmers when other, such as the Government of Alberta and various other commodity groups refused to do so.**

While the recent CTA ruling does not include a financial compensation package it would be reasonable to assume that CP will negotiate some type of settlement. Having been found at fault, and the money lost during the winter of 1996-97 was producer's money, CP has a moral and now legal obligation to settle as soon as possible.

### *Did You Know.....*

- Alberta's food, feed and beverage industries are our largest manufacturing activity. In 1996, these industries accounted for more than 22% of the total manufacturing shipments in Alberta, employed over 20,200 people, and exported \$1.44 billion of products to international markets.
- 497,354 live steers and 239,144 live heifers were sold direct to packers in 1997 and over 1.7 million beef carcasses were graded in Alberta in federally and provincially inspected packing plants



REMEMBER

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## THE SYSTEMS APPROACH

Combining innovative engineering design with proven applications expertise is just the beginning in selecting a system which satisfies your specific process requirement. WORLD WATER WORKS provides the most cost effective systems solution for liquid/solids separation. Our process analysis begins with an evaluation of the current process and the customer's desired objective. All operating variables are considered as we explore alternative solutions. Process liquid is defined as a feed stock, intermediate process stream and final process effluent. Our first process objective is to obtain a definition for final process effluent. Process solids, similarly, are defined in each of these process phases. When process solids recovery is a higher priority than liquid effluent we further evaluate solids/solids separation in the intermediate process phase. Solids separation fall into three distinct categories defined by specific equipment which facilitate their removal from the process stream. Particles larger than 10 microns are removed by bulk solids separation systems employing screen separators, dissolved air flotation/settling clarifiers, centrifuges (horizontal or vertical), with ancillary support equipment and even combinations of these. Intermediate solids are those solids defined as particle sizes from 50 microns to 0.1 microns and are removed by systems which include media filtration and large pore membrane filtration. Microscopic particle separation removes solids through decreasing pore size membrane filtration and through ionic attraction. Selecting the most cost effective modular components to achieve your process objective prior to manufacturing, by an engineering team with an absolute commitment to cost control, describes the WORLD WATER WORKS total system approach.

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### **YES! I wish to join Wild Rose Agricultural Producers**

Name: \_\_\_\_\_ Spouse: \_\_\_\_\_

Address: \_\_\_\_\_ Town: \_\_\_\_\_

Postal Code: \_\_\_\_\_ Telephone: \_\_\_\_\_ Fax: \_\_\_\_\_

**I enclose - Membership fee :**

<b>Producer</b>	\$ _____	<b>(\$107.00)</b>
<b>3 - Year</b>	\$ _____	<b>(\$288.90)</b>
<b>Associate</b>	\$ _____	<b>(\$ 53.50)</b>

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