
ALBERTA WHEAT ANNUAL REPORT

2020|21



Alberta Wheat
COMMISSION



Resiliency is the one word that I've used to describe the past year for Alberta's wheat producers."



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GENERAL MANAGER'S REPORT

TOM STEVE,
General Manager

To say that 2020-2021 was a rollercoaster ride for Alberta wheat farmers would be the understatement of the year.

First, you harvested an excellent crop in 2020 in the midst of a pandemic and experienced strong demand from both domestic and international markets. This included top customers in Japan and Indonesia and continued high demand from China.

Record rail shipping for all commodities during the crop year also boosted prices because the domestic feeding industry in southern Alberta was offering prices for feed wheat, often at a premium to milling wheat. A banner year by all accounts.

So, going into spring seeding in 2021 there was a lot of optimism.

Then in June of 2021 came a heat dome and the worst drought in two decades. Many farmers experienced dramatically reduced yields. It's generally agreed that we harvested a crop that was up to 40 per cent below normal. Hopes of capitalizing on strong prices across all commodities were in many cases unrealized as Alberta farmers in some areas had little crop to sell.

But if the past few years have taught us anything, it's that Alberta farmers are resilient and will be able to withstand the drought of 2021.

The proposed amalgamation of the Alberta Wheat Commission (AWC) with Alberta Barley has been a high priority for our boards over the past year. We started this journey in the fall of 2017 when the two commissions moved to a joint operating model.

To refresh your memories, I have been serving as the General Manager of AWC and Alberta Barley since then and our management team serves both organizations. That arrangement has proven to be successful, with significant cost savings of up to \$400,000 per year and the next logical step is to formally amalgamate the commissions into a single legal entity with one board. Currently we serve two boards.

An amalgamation sub-committee consisting of equal representation from AWC and Alberta Barley has been working diligently since early 2020 to establish a clear path and value proposition for a combined wheat and barley commission in Alberta. You will read more about that process in this annual report.

Ultimately the membership will decide the path forward and we will continue to have extensive consultations, possibly resulting in a plebiscite in 2022.

What is the value proposition of integrating the Alberta Wheat and Barley Commissions? I believe we have already proven it with our combined operating model dating back to the fall of 2017. For example, we have established an agronomy and extension program led by Jeremy Boychyn and Sheri Strydhorst that is second-to-none in Canada. Their work would not have been possible with us operating as two separate commissions.

We have taken on the production of the Alberta Crop Protection Guide, better known as the Blue Book, with our partners in Team Alberta. The Alberta Wheat and Barley Commissions and GrainsWest magazine have the in-house resources to produce, print and market the Blue Book that would not have existed with us operating as separate management teams.

And, we have taken a leadership role in the delivery of Agronomy Update which was previously hosted by Alberta's agriculture ministry. In January 2022, Agronomy Update attracted over 600 online participants - a record attendance.

We also host summer field days such as WheatStalk and the Lacombe Field Day. None of these initiatives would have been feasible with AWC and Alberta Barley working independently of each other.

In next year's annual report, we will have the benefit of looking back on how the amalgamation process unfolded. Regardless of the outcome I am proud of the fact that our two boards have had the vision to explore a new operating model and how best to serve the needs of Alberta wheat and barley farmers.



CHAIR'S MESSAGE

TODD HAMES,
Alberta Wheat Commission Chair

As we reflect on another year, I am reminded why they say farming isn't for the faint of heart. The past few years have been a rollercoaster for Alberta farmers, and this past growing season was no exception bringing one of the worst droughts Western Canada has seen in 20 years.

As a farmer from the Marwayne area, looking back on the 2018, 2019 and 2020 growing seasons, many farmers in central and northern Alberta dealt with excess moisture resulting in difficult harvests. This past growing season presented the opposite challenge with drought conditions; a swift reminder how fast the pendulum can swing.

If these challenging years have taught us anything, it's how important it is for farmers to have sound business risk management tools at their disposal. The Alberta Wheat and Barley Commissions in collaboration with our Team Alberta counterparts, Alberta Canola and Alberta Pulse Growers, continue to press the Government of Alberta and the federal government to take immediate action on improving business risk management programs for farmers. Although we were pleased with the removal of the reference margin limit from AgriStability for 2021 and 2022, we will continue to advocate for reforms to this program for the next policy framework to ensure a more responsive, equitable and predictable option in a year of disaster.

On a more positive note, I am pleased with the Alberta Wheat Commission's (AWC) annual accomplishments as we reflect on this past year. We expanded our agronomy extension team with the addition of Dr. Sheri Strydorst who brings years of agriculture research and boots-on-the-ground agronomic extension knowledge to farmers. She is a great complement to our agronomy research extension specialist, Jeremy Boychyn creating a dynamic duo and suite of agronomic expertise offered by the Alberta Wheat and Barley Commissions. Furthermore, the commissions collaborated with Alberta Canola and the Alberta Pulse Growers to execute the 2021 edition of Alberta's Crop Protection Guide, commonly known as "the Blue Book". The Alberta Wheat and Barley Commissions' in-house publication society, GrainsWest magazine took on the production of the Blue Book, further adding value to our operations. We also provided the enhanced feature of a pre-order system where farmers, agronomists and agriculture retailers could place their 2021 Blue Book orders well in advance of the busy growing season. The four major crop

commissions also collaborated to deliver a successful virtual 2021 Agronomy Update event. The four crop commissions are proud to work together to sustain these two valuable resources in Alberta, and ensure the legacy of the Blue Book and Agronomy Update continue for years to come.

The spring of 2021 brought the start of the long-awaited Canada Grain Act review of which the Alberta Wheat and Barley Commissions were eager to provide input through a formal submission. Highlights of the submission included redefining the role of the Canadian Grain Commission as well as to see mandatory outward weighing and inspection eliminated. You can see the full summary containing our recommendations on our website.

Our cash advance program, FarmCash had a banner year as it expanded its offering beyond Alberta's borders to service agriculture producers in B.C., Saskatchewan and Manitoba. The uptake and feedback have been overwhelmingly positive. FarmCash prides the program on being flexible and accommodating for customers. Built by producers for producers. FarmCash has the fastest application turnaround times of three to five business days, and offers an account management service so producers can be assured their cash advance needs are consistently cared for. AWC is proud to offer western Canadian producers a competitive cash advance option.

Another key activity for AWC was advancing the amalgamation consultation process with Alberta Barley. Collaboratively, the Alberta Wheat and Barley Commissions have been exploring the potential of a formal amalgamation since 2017. Through our exploration work, the commissions have uncovered additional cost-savings and synergies that could be realized through an amalgamation. In 2021 we began farmer consultations to gauge farmers' appetite for this change. You can read more about the work conducted on amalgamation on pages 4 - 7.

These are only some of the accomplishments that AWC led last year. Throughout this annual report, you will read more about our team's work in the various program areas. I would like to thank our staff for another excellent year, along with AWC's board of directors and regional representatives. I wish you all a great growing season in 2022 and I look forward to connecting with many of you at upcoming industry events this winter.

FARMER GOVERNANCE



Mission

To increase the long-term economic sustainability of Alberta wheat farmers through innovative research, market development, policy advocacy, farm business management, agronomy and extension.

Vision

To be the premier farm organization in advancing farmers' interests in the Canadian wheat industry.

Strategic Priorities

1. Ensuring our farmers are equipped with the most advanced genetics and up to date agronomic management strategies for their farm.
2. Strengthening grower access to key wheat markets by focusing on end use demand, open trade and an efficient value chain.
3. Supporting and delivering extension and education initiatives that provide our members with tools to improve their operations.
4. Building partnerships and advancing initiatives that will strengthen the farmer voice on policy issues at the provincial and national level.
5. Developing and delivering farm business management tools for farmers to improve their financial sustainability.
6. Ensuring that AWC will reach its full potential by providing leadership that reflects the diversity of the sector and acknowledging the clear benefits of an inclusive agriculture industry.

Board of Directors

Region 1



Jason Saunders
(Vice-Chair)



Dean Hubbard

Region 2



Hannah Konschuh



Justin Bell

Region 3



Jason Lenz



Trevor Peterson

Region 4



Todd Hames
(Chair)



Shawn Jacula

Region 5



Greg Sears
(Second Vice-Chair)



David Bartlett

Director at Large



Janine Paly



Regional Representatives

Region 1

Gary Stanford
Joseph Ripley
David Bishop

Region 2

Matt Ferguson
Kenton Ziegler
Devin Hartzler

Region 3

Kent Erickson
Kevin Bender
Terry Young

Region 4

Greg Lumley
Rudy Warawa
Jeff Porozni

Region 5

Tasha Alexander
Christi Friesen
Magnus von Rennenkampff

AMALGAMATION



Over the last several years, the Alberta Wheat Commission (AWC) has played a leadership role in the drive to integrate the crop value chain, especially in regard to cereals.

The trend towards integration was further enhanced by the recent amalgamation of Cereals Canada and the Canadian International Grains Institute (Cigi).

For Alberta, the next logical step is to finalize the amalgamation of AWC and Alberta Barley. Based on our surveys, as well as discussions at our regional meetings and the Prairie Cereals Summit in December, there is strong support for a single organization to manage wheat and barley issues in the province. Since this effort began in 2017, implementation of this merger at the management level has gone exceedingly well, leading to significant cost savings and proving that our staff is more than capable of working across two major commodities. While wheat is a higher acreage crop in Alberta, barley is a critical part of the economy due to its heavy influence on the cattle feed industry and its central role in supplying the malting barley sector, a major economic player in the province.

Though the amalgamation of Cereals Canada and Cigi is a recent one, they are already seeing benefits from working as one entity on market development, market access and new crop missions. While the pandemic has hampered our ability to travel abroad, AWC has worked with the new organization to provide a virtual option for international customers to hear the story of Canadian wheat.

Going forward, we have an opportunity to work under a collaborative banner for the cereals sector, enhancing our ability to address critical issues such as maximum residue limits that impact our access to key markets. As we do so, we want to assure our international buyers of our integrated, cooperative focus on issues pertaining to sustainability and food safety, among others. We are all on the same page as we work to provide customers with a world-class product that suits their needs on commodities and international trade.

As wheat and barley are both cereals, it makes sense going forward to leverage the efficiencies of commodity groups for the two crops rather than duplicating efforts. This concept is driving our move to amalgamate AWC and Alberta Barley while eliminating all areas of overlap. In some cases we have two representatives on the same national organizations, doubling the time and money involved. For farmers, the critical question is whether they need a separate wheat and barley voice on everything or whether we can speak as one. Though most of our members agree with amalgamation in principle, there are legitimate concerns about the percentage of check-off dollars devoted to the two respective crops going forward. Since wheat check-off funds amount to about \$9.5 million per year compared to \$2.8 million for barley, some barley producers have raised concerns that most of the money will be directed to wheat.

To address this concern, we have adopted a merit-based funding model. Under this approach, we will judge the value of wheat and barley initiatives based solely on their ability to return a benefit to farmers, rather than on the check-off and acreage numbers for each crop. By marrying the two organizations, we will have flexibility to let the return on investment guide our research and market development funding decisions. This could enable us to support barley projects with excellent potential that were previously outside of our budget, or address other wheat classes such as durum or winter wheat.

About the process

To support the amalgamation of AWC and Alberta Barley and produce a better value proposition model for growers, the two organizations formed a sub-committee. It features equal representation from barley and wheat farmers including current and past directors, delegates and reps from both commissions. We hired a third-party facilitator to support the process and assist committee

members in developing a road map for the merger. General Manager Tom Steve and Chief Operating Officer Syeda Khurram served on the sub-committee and provided assistance over the course of several meetings. We also involved Marketing Council in all discussions to ensure we abided by their laws and regulations throughout the process.

The major discussions included board governance, the structure of committees and a value-based investment mechanism in handling farmers' dollars. The proposed governance structure suggests two directors per region for a total of twelve directors from six regions, and a delegate body of 24, which is four delegates per region. The sub-committee also suggests a new funding model based on merit, yielding better value for farmers versus an approach guided by the proportion of check-off dollars received from wheat and barley growers. The recommended merit-based funding mechanism would provide more opportunities for barley research and market development priorities.

We also reviewed projects and initiatives that are still duplicating check-off investments and efforts between both commissions as separate legal entities. Opportunities for savings with the merger include reduction in the cost of directors' per diems, production of one annual report, fewer external membership fees and one set of audited financials. We began gathering member feedback on the proposed merger model with an online survey in July 2021, and are currently consulting with our members across Alberta through various platforms. Once that consultation is complete, we will move to a plebiscite phase, provided that members of both commissions pass resolutions at their AGMs calling for plebiscites. If the merger is approved by members, we will commence the work in developing a governance and financial structure that will further leverage synergies and strengthen the voice of wheat and barley farmers.



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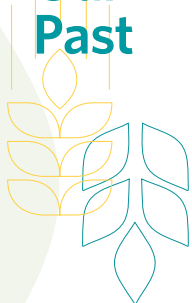
AMALGAMATION CONSULTATION FOR ALBERTA WHEAT AND BARLEY FARMERS



Alberta
Barley

As directed by the boards of the Alberta Wheat Commission (AWC) and Alberta Barley, the two commissions held farmer consultations during the summer and fall of 2021. The consultations were an initial step in soliciting farmers' views on amalgamating the two organizations.

Our Past



Prior to 2018, AWC and Alberta Barley operated independently with separate teams but shared finance, HR and administration staff, as well as office space.

Recognizing areas of overlap such as policy, extension, events and communications, the commissions merged the management team and staff in early 2018.

The staff amalgamation quickly unveiled additional synergies such as the ability to collaboratively fund an agronomy extension program (The Growing Point and Plot2Farm), share event spaces and heighten their kids' education efforts (Wally Wheat and Betty Barley's Grain Gallery), partner on enhanced communication initiatives (The Grain Exchange and Spotlight on Research), and more.

The catalyst

In November of 2018 at AWC's Region 2 meeting in Strathmore, a resolution was passed by farmers that challenged the commissions to explore a formal amalgamation in the spirit of gaining more efficiencies and providing farmers more cost savings.

You can see the full resolution and details at WheatBarleyConsultation.com.

The resolution was passed by both commissions at their respective Annual General Meetings (AGM) in 2019.

Our Present



AWC and Alberta Barley remain as two organizations with separate governance structures, but continue to operate with a single management team. Since both commissions operate as two legal entities, the management teams are accountable and obligated to report to two governing boards as required by the Marketing of Agricultural Products Act and Regulations.

Over the years, this unified management structure has resulted in significant cost savings upwards of **\$350,000 annually**. In-turn it has advanced key areas such as **agronomic extension, research and communication initiatives**.

The Alberta Wheat and Barley Commissions have adopted the mantra of 'Better Together' as seen in annual update videos, press releases, the joint website, etc. The well-established integrated management model has created a culture of excellence.

Moving the Needle

In order to guide the amalgamation exploration work as set forth by the formal resolutions from the 2019 AGMs, the commissions formed an amalgamation sub-committee in 2020 comprised of select AWC and Alberta Barley's past and current directors, regional representatives, and delegates. The sub-committee is also supported by the Alberta Wheat and Barley Commissions' General Manager, Tom Steve and Chief Operating Officer, Syeda Khurram.



As a key objective for the amalgamation sub-committee, a draft model of an amalgamated governance structure was developed for farmers' consideration during the consultation period. The proposed model consists of:

Farmer Governance

One farmer-led board of 12 representing wheat and barley farmers from six regions in Alberta (two directors from each region). Plus, four delegate positions from each region for a delegate body of 24 farmers.

Priorities and Check-off

Research would remain the top priority for the proposed amalgamated organization and funding would be merit-based. AWC and Alberta Barley check-off would also remain the same at \$1.09 per metric tonne for wheat and \$1.20 per metric tonne for barley. However, this is subject to review by the first board of the combined organization.

Consulting with Alberta wheat and barley farmers:

1. Online survey - Open for input from July 7, 2021 to September 15, 2021. Review the survey results and frequently asked questions at WheatBarleyConsultation.com.
2. Online town hall sessions - Offered two online sessions (October 21, 2021 and October 26, 2021) for farmers to engage with the commissions on the topic.
3. Regional Meetings - Continual dialogue and reporting of the consultation activities during Regional Meetings in November of 2021.

During Regional Meetings in November 2021, farmers throughout Alberta passed resolutions to advance the amalgamation process by conducting a farmer plebiscite amongst the membership.

Resolutions will be brought forward to both the Alberta Barley and Alberta Wheat Commission AGMs.

To learn more about what we heard during the consultations, and for continual updates on the amalgamation file, visit WheatBarleyConsultation.com.



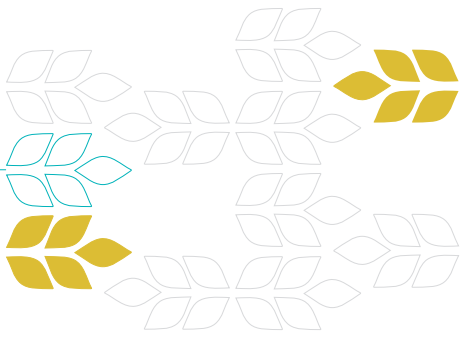
The Blue Book

When the Alberta Wheat and Barley Commissions first heard that the Government of Alberta was considering discontinuing the Crop Protection Guide (Blue Book), they discussed it with various stakeholders, members and other interested parties. In the end, it became clear that the guide was an important agronomic tool for our farmers.

As a result, the Alberta Wheat Commission (AWC) collaborated with Alberta Barley, Alberta Canola and Alberta Pulse Growers to lead the transition of the Blue Book from Alberta Agriculture to the commissions. In doing so, we could ensure that this valuable extension guide would remain available to our members. Armed with a grant from the Canadian Agricultural Partnership (CAP), the commissions all contributed funds and human resources to produce the 2021 edition of the Blue Book in a timely fashion, with the same valuable information that farmers have counted on over the years. The seamless changeover was thanks largely to Alberta Agriculture, which shared data and resources and provided us with an old copy of the guide so we weren't faced with starting from scratch. Thanks to Brian Kennedy for initiating the process to bring the Blue Book in-house as well as his work in applying for the CAP grant to make this project possible.

The Blue Book fits well with AWC's extension programming, so we felt it was vital to support its continued distribution. GrainsWest was integral to production of the guide in regard to editing files, formatting and creating a final version that was pleasing to the eye. As this publication has been around for many years, some of the formatting had become inconsistent. Thankfully, Ian Doig and Tommy Wilson with GrainsWest worked tirelessly to clean up any issues prior to final printing.





The first Blue Book produced by the commissions looked similar to earlier versions, making it an easy transition for farmers. As enhancements to the guide, we redid the sprayer operations section with information from Tom Wolf on sprayer and nozzle use. We also had the section on pesticide resistance reviewed by researchers from Agriculture and Agri-Food Canada. Finally, we updated the pesticide container locations with clean farms, while AgSafe Alberta aided in review of the safety precautions portion.

We are excited to announce that we sold over 9,500 copies of the printed version (on a break-even basis), with a free PDF version available for download online. Thanks to Erin Tateson for her work in executing the marketing plan that made these sales possible. As part of the process, we created an ordering system for the printed copies where farmers could pre-order prior to printing for added convenience. The advance ordering feature had great uptake as over 60 per cent of total sales were advance orders.

While AWC is not getting into the sales business, we charged just enough to recoup expenses, given that the CAP grant did not cover the entire cost of production, shipping and handling of the guide. Creation of the 2022 Blue Book is now underway, so farmers can expect uninterrupted access for years to come. AWC was pleased to be part of this important transition, and we appreciate the assistance of both Alberta Agriculture and CAP in making it all possible.



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RESEARCH



Formed in 2017, the Canadian Wheat Research Coalition (CWRC) is a collaboration between the three prairie wheat producer groups — the Alberta Wheat Commission (AWC), the Saskatchewan Wheat Development Commission (Sask Wheat), and the Manitoba Crop Alliance (MCA). CWRC facilitates a collaborative approach to producer funding of regional and national research projects in variety development and agronomy, including the Canadian National Wheat Cluster and core breeding agreements with Agriculture and Agri-Food Canada (AAFC) and the western universities. Additional regional projects that align with wheat variety development and agronomic priorities are also considered for funding through CWRC.

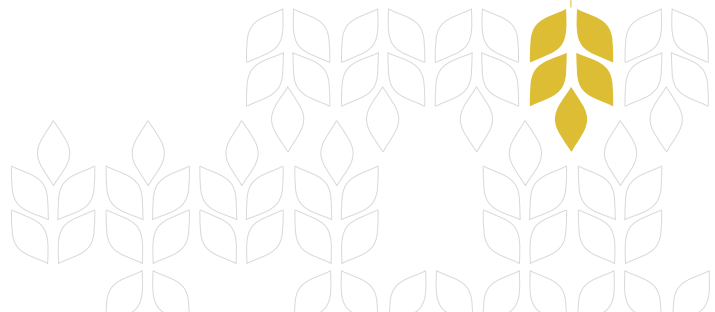
This past year, CWRC rotated host duties from Sask Wheat to AWC and appointed a new executive. The new executive comprises chair Fred Greig with MCA, vice-chair Jake Leguee with Sask Wheat, and treasurer Jason Lenz with AWC. Additionally, Dr. Lauren Comin, the director of research with AWC, was appointed the CWRC president, succeeding Dr. Harvey Brooks, former general manager of Sask Wheat.

In May of 2021, CWRC committed \$2 million over five years towards a core breeding agreement with the University of Alberta (U of A). The investment will fund research activities through the U of A's wheat breeding program, led by Dr. Dean Spaner, with a specific focus on developing new Canadian Western Red Spring (CWRS) and Canadian Prairie Spring Red (CPSR) wheat varieties.

Alongside the Western Grains Research Foundation (WGRF) and the Saskatchewan Winter Cereals Development Commission (SWCDC), CWRC also committed funding to a core breeding agreement with the University of Manitoba (UM). Valued at over \$3.5 million over five years, this agreement will ensure the continuation of the successful Fusarium head blight (FHB) nursery program, along with the winter wheat breeding program.

Also of note, CWRC is the host of the current Canadian National Wheat Cluster under the Canadian Agricultural Partnership (CAP), a five-year agreement from 2018 to 2023 funded by AAFC and farmers to support industry-led research. This cluster is entering its final field season, so watch wheatresearch.ca for more information on cluster activities as they wrap up.

CWRC and its funding partners across Canada are now preparing for April 2023, when the next Agricultural Policy Framework and the successor to CAP, will begin. CWRC will once again be the lead applicant of the cluster. In summer 2021, Synthesis Agri-Food Network was hired to help CWRC develop the cluster priorities. As part of that process, farmers and industry partners from across Canada were consulted to develop a list of challenges that need to be addressed for continued success of producers and the wheat sector. A request for letters of intent went out in August of 2021. Submission of the final application to AAFC is targeted for fall of 2022, and activities will begin in April of 2023.



Project funding

The following projects have been accepted in the 2021 fiscal year through the Agriculture Funding Consortium and the Agriculture Development Fund. The amount reflected in the "AWC's Commitment" column represents the total funding over the lifetime of the project.



Project Name	Principal Investigator	AWC's Commitment
Determining best management practices for integrated maturity management in CWRS wheat production	Dean Spaner	\$141,143.00
Varietal mixtures to discourage wheat pests, manage pest populations, and stabilize yield across environments	Dean Spaner	\$79,350.00
Implementing Genomic Selection for Development of Next Generation CPSR Wheat Cultivars	Harpinder Randhawa	\$100,000.00
Staying ahead of ever evolving cereal pathogens: management by early detection and genetic host resistance	Gurcharn Singh Brar	\$104,362.49
Introgressing <i>Thinopyrum intermedium</i> stripe rust resistance genes into wheat	André Laroche	\$102,296.00
Genome wide association study to identify markers for stripe rust virulence and resistance in diverse Canadian wheat panels	Reem Aboukhaddour	\$136,125.00
Investigating RNAi as a management tool for prairie wireworms	John Laurie	\$69,000.00
Marker assisted breeding for common bunt resistance in new wheat varieties adapted to the Canadian Prairies	Ron Knox	\$45,000.00
Next Generation Fungicides - translating dsRNA technology from the lab to the field	Steve Robinson	\$82,500.00
Targeting reproductive and spike traits for improving grain yields in wheat	Raju Datla	\$138,000.00
Identification and exploitation of genome structural variants for trait improvement in Prairie crops	Andrew Sharpe	\$57,500.00
Mapping novel Fusarium head blight (FHB) and stripe rust resistance genes from Watkins landraces	Gurcharn Singh Brar	\$52,612.00
Unraveling and stacking of grain protein genes in durum to keep pace with yield increases through breeding	Yuefang Ruan	\$60,000.00
Improvement of Nitrogen Fixation Trait in Wheat and Triticale	Alicja Ziemienowicz	\$53,125.00

Scholarships

AWC has established a number of scholarships aimed at developing future industry leaders. The following scholarships were sponsored this past year and awarded the following recipients:

- Lakeland College- Alberta Wheat Commission Scholarship in Crop Technology: Hanna Snelgrove
- University of Alberta- Alberta Wheat Commission Award in Sustainable Agriculture: Jacey Toerper
- University of Alberta- Alberta Wheat Commission Award in Sustainable Economics: Cho Kwan Pang
- University of Alberta- Alberta Wheat Commission Graduate Research Scholarship in Crop Science: Momna Farzand
- Olds College- Alberta Wheat Commission Award- Agriculture Management: David McKinnon; Katy Sopotyk.
- University of Lethbridge- Alberta Wheat Commission Agronomy Scholarship: Emma Pashulka



Regional Variety Trials

With Alberta Agriculture and Forestry withdrawing financial support towards the Regional Variety Trials (RVTs), Dr. Sheri Strydhorst was hired by AWC in February 2021 to coordinate the program going forward. AWC recognized the value of keeping this program intact as RVTs provide Alberta farmers with reliable field-tested variety data and information from growing regions throughout the province.

Sheri's RVT work represents a significant addition to AWC's already large in-kind investment to the program. To provide additional funding to the RVTs, and allow for seed setup and treatment, AWC submitted a funding application to Results Driven Agriculture Research (RDAR) for support in the transition.

Funding of \$182,000 was secured over 2021 and 2022.





AGRONOMY AND EXTENSION

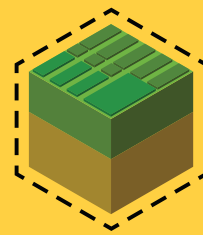
In The Field Webinars

The Alberta Wheat and Barley Commissions held seven “In the Field” webinars this spring, attracting over 325 participants. The short, hour-long webinar series featured Jeremy Boychyn interviewing industry experts and had them present topics of interest to farmers. Some of the notable topics this year were stripe rust, leaf streak, and monitoring and management of wheat midge, while Tom Wolf presented on the mechanics of fungicide application.

Once again, we managed to shift gears quickly and effectively in the face of COVID-19, finding a virtual way to provide cutting edge agronomic information and add value for people in support of their farming operations.



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Plot2Farm

The second season of Plot2Farm saw the implementation of five on-farm wheat trials in five locations using a \$35,000 budget. Plot2Farm gives farmers the tools they need to put on-farm research into action. By harvesting data straight from the genetics and management of a participating farmer's own operation, Plot2Farm results helps farmers apply agronomic management decisions with greater confidence. Jeremy Boychyn, our agronomy research extension specialist, works with researchers and farmers to devise a protocol for each trial. Throughout the trial, participating farmers work with their partnered agronomist to ensure that data is collected and all protocols are followed. Our team then helps analyze and interpret the data. Results will be compiled and extended in the fall and winter of 2021-2022.



In The FIELD WEBINARS

**BROUGHT
TO YOU BY** 





The Growing Point Newsletter

The Growing Point is aimed at providing farmers with a timely and informative agronomic resource via articles, podcasts and videos. Eight separate editions of The Growing Point newsletter were developed and released between August 2020 and July 2021 to help keep our members informed and up to date.



The Growing Point Podcast

Nine episodes were released between August 2020 and June 2021 with three more episodes recorded and in post-production for release.



Train the Trainer

2021 marked the launch year of 'Train the Trainer' with a virtual session involving the Alberta Cargill's agronomy team and lead sales representatives. The event goal is to provide agronomic extension material for line company employees that interact with farmers. After a successful virtual event in this fiscal, next season will see an increase in events and the range of companies trained.





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Agronomy Update

For the first time, the Alberta Wheat and Barley Commissions took the lead on hosting the annual Agronomy Update in collaboration with the Alberta Pulse Growers and Alberta Canola. The annual conference, which provides timely agronomy information to producers and agronomists, has traditionally been a two-day, in-person event. Due to current COVID-19 social distancing guidelines, a virtual platform was chosen for Agronomy Update 2021, to not only ensure the safety of our community, but also to allow increased engagement from across Alberta.

This year's version was a great success, attracting about 600 attendees over two days. Speakers covered a variety of practical topics for growers including yield gap, a Fusarium head blight overview and resources for combatting it, and how messy fields can aid beneficial insects. As part of the event, we were pleased to have two of our staff members – Dr. Sheri Strydhorst and Jeremy Boychyn – present on their areas of expertise.

The virtual format also provided a means for people who have never attended an Agronomy Update to take part and gain new knowledge. With the in-person event capped at 250 people, we were able to expand the audience this year thanks to ease of attendance and lack of a travel commitment. Going forward, we plan to include the option of attending online, and we look forward to hosting the Agronomy Update in 2022 and beyond, both virtually and in person.

Virtual Marketing Event – “What’s Happening with Wheat and Barley Markets?”

Prior to this year's drought, wheat and barley prices were looking quite strong in the spring as farmers were putting crops in the ground and starting to think about marketing. To aid them in their marketing efforts, we produced a virtual outlook session where marketing experts provided their opinions on why prices were at their current level and where they might go in a normal year. Beginning with a wheat and barley feed markets update from Chuck Penner with Leftfield Commodity Research, the session moved on to a presentation on international promotion and outreach with Lisa Nemeth of Cereals Canada and Peter Watts from the Canadian Malting Barley Technical Centre. The event also featured David Derwin from PI Financial on trading strategies and market analyst Brennan Turner with a milling wheat market update.

The event was free to join and well attended, attracting over 40 participants. This was our first virtual marketing effort and highlighted the importance of staying up-to-date on market conditions throughout the growing season.

Support for Applied Research Associations

Again this year, the Alberta Wheat Commission (AWC) provided funding to applied research associations throughout Alberta to support extension to farmers in their area. This included crop tours and virtual or printed newsletters to keep local members abreast of the latest research findings.



PRIOR TO THIS YEAR'S DROUGHT, WHEAT AND BARLEY PRICES WERE LOOKING QUITE STRONG IN THE SPRING AS FARMERS WERE PUTTING CROPS IN THE GROUND AND STARTING TO THINK ABOUT MARKETING.



As part of supporting growers, AWC ran its annual WheatStalk event, providing farmers with the latest agronomic information for their area. It also allowed them to speak with our independent, in-house agronomy experts - Jeremy Boychyn and Sheri Strydhorst - about issues of concern. With the cancellation of so many events due to the pandemic, WheatStalk was a chance to make connections and ask questions in a safe, outdoor environment that followed all guidelines from Alberta Health Services.

This year's event included four locations throughout the province: Forestburg, Oyen, Westlock and Falher. The diverse sites allowed us to address the varying concerns of growers in different parts of Alberta and a range of soil and climate zones. For example, wheat stem sawfly is a recurring problem in southern Alberta, yet it is virtually non-existent in the Peace Country.

The event was well attended, with farmers pleased at the opportunity to reconnect with neighbors and industry. At the same time, researchers were happy to engage with farmers on a number of fronts.

Though next year's event may not encompass four sites, we look forward to another successful WheatStalk in 2022.



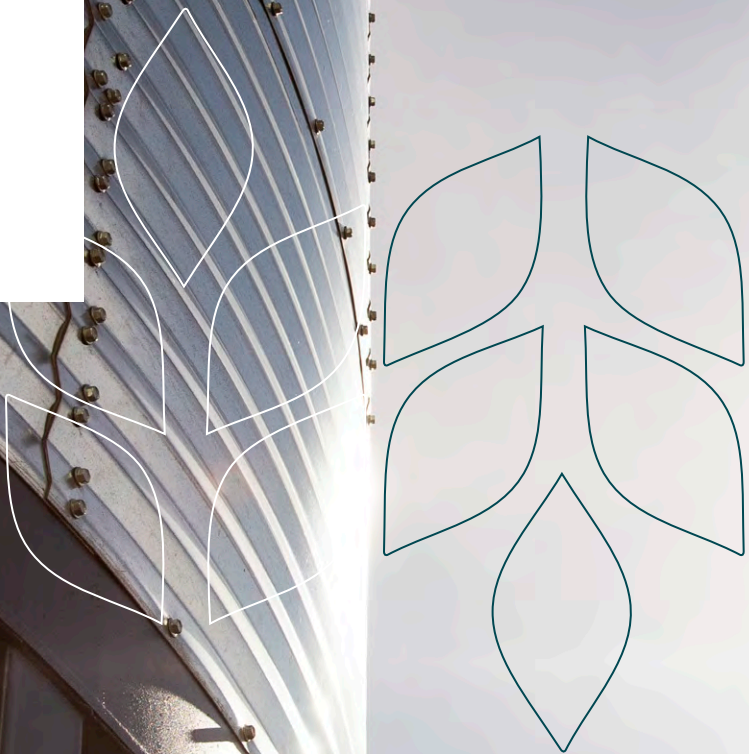
Each year, AWC makes a scholarship available to an applicant from Alberta who is involved in cereal production that is relevant to our members. The winning candidate is then expected to travel and gather information that they can share with Alberta growers and use to bring value to the industry, speaking at events facilitated by AWC.

This year's Nuffield Scholarship recipient was Ken Coles, the manager of Farming Smarter, which is a not-for-profit organization representing agricultural producers in southern Alberta. Ken's interest is in learning how organizations focused on extension and applied research operate in other countries. This knowledge could be of great value to similar organizations in Alberta and the farmers they serve.

This is the fourth year of AWC's involvement with the Nuffield Scholarship. We are pleased to see that the program's benefits flow both ways, as we are sometimes contacted by Nuffield scholars from other countries that are touring Canada and gathering information to apply in their home country. We feel it is important to support local scholars and those from abroad, as knowledge is a valuable resource, and the more it can be accumulated and shared, the better for everyone.

We would encourage anyone with an interest in the scholarship to visit [Nuffield.ca](https://www.nuffield.ca) and submit an application. This is a powerful program that will have a lifelong impact on both participants and wheat growers in Alberta.

MARKETS



Canada Grain Act Review

The Canada Grain Act (CGA) is an important piece of legislation for the agriculture sector, as it determines many of the rules around domestic marketing of grains. We heard from farmer members that many aspects of the act are based on dated expectations, and that the act itself requires modernization.

We were pleased that the Government of Canada held consultations in the spring of 2021 seeking input on needed changes to the act, and the Alberta Wheat and Barley Commissions submitted a combined response highlighting more than six years of concerns.

Our submission focused on modernizing the Canadian Grain Commission (CGC), including replacing the current mandatory government testing of export vessels with government oversight of private testing, and revising the CGC's funding model to address the regular funding surpluses, which now represent over \$100 million. The current model of testing is not meeting the demands of the marketplace, as evidenced by the existence of a thriving third party testing industry in Canada. The industry finds success by offering tests not provided by the Canadian government, but that are required by many international buyers. The testing system is becoming inefficient due to duplication of efforts from the private and public sectors. We believe that the system would greatly benefit if testing was centralized into the private sector, with the CGC moving into an oversight role rather than providing the service itself.

Our other concern around the CGA relates to funding. The CGC charges per tonne to grain companies for export vessel inspection, who pass the fee along to farmers through lower grain prices. The CGC sets the fee based on an expected amount of exports; unfortunately, the surplus has accumulated due to repeatedly underestimating export volumes and having no mechanism for returning surplus fees to farmers. We are recommending that a transparent funding model be employed in which fees that support CGC funding be clearly displayed on farmer payments and the CGC can annually adjust fees to prevent surplus accumulation.

Finally, we raised the issue of updating the rights afforded to farmers. At present, a grower's right to dispute grading subject to CGC inspection assumes that they will be at the elevator and able to challenge the grade at the time of delivery. The CGA needs to recognize that farming practices have changed, as farmers often have someone else delivering their grain. The right to dispute needs to be adjusted accordingly, allowing for challenges to be raised up to five business days from the date of delivery. That right should also be expanded to allow for dispute of non-grade requirements on grain, such as falling number for wheat.

In early August, the federal government published a "What We Heard" document containing all submissions on the CGA. We were pleased to see many of our positions reflected in that report, indicating that we were not alone in raising those concerns. We will remain vigilant in pushing the federal government for the continuation of this process to modernize the GCA, stressing that the review be based on the most current considerations rather than starting over. In doing so, we hope to see the grain trade regulations updated to fit farmers' modern needs.

For those who would like to know more, our full 18 page submission to the Government of Canada is available for viewing on albertawheatbarley.com.

Seeds Act Regulations – Seed Standards Task Team

As part of updating the seed regulations, the Alberta Wheat and Barley Commissions have been actively participating in several task teams examining different portions of the regulations. We have provided input on updating the rules around seed grading and taken the opportunity to recognize that the standards of quality applied to seed is currently lower than what the market offers with respect to dockage allowances and minimum vigor requirements. Recommendations were also given for providing greater transparency on details around weed content, as introducing a new weed into a field can lead to substantial financial implications. The feedback provided by farmers will encourage the government to improve the regulations that backstop seed quality without impacting seed availability.

For the next step in this process, feedback from the task team will be incorporated into the overall regulatory review once other task teams have completed their work. We recognize that access to ample amounts of clean, high quality seed is important for our members, so we will continue to engage in this review on their behalf.

International Wheat Promotion – Support Efforts

Maintaining International Trust

Ongoing support of science-based regulatory decisions on pesticides

Modern farming practices in Canada rely on Health Canada's Pest Management Regulatory Agency (PMRA) to make science-based regulatory decisions on pesticides. These decisions ensure that growers can maintain access to the tools they require to farm sustainably while also meeting international standards on safety. Concerns are being raised about political interference in the regulatory process due to the recent Health Canada decision in August to pause

proposed increases to maximum residue limits (MRLs). This pause constitutes the first political intervention in a long-standing system of impartial scientific decisions rendered by PMRA. The Alberta Wheat and Barley Commissions continue to join national organizations encouraging the Government of Canada to reconsider this pause and allow the country to remain a world leader in creating a functioning global regulatory and trading system based on a scientific approach.

For decades, Canadians have been well served by the commitment of industry and government to science. Trust in science has proven paramount as Canada navigates the global pandemic, and we are adamant that the PMRA science-based regulatory process be left free of political interference.

Communication to producers of chemistry of concern via “Keep It Clean” program

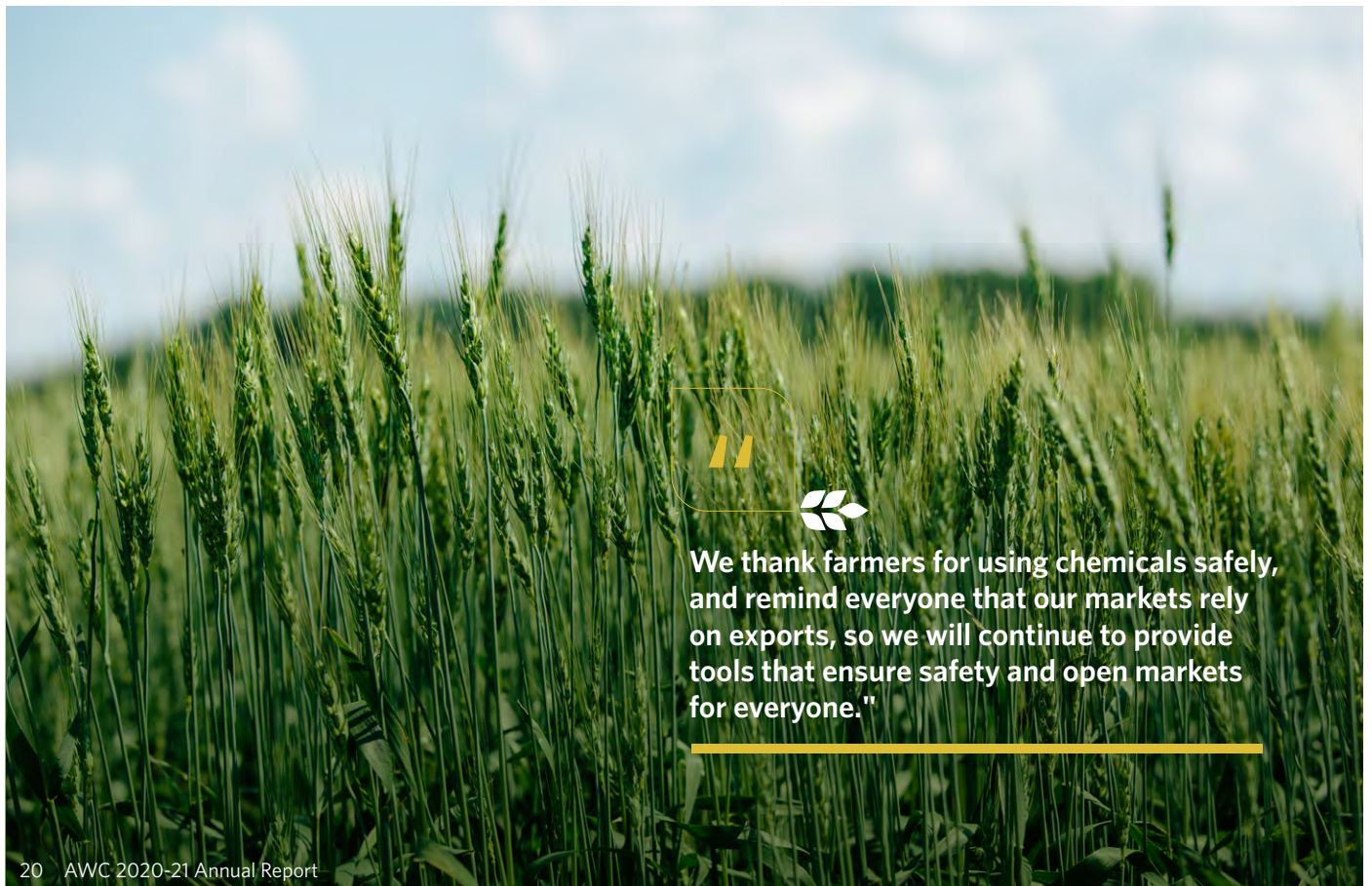
We remain supportive of Cereals Canada and their “Keep it Clean” initiative to streamline industry acceptance of new chemistry in Canada and quickly respond to potential trade concerns due to changing international MRLs. We thank farmers for using chemicals safely, and remind everyone that our markets rely on exports, so we will continue to provide tools that ensure safety and open markets for everyone.

For updates, farmers are encouraged to check kic.ca regularly or subscribe for important updates to keep current on key changes throughout the season.

New Crop Missions – Cereals Canada

The Alberta Wheat Commission (AWC) continues to support the international promotion of Canadian wheat through Cereals Canada’s new crop missions. Due to the ongoing travel restrictions around COVID-19, promotion proceeded again in a virtual format through 2021. We are expecting that in-person activities will resume in 2022.

Promotional materials for wheat continue to be hosted through the platform canadiancereals.ca, where both reports and webinars are provided to international buyers. Over the last two years, this has become an important venue where we can continue to connect farmers with our international markets, provide education on how Canadian wheat is grown, answer questions regarding farming practices in Canada, and hear from international markets on changing consumer trends. Through group webinars and one-on-one meetings, Canadian farmers continue to assure international buyers of our wheat’s cleanliness, safety, and high quality.



We thank farmers for using chemicals safely, and remind everyone that our markets rely on exports, so we will continue to provide tools that ensure safety and open markets for everyone.”

TRUST IN SCIENCE HAS
PROVEN PARAMOUNT AS
CANADA NAVIGATES THE
GLOBAL PANDEMIC, AND
WE BELIEVE THAT THIS
SAME TRUST MUST ALSO BE
EXTENDED TO AGRICULTURAL
AND ENVIRONMENTAL
EXPERTS GOING FORWARD.





A MESSAGE FROM CEREALS CANADA

DEAN DIAS,
Chief Executive Officer



Cereals Canada is dedicated to supporting the Canadian cereals value chain (farmers, exporters, developers and processors) and our customers around the world. We are committed to providing timely, expert technical information, delivered with a best-in-class customer experience.

Cereals Canada is the united voice for the industry. Over the past year, Cereals Canada continued to monitor market access issues, provide customer technical support and programming and promote the use of Canadian cereals in the global marketplace.

The 2020 Harvest Assessment determined the story last year. The composites are assessed and include data on milling and flour/semolina quality as well as end-product quality (bread, pasta and/or noodles) typical for each wheat class. It was a strong crop year with high yields, excellent protein and flour/semolina quality from the samples taken across Canada.

Last year, over 19 million tonnes of non-durum wheat along with over 5 million tonnes of durum were exported. Canada's cereals sector led the country's agriculture exports with annual exports averaging \$8.5 billion dollars to over 70 countries.

While Canada faced technical and phytosanitary barriers, the Cereals Canada plan focuses on three pillars:

1. Market Access and Advocacy
2. Market Support
3. Market Development

Market Access and Advocacy:

Cereals Canada is actively responding to market access issues and trade barriers. Cereals Canada works collaboratively across industry and government to monitor trade issues affecting Canadian cereals exports and advance solutions to address irritants and support expanded opportunities for export-led growth.

Our partners include the Canada Grains Council, Canadian Agri-Food Trade Alliance, Canadian government as well as Canadian and global industry partners to encourage trading nations to strengthen transparency and predictability in trade.

Free Trade Agreements

Canada and Indonesia launched technical discussions towards a Free Trade Agreement (FTA) last year. Cereals Canada supports the launch of negotiations as Indonesia is one of the top destinations for Canadian cereal crops and a gateway for exports into the rapidly growing Asia-Pacific region. The market represents about 11 per cent of Canada's wheat exports to the world, bringing significant value to Canadian farmers and exporters.

Canada and the United Kingdom (U.K.) entered into an interim trade agreement (TCA) in April 2021. This provides Canadian exporters with continued preferential access to the U.K. market carried over from Canada-European Union Comprehensive Economic and Trade Agreement (CETA) and supports the long-standing partnerships between Canadian wheat producers and UK wheat millers. CETA removed 98 per cent of tariffs on Canadian goods and over time will remove approximately 99 per cent of tariffs.

Cereals Canada is committed to working with the government, members, partners on resolving trade barriers and supporting predictability in the trade environment.





Innovation in Plant Breeding

The cereals sector recognizes that innovation in plant breeding carries the significant potential to help address crop production challenges and enlarge the portfolio of products available and traded worldwide.

As a Canada Grains Council member, Cereals Canada endorsed Canada Grains Council's submission on the proposed guidance relating to Part V of the Seeds Regulations including the recommendations to improve the clarity of situations where plants are subject to Part V, especially when plants (without foreign DNA) have been changed in a way that poses an environmental risk. Cereals Canada also submitted a separate response on behalf of all cereals to Health Canada on the Novel Foods Act.

Keep it Clean Campaign

A joint initiative of Cereals Canada, Canola Council of Canada and Pulse Canada provides resources for growers on the best practices to maintain domestic and export markets. This collaboration focuses on 5 key points

1. Use acceptable pesticides only
2. Always read and follow label instructions
3. Manage disease pressure
4. Store your crop properly
5. Deliver what you declare

KeepItClean.ca

Market Support:

Provide Customer Technical Support on behalf of the Canadian Value Chain

Building and maintaining relationships with customers is at the heart of what we do at Cereals Canada. With our expert, technical staff providing programming designed specifically for the customer's needs. We reached out to provide key support to Prima, one the largest food industry conglomerates in Sri Lanka and we also reached out to COFCO Corporation, China's largest food and agriculture company. Cereals Canada delivered an online seminar. In 2020, COFCO imported 3 million tonnes.

As well as the Swiss Milling School. The Swiss Milling School is the world's prime institution for training staff in the grain milling industry. There were over 14 different countries represented during the training session.

Connecting with Customers virtually; New Crop Seminars

Cereals Canada is known for its excellence in delivering new crop information. Last year, there were 48 seminars/meetings involving 28 markets that took place virtually. The seminars targeted key customers, millers, buyers and traders. With all seminars, one on one meetings with individual companies took place to continue to answer questions and build relationships with customers. CanadianCereals.ca

Market Development: Canadian Wheat Research Priorities

Meeting the needs of farmers, consumer demands, overall sustainability and competitiveness of new wheat varieties is the focus of the Wheat Research Strategy Task Group.

Habitat-Friendly Winter Wheat Ecolabel program:

The Canadian grains sector is establishing an eco-label program for Canadian products made using Western Canadian Winter Wheat. Cereals Canada is leading this project in collaboration with Ducks Unlimited Canada, Prairie winter wheat groups, end users including millers and food processors.

The Habitat-Friendly Winter Wheat Ecolabel program will provide consumers with a sustainable choice and help to conserve wildlife and support farmers in Western Canada. The program leverages Canada's grain classification and variety registration system enabling farmers to participate without the need for on-farm audits or certification. habitatwheat.ca

Canadian Wheat Nutrition Initiative:

Cereals Canada in partnership with the Alberta Wheat Commission, Saskatchewan Wheat Development Commission, Manitoba Crop Alliance, Grain Farmers of Ontario and the Canadian National Millers Association are developing a national strategy on wheat nutrition and health research. The goal is to establish a value chain science-based promotion and education campaign on the beneficial properties of Canadian wheat and the benefits of modern agriculture. whataboutwheat.ca

POLICY AND GOVERNMENT RELATIONS



2021 was another busy year in the policy and government relations department. We launched several new initiatives and continued to work on strengthening our collaboration with our Team Alberta colleagues across the crop sector. While many of our advocacy efforts have continued to be adapted, we have engaged in collective all-party advocacy and outreach to amplify farmers' voices.

Team Alberta

Team Alberta is a coalition of the four major crop commissions in Alberta: the Alberta Wheat Commission (AWC), Alberta Barley, Alberta Pulse Growers and Alberta Canola Producers. Each year, we collaborate on several key policy priorities and have continued to prove the effectiveness of this model in influencing policy.

Business Risk Management programs tested through the 2021 drought

In 2021, we worked closely with Agriculture Financial Services Corporation (AFSC), both levels of government and our national partners to encourage the incremental changes that were made to the AgriStability program with the removal of the reference margin limit. However, we were disappointed in our provincial government's response to the worst drought in 20 years as it pertained to the crop sector and the inability of existing programs to address the issue. We continue to work closely with AFSC and the provincial and federal government toward more responsive, predictable and equitable business risk management programs. The responsiveness of these programs has been tested through unprecedented drought conditions of the past harvest, and we will press for meaningful reform of these programs under the next agricultural policy framework that will come into place in 2023. AWC has been actively involved in preparing recommendations to governments regarding priorities for the new vision and strategic initiatives for our farmers.

Mandatory Entry Level Training

With the expiration of the extension for farmers and farm workers to obtain class 1 mandatory entry level training (MELT) in March of 2021, Team Alberta has continued to work closely with Alberta Transport to advocate for solutions to reduce the cost and time for farmers to obtain a Class 1 license with MELT and also to increase the availability of Class 1 drivers to service the agricultural sector.

Grain Drying Study wraps up

This year, Team Alberta completed its third and final year of data collection toward measuring the energy usage of grain drying systems in the province. This three-year study produced groundbreaking data for the Prairies that will affect grain drying policy and will contribute to a national analysis of grain drying technology.

Alberta K-6 curriculum input

Team Alberta also collaborated on providing detailed input and advocacy on Alberta's K-6 curriculum development to emphasize the need for relevant agricultural education and history to be embedded in early learning outcomes.

Team Alberta Modernization

Team Alberta has become well recognized across all levels of government for its representation and advocacy efforts on behalf of crop sector farmers. Wherever possible, our groups look to gain efficiencies by working together while maximizing the voice of the farmers we collectively represent.

To that end, Team Alberta has committed to strengthening our collaborations in planning, strategizing and advocacy on shared policy priorities. This year we came together with members of the Crop Sector Working Group to re-envision an expanded Team Alberta to leverage the brand awareness and effectiveness by including more crop groups. This expansion will further amplify the policy positions of the crop sector in Alberta and will be implemented in the new year. Under the management of a shared employee, new Team Alberta

members will include the Alberta Sugar Beet Growers, Potato Growers of Alberta, Alberta Seed Growers and Alberta Beekeepers Commission. Other groups have expressed interest in this model, and we will be working to refine and implement a consensus-based operating and governance structure.

Team Alberta Wetland Stewardship/Water Monitoring Project

The new water monitoring/wetland stewardship that our crop sector groups have worked on collectively this past year is a good example of how we are stronger together as an expanded group. With funding from Results Driven Agriculture Research (RDAR), the commissions, the Canadian Agricultural Partnership (CAP) and registrants, this novel three-year project is based around a targeted water monitoring program aimed at validating the health of aquatic ecosystems in proximity to crop systems. The primary goal of the work is to provide western Canadian water monitoring data to the Pest Management Regulatory Agency (PMRA), our national regulating body, as a data-driven means to defend the safety of critical crop protection products while they undergo ongoing re-evaluation. The project also analyzes and validates the effectiveness of wetland stewardship practices in protecting ecosystem/aquatic health. This work has been well received by the PMRA and national groups and we are now working toward setting a vision for a national water monitoring project.

Environment/Climate Change

The recent Supreme Court of Canada ruling in favour of the carbon tax has put a focus on Alberta to develop a climate change plan in alignment with the federal government's targets. Through Team Alberta, we provided detailed input and participated in a number of engagements with government to help shape the policy as related to agriculture, while minimizing impacts.

Over the past year, we have collaborated with a number of groups to discuss policy implications and recommendations. We also worked to understand the opportunities for farmers through measures like analysis of the clean/renewable fuel standards.

Further to this, we have developed new initiatives that leverage funding to enhance our knowledge of critical issues related to climate change. These include projects that examine:

- Risk management strategies for adaptation and resiliency to changing climates in the cropping sector.
- Assessment of beneficial management practices for carbon sequestration in prairie crop production.
- Building on our grain drying work provincially by collaborating on a national approach to defining the technological requirements of grain drying to limit the impact of the carbon tax.

Calgary Chamber of Commerce

We have seen great value in membership on the Calgary Chamber of Commerce over the past year. This participation has allowed us to be included in a number of agriculture and agri-food related roundtable meetings with key government officials both at the provincial and federal level. Through our membership we will continue to support the Canada's Agriculture Summit event held by the Chamber of Commerce.

Federal Policy Engagement

AWC's policy team works to support all departments across the organization on regulatory and policy issues and in the development of advocacy efforts at the federal level.

Health Canada Pest Management Regulatory Agency (PMRA)

Our team participated in consultations as part of the PMRA re-evaluation process, and we have already begun to see positive outcomes from that engagement. Again, this year, our policy team at the federal level focused on conducting policy research and preparing submissions on various regulatory decisions of the PMRA related to crop protection products. We have also been involved with garnering commitments to undertake a national water monitoring program, and we participated in western-focused consultations related to the mandate of a new Canadian water agency that seeks to promote collaboration with different levels of government.

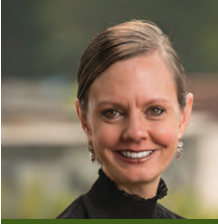
At present, our team continues to monitor decisions that could impact the availability of pest management tools for farmers.

Federal Election

During the recent federal election, AWC's policy team informed farmers of the major parties' agricultural platform priorities. We also conveyed our key messages to candidates to raise awareness of western Canadian farmers' priorities.

Grain Growers of Canada Advocacy

This past year, AWC participated in the Grain Growers of Canada's committees and working groups to formulate policy and advocacy strategies on national priorities. While in-person engagements have pivoted in response to COVID-19 health restrictions, AWC continues to work through our membership with the Grain Growers of Canada to build relations with officials and keep our farmers' priorities of front of mind in Ottawa.



A MESSAGE FROM THE GRAIN GROWERS OF CANADA

ERIN GOWRILUK,
Executive Director
Grain Growers of Canada

A lay of the (political) landscape for 2022

At first glance, the political landscape in Ottawa post-election does not appear much different than it did a few months ago, yet a renewed Liberal minority government may operate differently this time around. This is largely due to the fact that it was clear no one wanted a pandemic election this summer, and it is hard to see a scenario where there would be much public appetite in the near future. Combine that with the reality that the political parties will need to restock their campaign war chests, it is tough to think the governing Liberals will have trouble finding support from one of the other opposition parties to move forward with their agenda.

What does this mean for farmers, though? It means that environmental policy will remain the focus for agriculture under this government, and we need to continue to grapple with ensuring that MPs, Ministers, and bureaucrats better understand the impacts of certain policy proposals in this space. Additionally, it means we will need to continue to engage with all political parties to ensure that our sector's priorities cannot be ignored.

During the lead up to recent federal election campaign, the Grain Growers of Canada (GGC) actively engaged with all of the main political parties to stress the core areas of agricultural policy that we wanted to see included in their respective election platforms. Our areas of focus included:

- Increased funding towards more effective risk-management programs
- Investing in agriculture research to better position grain growers for the future
- Refocus regulation to enable innovation and increase Canada's competitiveness

- Modernize the Canada Grain Act to reduce costs, maintain protection, and return excess service fees to farmers
- Break down trade barriers, and aggressively defend Canada's exporters
- A Made-in-Canada approach to environmental policy that recognizes and rewards farmers for being part of the climate change solution

While all the Party platforms lacked any real emphasis on agriculture, we will continue to focus on driving the needs of our sector forward. This started with our semi-annual outreach and advocacy campaign, National Grain Week, December 13 – 16, 2021. We are hopeful that this will be our last virtual campaign and that we can bring farmers to Parliament Hill for face to face meetings with key MPs, Senators and Officials before this spring's seeding.

Despite the challenges before us, GGC will continue to raise issues that matter to Canadian farmers to all parties in Ottawa. After a difficult growing season for many producers, rising input costs, and a volatile trade environment, it is more important than ever that we loudly stand up for the needs of Canada's grain growers – and that's just what we are going to do.



Despite the challenges before us, GGC will continue to raise issues that matter to Canadian farmers to all parties in Ottawa."

AT FIRST GLANCE, THE POLITICAL LANDSCAPE IN OTTAWA POST-ELECTION DOES NOT APPEAR MUCH DIFFERENT THAN IT DID A FEW MONTHS AGO, YET A RENEWED LIBERAL MINORITY GOVERNMENT MAY OPERATE DIFFERENTLY THIS TIME AROUND.



COMMUNICATIONS AND EVENTS



The communications department serves as support to the many programs and activities of the Alberta Wheat and Barley Commissions.

The communications and events team works closely with key programs such as research, market development, and government relations and extension. As part of this effort, we produce material and content for these programs, including press releases to spread the word when newsworthy topics arise. We also advise and brainstorm ideas with each department on the most effective means of communicating and connecting with farmers. We take great pride in ensuring that the commissions' activities are consistently conveyed, as well as the value they deliver to Alberta farmers.

For example, when the government makes an announcement that could impact Canadian agricultural policy, we develop informational branded emails that are sent to our farmer membership. We also use The Grain Exchange newsletter to keep growers informed and ensure that all of our activities, events, news and programs are shared through social media. This allows our members to acquire timely, relevant knowledge and engage in two-way conversations with the commission.

Event planning is also a critical function of the department, and you will have already read about the many events we plan throughout this annual report including agronomy update, In-the-Field webinars and regional meetings to name a few.

In a normal year, the commissions collaborate to host the Prairie Cereals Summit (PCS) in Banff, during which the Alberta Barley AGM also takes place. PCS was cancelled in 2020 due to COVID-19, but we successfully hosted the 2021 event on December 8-9, 2021. Thanks to Megan Evans for her work in organizing our annual PCS event as well as all other commission events.

This spring, we launched a new joint website for the Alberta Wheat and Barley Commissions. The site lists our priorities in core areas like research, market development, government relations and extension. Each department functions differently and has a unique way of showcasing what they do, so this site is a prime opportunity to showcase those differences. The site also has a unique function that allows the commissions to intuitively place news in-front of our farmer audience, so they can consume timely updates on our advocacy efforts and the key issues of the day.

In addition, the communications and events team supports marketing efforts for various departments. This includes programs like FarmCash, a strong management tool for western Canadian producers. We work with the FarmCash team by developing an advertising campaign that promotes their competitive advantages. We also developed the marketing, advertising and roll out strategy for Alberta's Crop Protection Guide (Blue Book) to ensure that the publication was well known and findable for farmers.





As part of its role, communications services all departments and initiatives that require farmer engagement. When talk first began around amalgamation of the Alberta Wheat Commission and Alberta Barley, our team was integral in establishing a farmer engagement strategy to promote a series of consultations and enable farmers to provide their input in the process.

With the recent growth of the agronomy extension program, including an agronomy extension communication channel called The Growing Point, we collaborate to update content and facilitate its delivery to farmers in an easily consumable manner. In support of Plot2Farm, an on-farm research program, we developed the branding and program material development that helped bring the program to life.


Our team works hard to communicate and showcase the commissions' value to farmers. The communications team also works closely with mainstream media to heighten and amplify our voice, presence and position on key issues and files. We send press releases in a timely fashion and make every effort to gain coverage, and garner media pick-up wherever possible. The commissions are often seen quoted or featured not only in agriculture media, as well as mainstream media such as CTV, CBC, Global News, BNN Bloomberg, and more.








The Growing Point





The Western Producer

Farmers urged to take part in Grain Act review

Many producer groups say the value derived from the Canadian Grain Commission's outward inspection service does not justify its cost, which is ultimately...


Apr 22, 2021

Alberta Farmer Express

Team Alberta calls for more action from the provincial government

Representatives of Alberta's four major crop commissions, known as Team Alberta, want producers to know their precarious situation hasn't been forgotten.

3 weeks ago



AWC 2020-21 Annual Report 29

Life's Simple ingredient CA



Launched in 2016, the Life's Simple Ingredient campaign aimed to create an environment where people could feel good about eating wheat. Via the website (lifessimpleingredient.com) and a monthly e-newsletter, the initiative features registered dietitians and farmers who educate the public about modern agriculture and offer recipes for incorporating wheat in a healthy diet.

The Alberta Wheat Commission (AWC) also ran a "Farm to Fork" advertising effort with CTV Calgary, CTV Edmonton and numerous radio stations to help promote Life's Simple Ingredient. Joining that effort was AWC director Janine Paly, who shared her passion for growing wheat and including it as a key element in feeding her family. Combine that with a growing presence on Facebook, Instagram and Twitter, and the

campaign is building awareness on several fronts about the many benefits of eating wheat for health – including a number of minerals and vitamins – fitness and even brain function.

2021 was a banner year for the program, as it won the prestigious Canadian Agri-food Marketers Alliance (CAMA) award for best digital consumer campaign. As well, Life's Simple Ingredient joined forces with Revive Wellness Inc., a team of leading-edge, private practice registered dietitians that specializes in evidence-based nutrition counselling. As part of the AWC campaign, that team now offers wheat-based recipes, meal plans and shopping lists so busy moms can save time and effort at the grocery store.

**Canada Wheat***

“



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the incredible possibilities of wheat



Life's Simple ingredient.ca

Life's Simple ingredient

the incredible possibilities of wheat

LEARN MORE NOW

Life's Simple ingredient

The incredible possibilities of wheat.

LEARN MORE

The incredible possibilities of wheat.

Life's Simple ingredient

LEARN MORE

AGM



Annual General Meeting

For the first time in the commission's history, the Alberta Wheat Commission (AWC) annual general meeting (AGM) was held virtually on January 27, 2021. It also marked our first use of e-voting capability.

Hosted online via Zoom, the virtual meeting enabled AWC to present our annual financials to members, provide annual highlights, an update on resolutions from previous meetings and provide the latest details on the amalgamation process with Alberta Barley.

Given the challenges of the pandemic, AWC was pleased to garner feedback from attendees on the virtual approach for the AGM. The comments were positive on our ability to pivot in a short period of time to a virtual format so farmer members could still receive annual updates and engage with AWC.



GrainsWest



We saw growing attention to The *GrainsWest* Podcast this year, including the episode “Alcohol-Free Beer Goes Big.”

GrainsWest empowered readers throughout the year with timely topics and compelling stories.

Over the year, *GrainsWest* magazine covered critical topics with three farmer-focused issues and a special technology edition. We also produced a special theme edition that examined beneficial insects and their exciting potential for the crop sector. In the article “Friends with benefits” by Trevor Bacque, we looked at promising research by Haley Catton and Tyler Wist on their use of data to make the case for incorporating beneficial insects in commodity crop agronomics. This is an intriguing field of study with potential broad financial benefits for farmers. The feature was very well received, with the print and online versions generating considerable interest.

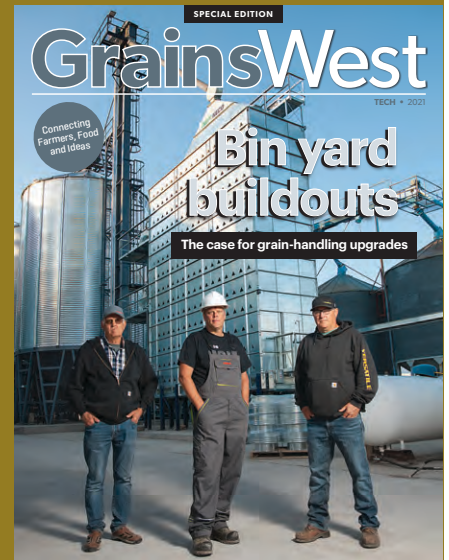
The cover story of our most recent technology edition, “Binyard buildouts”, is a major examination of on-farm grain handling systems. The article makes a case study of a substantial rebuild now in progress and discusses how farmers are incorporating new technologies in such projects.

Earlier in the year, our story on containerized shipping addressed the expanded use and potential of sea containers to market grains

across the planet. The subject continues to evolve as this marketing mechanism has since been put under negative pressure by pandemic shipping constrictions.

As part of our commitment to address timely topics, we prepared a three-part series on carbon issues in agriculture. This broad industry overview of carbon controversy breaks down the complex nature of the subject for farmers and looks closely at how carbon issues come to bear on the agriculture sector.

We saw growing attention to The *GrainsWest* Podcast this year, including the episode “Alcohol-Free Beer Goes Big.” The topic was of great interest to listeners in light of significant expansion in the non-alcoholic beer market. The episode showcased the technology employed by craft brewers to make new alcohol-free and low alcohol beverages, including proprietary methods, combined technologies and top-secret processes. This trend has boosted the movement of malting barley in Alberta and presents a new marketing opportunity for farmers that was important to highlight.





We also engaged in custom publishing work this year. *GrainsWest* designer Tommy Wilson collaborated with the Alberta Pulse Growers communications team to produce *Pulse Crop News*, and we are very proud of the final result.

In an additional custom publishing project, our team took on the 2021 *Crop Protection Manual* (Blue Book), editing its content and making product updates. Since assuming responsibility for the guide from the Alberta government, we have reformatted it and revised key sections. This includes the safety portion, which was overhauled with help from AgSafe Alberta. The pick-up rate with farmers was extremely strong and this year's version sold almost 10,000 copies.

GrainsWest received a substantial pat on the back from our farm media colleagues at the 2021 Canadian Farm Writers' Federation Awards held on Sept. 24. Writer Carol Patterson was honoured with both the gold Jack Cram Award for people feature and feature of the year for "Special circumstances," the cover story of our winter 2020 issue. The story looked at farm life and agronomic practices in Alberta's arid Special Areas.

With a sweep of three categories, Trevor Bacque won a gold in the technical feature category, story of the year and reporter of the year for his piece "Sow what?" The piece, which also appeared in the magazine's winter 2020 issue, is an objective examination of seed add-ons and specialty fertilizers.

Thirdly, Sarah Weigum was presented with the silver Tom Leach Award for electronic media in the audio category, for "PPE MIA," the sixth episode of *The GrainsWest Podcast*. In it, she investigated the lack of personal protective equipment experienced within the farm sector during the early months of the COVID-19 pandemic.



With a sweep of three categories, Trevor Bacque won a gold in the technical feature category, story of the year and reporter of the year for his piece "Sow what?"





Administered by the Alberta Wheat Commission (AWC) since 2018, the FarmCash program offers interest-free and low interest rate loans to producers to aid in cash flow management and long-term profitability. Any proceeds from the program are automatically reinvested back into the agriculture industry for the benefit of farmers.

While previously available only to Alberta producers, the program was expanded by AWC in 2021 to include B.C., Saskatchewan and Manitoba. We also introduced dedicated account managers who can offer farmers customized solutions for their operations in areas such as cash management, succession planning and transition planning.

Response from growers has been exceptional, resulting in a 52 per cent increase in uptake of the program over the past year.

FarmCash offers loans on over 50 commodities and provides \$100,00 in interest-free financing, as well as up to \$900,000 at prime minus 0.75 per cent. There is no fee to apply and no program restrictions, and farmers can take up to 18 months to repay loans on crops and up to

24 months for loans on livestock. There are no reporting requirements, so participants have the flexibility to use the funds where they are needed most.

Since launching the program in 2018, AWC has made a number of improvements, such as two interest rate reductions, the removal of application fees and faster processing times. Even with the challenges of COVID-19, we have maintained a turnaround time of three to five business days for all applications.

For 2022, we are working on an ROI model that will track program revenue and ensure that it is reinvested in Western Canada based on commodity type and province. We are the first program administrator to bring such innovations to the table, including electronic signature capability, an uploadable document feature and the ability of administrators to sign priority agreements on behalf of participants. As a grassroots organization, AWC's priority is always to benefit producers, and this program and the latest enhancements are a key part of fulfilling that mandate.





FINANCE AND GOVERNANCE

Budget development - 2022

Developing a budget this year was a challenging process. In light of the large scale drought on the Prairies and its significant impact on farmers, it was necessary to pare down our budget and operate as efficiently as possible with a priority-based approach. Based on reports from Statistics Canada, both wheat and barley suffered a 40 per cent drop in production this past growing season. As a result, we cut back certain projects, committed to due diligence and, since we rely heavily on farmers for our revenue, prepared ourselves for a worst case scenario. While the pandemic also impacted operations, we are moving forward with a balanced budget for the Alberta Wheat Commission (AWC) for 2022.

Value-Proposition of Check-offs

The finance department oversees check-off dollars and evaluates the best return-on-investment to ensure funds are spent responsibly on behalf of Alberta wheat farmers. Accountability and transparency maintain our finance department to the highest standard.

The finance team completed the 2021 audit with a clean report from the auditors and no recommendations for internal controls. In addition to managing finances for AWC and Alberta Barley, the team also administers a number of grants and provides financial services to various organizations including GrainsWest, Barley Council of Canada and AgSafe Alberta. Managing these portfolios eliminates duplication of work and allows for further cost-savings and efficiencies with Alberta wheat and barley growers' check-off dollars. With any investments we review, our goal is ensuring that they create value for producers.

Diversity and Inclusion

The commission has diversity inclusion practices in place, and focused on adopting, practicing and communicating those practices to our stakeholders in 2021. At present, 59 per cent of our workforce is composed of women, and 41 per cent come from diverse backgrounds. That represents a tremendous success for the organization as we have harnessed great minds with a variety of experiences and ways of thinking, all working towards one goal. Our approach of hiring and promoting based strictly on a candidate's merit gives everyone an equal opportunity to climb the ladder of success and ensures a culture of empowerment for every staff member.

To further foster an inclusive workplace, AWC includes all staff at every level in major business operational and strategic discussions, ensuring that everyone feels part of the big picture. We are also looking at developing methods that we can combine with our current parameters and metrics to more closely measure diversity and inclusion. Though we are excited about the progress we have made, we still believe there is more to be done. In 2022, our focus will be to further develop metrics to measure diversity and inclusion and to develop succession plans for directors and delegates.



FINANCIALS



Management's Responsibility

To the Members of Alberta Wheat Commission:

Management is responsible for the preparation and presentation of the accompanying financial statements, including responsibility for significant accounting judgments and estimates in accordance with Canadian accounting standards for not-for-profit organizations and ensuring that all information in the annual report is consistent with the statements. This responsibility includes selecting appropriate accounting principles and methods, and making decisions affecting the measurement of transactions in which objective judgment is required.

In discharging its responsibilities for the integrity and fairness of the financial statements, management designs and maintains the necessary accounting systems and related internal controls to provide reasonable assurance that transactions are authorized, assets are safeguarded and financial records are properly maintained to provide reliable information for the preparation of financial statements.

The Board of Directors is composed entirely of Directors who are neither management nor employees of the Commission. The Board is responsible for overseeing management in the performance of its financial reporting responsibilities, and for approving the financial information included in the annual report. The Board fulfils these responsibilities by reviewing the financial information prepared by management and discussing relevant matters with management and external auditors. The Board is also responsible for recommending the appointment of the Commission's external auditors.

MNP LLP is appointed by the members to audit the financial statements and report directly to them; their report follows. The external auditors have full and free access to, and meet periodically and separately with, both the Board and management to discuss their audit findings.

November 12, 2021



Tom Steve, General Manager

Independent Auditors' Report

To the Members of Alberta Wheat Commission:

Qualified Opinion

We have audited the financial statements of Alberta Wheat Commission (the "Commission"), which comprise the statement of financial position as at July 31, 2021, and the statements of operations, changes in net assets and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion section of our report, the accompanying financial statements present fairly, in all material respects, the financial position of the Commission as at July 31, 2021, and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Basis for Qualified Opinion

In common with many similar organizations, the Commission derives revenue through "check off" fees received from wheat producers, the completeness of which could not be satisfactorily verified during our audit. Accordingly, our verification of these revenues and related accounts receivable and deferred revenue was limited to the amounts recorded in the Commission's records and we were unable to determine whether any adjustments might be necessary to check off fee revenue, excess of revenue over expenses, assets and net assets.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Commission in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian accounting standards for not-for-profit organizations, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Commission's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Commission or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Commission's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Commission's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Commission's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Commission to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Calgary, Alberta
November 12, 2021
Accountants

MNP LLP
Chartered Professional

Statement of Financial Position


As at July 31, 2021

	Operating	FarmCash Advance Payments Program	2021	2020
Assets				
Current				
Cash	5,039,341	–	5,039,341	6,856,191
Restricted cash (Note 6) (Note 9)	4,057,764	–	4,057,764	44,389
Accounts receivable (Note 4)	1,061,004	–	1,061,004	1,575,778
Prepaid expenses and deposits	22,628	–	22,628	102,761
Current portion of advances receivable under FarmCash Advance Payments Program (Note 8)	–	10,236,290	10,236,290	10,587,882
	10,180,737	10,236,290	20,417,027	19,167,001
Investments (Note 5)	152,200	–	152,200	4,044,146
Restricted investments (Note 6)	6,000,000	–	6,000,000	2,000,000
Advances receivable under FarmCash Advance Payments Program (Note 8)	–	27,344,152	27,344,152	14,993,561
Capital assets (Note 7)	110,616	135,196	245,812	284,867
Deposits	23,666	–	23,666	23,666
	16,467,219	37,715,638	54,182,857	40,513,241
Liabilities				
Current				
Accounts payable and accruals	2,239,929	22,386	2,262,315	1,320,455
Deferred contributions (Note 9)	557,764	–	557,764	44,389
FarmCash Advance Payments Program bank indebtedness (Note 8)	–	37,286,983	37,286,983	25,514,309
	2,797,693	37,309,369	40,107,062	26,879,153
Significant event (Note 3)				
Commitments (Note 12)				
Net Assets				
Internally restricted (Note 6)	9,500,000	–	9,500,000	2,000,000
Unrestricted	4,169,526	406,269	4,575,795	11,634,088
	13,669,526	406,269	14,075,795	13,634,088
	16,467,219	37,715,638	54,182,857	40,513,241

Approved on behalf of the Board



Director



Director

The accompanying notes are an integral part of these financial statements.

Statement of Operations

For the year ended July 31, 2021

	Operating	FarmCash Advance Payments Program	2021	2020
Revenue				
Check-off fee revenue (Note 10)	10,486,223	–	10,486,223	9,965,036
Check-off fee refunds	(760,860)	–	(760,860)	(624,260)
FarmCash Advance Payments Program	–	302,835	302,835	113,881
Alberta Crop Protection Guide revenue (Note 9)	181,233	–	181,233	–
Results Driven Agriculture grant (Note 9)	145,453	–	145,453	–
Regional Variety Trials revenue	73,285	–	73,285	133,600
GrainsWest revenue	55,283	–	55,283	–
Grain Conditioning revenue	5,804	–	5,804	101,249
Sponsorship revenue (Note 14)	3,375	–	3,375	53,981
	10,189,796	302,835	10,492,631	9,743,487
Expenses				
Research expense	5,297,369	–	5,297,369	3,992,136
Communication and events	797,478	–	797,478	891,897
FarmCash Advance Payments Program	–	650,259	650,259	367,964
Salaries and benefits	535,392	–	535,392	536,915
Cereals Canada funding contribution/CIGI funding contribution (Note 11)	644,494	–	644,494	622,635
Market development	296,840	–	296,840	534,445
Policy	331,498	–	331,498	325,278
Grower relations and extension	393,413	–	393,413	478,763
GrainsWest expenses	184,788	–	184,788	175,281
Alberta Crop Protection Guide expenses (Note 9)	181,233	–	181,233	–
Internal and industry meetings	173,283	–	173,283	304,188
Results Driven Agriculture expenses (Note 9)	145,453	–	145,453	–
General and administrative expenses	152,422	–	152,422	165,485
Regional Variety Trials expenses	111,504	–	111,504	133,600
Rent	108,009	–	108,009	145,383
Advancing Ag Mentorship Program	93,123	–	93,123	85,287
Amortization	25,653	48,641	74,294	71,478
IT expense	65,848	–	65,848	72,562
Professional fees	30,011	–	30,011	39,230
	9,567,811	698,900	10,266,711	8,942,527
Excess (deficiency) of revenue over expenses before other items	621,985	(396,065)	225,920	800,960
Other items				
Unrealized gain on investments	95,562	–	95,562	119,518
Interest income	73,165	–	73,165	146,339
Other revenue	47,060	–	47,060	45,585
	215,787	–	215,787	311,442
Excess (deficiency) of revenue over expenses	837,772	(396,065)	441,707	1,112,402

The accompanying notes are an integral part of these financial statements

Statement of Changes in Net Assets

For the year ended July 31, 2021

	Operating	FarmCash Advance Payments Program	Restricted	2021	2020
Net assets, beginning of year	11,566,954	67,134	2,000,000	13,634,088	12,521,686
Excess (deficiency) of revenue over expenses	837,772	(396,065)	–	441,707	1,112,402
Transfer	[8,235,200]	735,200	7,500,000	–	–
Net assets, end of year	4,169,526	406,269	9,500,000	14,075,795	13,634,088

The accompanying notes are an integral part of these financial statements.

Statement of Cash Flows

For the year ended July 31, 2021

	2021	2020
Cash provided by (used for) the following activities		
Operating		
Excess of revenue over expenses	441,707	1,112,402
Amortization	74,294	71,478
Unrealized gain on investments	(95,562)	(119,518)
	420,439	1,064,362
Changes in working capital accounts		
Accounts receivable	514,774	(492,520)
Prepaid expenses and deposits	80,133	(12,352)
Accounts payable and accruals	941,860	84,175
Deferred revenue	513,375	(154,782)
	2,470,581	488,883
Financing		
FarmCash Advance Payments Program bank indebtedness, net	11,772,674	13,207,424
Investing		
Purchase of capital assets	(35,238)	(88,263)
Proceeds from sale of capital assets	–	712
Purchase of investments	(569,675)	(2,146,415)
Proceeds from sale of investments	557,182	551,177
FarmCash Advance Payments Program receivable, net	(11,998,999)	(13,261,660)
	(12,046,730)	(14,944,449)
Increase (decrease) in cash	2,196,525	(1,248,142)
Cash, beginning of year	6,900,580	8,148,722
Cash, end of year	9,097,105	6,900,580
Cash is comprised of:		
Unrestricted cash	5,039,341	6,856,191
Restricted cash	4,057,764	44,389
	9,097,105	6,900,580

The accompanying notes are an integral part of these financial statements

Notes to the Financial Statements

For the year ended July 31, 2021

1. Incorporation and nature of the organization

The Alberta Wheat Commission (the "Commission") was incorporated effective August 1, 2012 under the authority of the Province of Alberta Marketing of *Agricultural Products Act*. It is registered as a not-for-profit organization and, thus, is exempt from income taxes under 149(1)(l) of the *Income Tax Act* ("the Act"). In order to maintain its status as a registered not-for-profit organization under the Act, the Commission must meet certain requirements within the Act. In the opinion of management these requirements have been met.

The Commission's mandate is to give Alberta wheat producers an organization for developing new markets and products for wheat and for influencing the direction of research dedicated to wheat production.

2. Significant accounting policies

The financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations and include the following significant accounting policies:

Basis of presentation

The Commission reports its financial statements using two funds: the Operating Fund and the FarmCash Advance Payments Program Fund. The Operating fund contains all assets, liabilities, revenue and expenses of the regular operations of the Commission. The FarmCash Advance Payments Program Fund contains all assets, liabilities, revenue and expenses of the FarmCash Advance Payments Program as defined in Note 8.

Revenue recognition

The Commission follows the deferral method of accounting for contributions. Restricted contributions are recognized as revenue in the year in which the related expenses are incurred. Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured. Endowment contributions are recognized as direct increases in net assets.

Restricted investment income is recognized as revenue in the year in which the related expenses are incurred. Unrestricted investment income is recognized as revenue when earned. Externally restricted capital contributions are recognized as revenue as the related asset is amortized. Donations and contributions in kind are recorded at fair value when such value can reasonably be determined.

Portfolio investments

Investments with prices quoted in an active market are measured at fair value while those that are not quoted in an active market are measured at cost less impairment. Marketable securities with prices quoted in an active market include guaranteed investment certificates ("GICs"), mutual funds and corporate bonds.

Financial instruments

The Commission recognizes its financial instruments when the Commission becomes party to the contractual provisions of the financial instrument. All financial instruments are initially recorded at their fair value, including financial assets and liabilities originated and issued in a related party transaction with management. Financial assets and liabilities originated and issued in all other related party transactions are initially measured at their carrying or exchange amount in accordance with CPA 3840 Related Party Transactions.

At initial recognition, the Commission may irrevocably elect to subsequently measure any financial instrument at fair value. The Commission has not made such an election during the year. The Commission's financial assets and liabilities have been designated to be subsequently measured at amortized cost.

Financial asset impairment

The Commission assesses impairment of all of its financial assets measured at cost or amortized cost. An impairment of financial assets carried at amortized cost is recognized in the excess of revenue over expenses when the asset's carrying amount exceeds the present value of estimated future cash flows discounted at the current market rate of return for a similar financial asset. The Commission reverses impairment losses on financial assets when there is a decrease in impairment and the decrease can be objectively related to an event occurring after the impairment loss was recognized. Where an impairment charge is subsequently reversed, the carrying amount of the financial asset is increased to the revised recoverable amount to the extent that it does not exceed the carrying amount that would have been determined had no impairment charge been recognized in previous periods. The amount of the reversal is recognized in the excess of revenue over expenses in the year the reversal occurs.

The accompanying notes are an integral part of these financial statements.

2. Significant accounting policies (continued from previous page)

Capital assets

Purchased capital assets are recorded at cost. Contributed capital assets are recorded at fair value at the date of contribution if fair value can be reasonably determined.

Amortization is provided using the following methods at rates intended to amortize the cost of assets over their estimated useful lives.

	Method	Rate
Automotive	declining balance	30 %
Computer equipment	declining balance	20 %
Furniture and fixtures	declining balance	20 %
Booth development	straight-line	5 years
Promotional equipment	declining balance	33 %
FarmCash Advance Payments Program website development	straight-line	5 years

Advances receivable under the FarmCash Advances Payments Program

Advances receivable under the FarmCash Advance Payments Program are initially recorded at fair value and subsequently measured at their amortized cost less impairment. Amortized cost is calculated as the principal amount advanced, less any allowance for anticipated losses, plus accrued interest. Interest revenue is recorded on the accrual basis using the straight-line method.

Any allowance for impairment is established as a result of reviews of individual advances made.

Measurement uncertainty (use of estimates)

The preparation of financial statements in conformity with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenses during the reporting period.

Accounts and advances receivable are stated after evaluation as to their collectability and an appropriate allowance for doubtful accounts is provided where considered necessary. Amortization is based on the estimated useful lives of capital assets.

These estimates and assumptions are reviewed periodically and, as adjustments become necessary they are reported in excess of revenues over expenses in the years in which they become known.

3. Significant event

During the previous year and continuing through the current year, there was a global outbreak of COVID-19 (coronavirus), which has had a significant impact on businesses through the restrictions put in place by the Canadian, provincial and municipal governments regarding travel, business operations and isolation/quarantine orders. At this time, it is unknown as to the extent of the impact the COVID-19 outbreak may have on the Commission as this will depend on future developments that are highly uncertain and that cannot be predicted with confidence. These uncertainties arise from the inability to predict the ultimate geographic spread of the disease, and the duration of the outbreak, including the duration of travel restrictions, business closures or disruptions, and quarantine/isolation measures that are currently, or may be put, in place by Canada and other countries to fight the virus. The Commission has been closely monitoring the outbreak of COVID-19 and is taking preventive measures dedicated to prioritizing the health of its staff. Management has responded aggressively to this unexpected remote workforce requirement. The Commission has also modified IT protocols to support the virtual workforce that continues to meet its stakeholder's expectations. Due to the COVID-19 outbreak, a few funding agreements were amended and delayed in implementation, as such some expenses were not recognized in the current year and were deferred to subsequent periods.

4. Accounts receivable

	2021	2020
Check-off fees receivable	659,142	1,133,873
Other receivables	174,881	83,845
Alberta Barley Commission	226,981	358,060
	1,061,004	1,575,778

Alberta Barley Commission is related to the Commission by virtue of common management. All transactions between the two parties are measured at exchange amount and bear standard commercial terms of payment. At July 31, 2021 the Commission also had various payable balances included in accounts payable and accruals to Alberta Barley Commission, resulting in a net receivable of \$96,147 (2020 - \$61,689).

5. Investments

Investments, which include GICs and mutual funds, are reported on and have maturity dates between August 24, 2021 and January 5, 2026 (2020 - December 7, 2020 and July 23, 2025) and bear interest at annual rates between 1.10% and 2.70% (2020 - 1.15% and 2.70%). Investments are stated at their market value. It is the intention of the Board to hold all investments until maturity. Management's intentions are to hold these investment amounts for future operations, therefore this amount has been classified as long-term.

6. Internally restricted cash and investments

Restricted investments include GICs, mutual funds and corporate bonds with yields to maturity between 1.10% and 2.70% (2020 - 1.15% and 2.70%) with maturity dates between August 24, 2021 and January 5, 2026 (2020 - December 7, 2020 and July 23, 2025). Restricted investments are stated at their market value. It is the intention of the Board to hold all restricted investments until maturity. The Board of Directors has internally restricted \$5,000,000 (2020 - \$1,000,000) of investments and cash as a reserve for future research, \$3,500,000 (2020 - \$1,000,000) as a reserve for operating contingencies and \$1,000,000 (2020 - \$nil) as a reserve for shut-down. These funds cannot be accessed without the approval of the Board of Directors. Management's intentions are to hold these restricted investment amounts for future research and contingencies reserves therefore this amount has been classified as long-term. Interest and gains on these investments are unrestricted and included in the unrestricted investment balance.

7. Capital assets

	Cost	Accumulated amortization	2021 Net book value	2020 Net book value
Automotive	7,289	6,932	357	510
Computer equipment	186,769	114,862	71,907	69,371
Furniture and fixtures	108,947	88,166	20,781	24,729
Booth development	28,292	11,188	17,104	22,763
Promotional equipment	9,699	9,232	467	667
FarmCash Advance Payments Program website development	246,040	110,844	135,196	166,827
	587,036	341,224	245,812	284,867

The accompanying notes are an integral part of these financial statements.

8. FarmCash Advance Payments Program

The Commission has entered into a Tripartite Agreement (the "Agreement") with Her Majesty the Queen in Right of Canada, as represented by the Minister of Agriculture and Agri-Food, and a Canadian Chartered Bank (the "Lender") to become an administrator in the Advance Payments Program (the "Program") under the *Agriculture Marketing Programs Act* (the "Act"). Under the terms of the Program, the Commission is authorized to issue advances to producers who meet eligibility criteria. In order to facilitate the Program, the Commission has entered into Loan Agreements with the Lender. The Commission may only use funds advanced by the Lender for the purposes outlined in the Agreement and is responsible for any costs, including interest and penalties, related to failing to comply with this stipulation.

Amounts lent by the Commission are not to exceed \$33,000,000 for the 2020 program year, and \$65,000,000 for the 2021 program year. As at July 31, 2021, the Commission had received \$44,345,864 of applications and \$37,580,442 was issued, not exceeding the amount approved by its financial instruction, as \$6,765,422 of applicants did not meet the Program requirements. Pursuant to the Act, the Minister guarantees to the Lender all principal lent by the Administrator as well as interest calculated at a specified interest rate. The Minister is also responsible, at the request of the Commission, for the costs incurred by the Commission to recover principal and interest owed by a producer in default, so long as the Commission is in compliance with the terms of the Agreement.

FarmCash Advances charge interest at rates based on prime with maturities ranging from one to twenty-four months. The receivables are guaranteed by the Federal Government. No allowance for loan impairment has been provided at July 31, 2021.

To finance the arrangement, the Commission has a series of operating lines of credit and banker's acceptances available, both of which bear interest at market based interest rates. At year-end, the maximum credit limit of the lines of credit available was \$65,900,000, of which \$1,086,983 was drawn. Banker's acceptances of \$36,200,000 with a repayment date of August 19, 2021 were also drawn. In the prior year banker's acceptances of \$15,100,000 were repaid during the current year.

9. Deferred revenue

Changes in the deferred contribution balance are as follows:

	2021	2020
Balance, beginning of year	44,389	199,171
Amount received during the year	884,449	140,300
Less: Amounts recognized as revenue during the year	(371,074)	(295,082)
	557,764	44,389

The ending balance of \$557,764, is restricted cash specifically used for the following programs.

Regional Variety Trials ("RVTs"): The Commission will provide financial support to the Alberta Wheat RVTs, which are an important source of unbiased information on crop variety performance used by Alberta grain producers to make planting decisions. The Commission will also assume the role of financial administrator for the Alberta-British Columbia Grain Advisory Committee ("ABCGAC"), which includes the collection of all entry fees and industry contributions and dissemination of plot cooperator compensation beginning in 2017.

For the year ended July 31, 2021, the Commission received \$34,700 (2020 - \$140,300) from the ABCGAC for these services provided and recognized \$73,285 (2020 - \$133,600) as revenue. As the funds received by the Commission were solely for this project, any funds not spent were segregated and reported as deferred revenue. When the appropriate expenditure is made, the corresponding amount is recognized as revenue in the same year in which the expense is made. If expenditures exceed funds received, the Commission will contribute to operating costs of the program.

Grain Conditioning Program: For the year ended July 31, 2021, the Commission received \$nil (2020 - \$nil) from the Government of Alberta and recognized \$5,804 (2020 - \$101,249) as revenue. As the funds received by the Commission were solely for this project, any funds not spent were segregated and reported as deferred revenue. When the appropriate expenditure was made, the corresponding amount was recognized as revenue in the same year in which the expense was made. This program was completed as of July 31, 2021.

Results Driven Agriculture Research (“RDAR”): During the year, the Commission entered into agreements with RDAR, a not-for-profit corporation with the mandate to deliver producer led, results driven agriculture research funding to increase the competitiveness and profitability of Alberta’s agriculture industry. RDAR provides funding to enable research initiatives complementary to RDAR’s priorities. Proceeds from RDAR will be used to fund several projects at the Commission: Promotion of Wetland Stewardship Best Management Practices Through a Targeted Water Monitoring Project; Alberta’s Regional Variety Trials for Wheat, Barley, Rye, Triticale, Oats and Flax; and Virtual, Visual, Videos of Agronomic Practices.

For the year ended July 31, 2021, the Commission received \$601,625 from RDAR and recognized \$145,453 as revenue. As the funds received by the Commission were solely for RDAR projects, any funds not spent were segregated and reported as deferred revenue. When the appropriate expenditure is made, the corresponding amount is recognized as revenue in the same year in which the expense is made.

Alberta Crop Protection Guide (“Blue Book”): During the year, the Commission entered into an agreement with the Minister of Agriculture and Forestry of Alberta (the “Minister”) for grant funding in the amount of \$110,250. The grant will assist with the production, publication and distribution of the Blue Book. The Commission will lead the project and will work collaboratively with other parties to publish the Blue Book. The Commission acknowledges that the grant may not be sufficient to cover the costs of the entire project and that the Commission shall be solely responsible for raising funds from other sources to complete the project.

For the year ended July 31, 2021, the Commission received proceeds from the Minister of \$99,225 and from other sources of \$183,600 and incurred \$181,233 of expenses. The Commission recognized \$181,233 as revenue. As the funds received by the Commission were solely for the Blue Book project, any funds not spent were segregated and reported as deferred revenue. When the appropriate expenditure is made, the corresponding amount is recognized as revenue in the same year in which the expense is made.

10. Check-off fee revenue

With the end of Western Canadian Deduction (“WCD”), effective August 1, 2017, the Commission has moved to a single wheat check-off of \$1.09. Prior to that it was \$0.70 per tonne and the WCD was \$0.48 per tonne.

The motion to move to a single check-off of \$1.09 per tonne was passed at the Commission’s AGM in February 2017 and has received approval from the Government of Alberta.

The WCD was established as a transitional levy by the Government of Canada to ensure continued support for the development of new wheat varieties and marketing initiatives previously administered by the Canadian Wheat Board.

11. Cereals Canada funding contribution/CIGI funding contribution

The wheat commissions in Alberta, Saskatchewan and Manitoba assumed the responsibilities and financial obligations of the WCD.

A portion of the WCD provided core funding to the Canadian International Grains Institute (“CIGI”), which provides market support, training and technical services to the Canadian wheat value chain.

In an ongoing effort to strengthen market opportunities for Canadian wheat, the provincial wheat commissions mutually agreed and committed to continue to provide core funding to CIGI.

During the year, CIGI and Cereals Canada merged into one national organization. The consolidated organization now operates under one name - Cereal Canada Inc.

For the year ended July 31, 2021, the Commission’s contribution to the commitment was \$644,494 (2020 - \$622,635).

12. Commitments

The Commission occupies leased premises subject to minimum monthly rent until the termination of the contract at August 31, 2025. The rental agreement is a joint agreement with the Alberta Barley Commission which is responsible for one half of the below payments.

2022	65,177
2023	130,354
2024	130,354
2025	130,354
2026	10,863
	<hr/>
	467,102
	<hr/>

13. Financial instruments

The Commission, as part of its operations, carries a number of financial instruments. It is management's opinion that the Commission is not exposed to significant interest rate, currency, credit, liquidity or other price risks arising from these financial instruments except as otherwise disclosed. Risks associated with FarmCash Advance Payments Program are disclosed in Note 8.

The Commission is indirectly exposed to market risk due to fluctuations in the investments' prices. These fluctuations could have an impact on cash flows of the Commission.

Credit risk

The Commission acts as the administrator in the Advance Payments Program. Credit risk associated with this the program is discussed in Note 8.

14. Sponsorship revenue

During year, the Commission included in revenue in the statement of operations \$nil (2020 - \$5,000) for Events Sponsorship revenue, and \$3,375 (2020 - \$48,981) recognized as Prairie Cereals Summit sponsorship revenue.







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