

SASKATCHEWAN Farmers' Voice

SUMMER 2017 EDITION

The Official Publication of the
Agricultural Producers Association
of Saskatchewan



MEMBER PROFILE

Terry Anthony

*Working to improve the lives
of farmers and prepare for
the future of the industry*

*PM visits
Saskatchewan farm*

*Drones: what you
need to know*



IT'S BIG AND IT'S BACK



Pick up one in store

CORINACH	113 CENTRE ST	306-267-2323
ESTERHAZY	323 SUMMER ST	306-745-3976
ESTEVAN	516 NESBITT DR.	306-634-2631
HUDSON BAY	102 HUDSON ST	306-865-2279
HUMBOLDT	HIGHWAY 5 WEST	306-682-2621
KINDERSLEY	500-12TH AVE E.	306-463-2694
LA RONGE	412 FINLAYSON ST.	306-425-2780
MEADOW LAKE	514 1ST AVE WEST	306-236-5621
MELFORT	609 SASKATCHEWAN AVE E.	306-752-2822
MOOSE JAW	1719 MAIN ST NORTH	306-692-1895
MOOSOMIN	609 GORDON ST	306-435-3396
NIPAWIN	809-10TH AVE WEST	306-862-3109
NORTH BATTLEFORD	350 RAILWAY AVE E	306-445-2466
PRINCE ALBERT	269 SOUTH INDUSTRIAL DR	306-763-2602
REGINA	680 MCLEOD ST	306-721-3200
ROSETOWN	113 1ST AVE E	306-882-2614
SASKATOON	3602 MILLAR AVE	306-664-5512
SASKATOON	518-51ST ST E	306-664-5583
SWIFT CURRENT	1440 SOUTH SERVICE RD WEST	306-773-8381
UNITY	241 FIRST AVE N.	306-228-3362
WEYBURN	93 - 17 ST NE.	306-842-2605
YORKTON	#15, 4TH AVE NORTH	306-782-2241

acklandsgrainger.com

**ACKLANDS
GRAINGER.**



Published four times a year by:
Agricultural Producers Association
of Saskatchewan
140 - 4th Avenue East
Regina, Saskatchewan S4N 4Z4
Phone: **306-789-7774**
Fax: **306-789-7779**
email: **info@apas.ca**
website: **www.apas.ca**

— APAS LEADERSHIP 2017 —

EXECUTIVE

President

Todd Lewis

Vice-Presidents

Norm Hall

Ian Boxall

BOARD OF DIRECTORS

District 1

Arlynn Kurtz

Marion McBride

District 2

Todd Lewis

Terry Anthony

District 3

Don Connick

Rick Jensen

District 4

Norm Hall

Ian Boxall

District 5

Donovan Block

Mickey Palfy

District 6

Jeff Simpson

Jeremy Welter

— STAFF —

General Manager

Duane Haave

Policy Manager

Donavon Howden

Office Manager

Brenda McBride

Client Relationship Consultant

Don Ross

Field Representative

Bruce Dodds

**Geoscience and
Environment Researcher**

Richard Boulding

Member Relations Coordinator

Debra Nyczai

**Communications and Community
Relations Coordinator**

Colleen Hennan

Editor

Val Ominski

Keystone Agricultural Producers

Summer Intern

Cody Zaporzan

Keystone Agricultural Producers

Saskatchewan Farmers' Voice
is produced by
Glacier FarmMedia



COVER STORY / MEMBER PROFILE



Terry Anthony

Working to improve the lives of farmers and prepare for the future of the industry

4

FEATURES



**Prime minister visits
APAS president's farm**

An opportunity to showcase modern Saskatchewan agriculture

9



Succession planning

An all-encompassing approach

18

President's message 8

Agriculture is the solution to carbon emissions

APAS activities 15

See what APAS is doing for all Saskatchewan farmers

Working with professional advisors 21

Get the tools you need



Thinking of buying a drone?

What you need to know about applications, options, and safety

12



CFA's U.S. mission

Building pro-NAFTA alliances

24

APAS gains national stage ... 22

Former APAS president elected to the CFA

GM's message 26

A unified voice on farm policy is more important than ever

Terry Anthony:

Working to improve the lives of farmers and prepare for the future of the industry **BY COLLEEN HENNAN**





Terry Anthony, along with his wife Pam, has farmed near Moose Jaw for 40 years. He was a councillor and a reeve before becoming part of the APAS team.

TERRY ANTHONY KNOWS a great deal about the strength of the agriculture community. When farmers help each other, society can change for the better.

Terry has been farming near Moose Jaw with his wife Pam for more than four decades. Their oldest son Darin farms with them and recently, their second son Dustin returned from the oil patch in Australia to lend a hand.

Terry spent 20 years involved with the municipal government in the Moose Jaw area as a councillor, and then as a reeve for the RM of Baildon. During his tenure, Terry worked with a team to establish the Moose Jaw River Watershed Stewards, an achievement he is proud to have been part of. He also helped establish garbage pickup to the ratepayers who requested it, a community well and a storage facility which is part of the new RM shop.

“It turned out quite well,” Terry says of the community well. “The water quality is pretty much second to none in the province. Truly good quality water.”

Terry’s involvement with the watershed project deepened his understanding of the water issues that affect farmers, which helps him be a better advocate for farmers.

“Nothing works without water,” he says. “It’s so important to make sure that we manage it properly so that if we get to a situation where we’re not getting as much moisture as we should, we have reserves in the province.”

Later, Terry became involved with APAS, where he now works with a team to improve the lives of today’s farmers and prepare for the future of the agriculture industry. >>





Terry has always enjoyed the simple pleasures of farming, which were deeply ingrained in him when he grew up on a farm.

As an APAS representative for District 2, his concerns are ensuring farmers have the proper tools, regulations and transportation in place to produce enough food to feed a rapidly growing world, as well as ensuring profitability for all producers.

“They’re not making any more dirt, so you have to make the best of what you’ve got,” Terry says. “It’s certainly going to take some ingenuity and new varieties if we want to produce more food.”

Terry says that another of his concerns is the lack of control farmers have over rising costs of inputs which will especially impact the next generation of farmers.

“Farmers are price-takers. We’re told what we’re going to get paid and how much we’re going to pay. My friend once said to me: ‘the only problem with us is that we sign the wrong side of the cheque,’” he laughs.

For Terry, the strength of organizations like APAS comes from the diversity of its members.

Because the mandate of the organization is to act as a unified voice for all agricultural producers in Saskatchewan, having representatives from a variety of regions and agricultural backgrounds ensures the organization can best represent its diverse membership and strengthen the agriculture community.

“We represent all producers in the province, whether they are APAS members or not,” Terry says. “Even if I wasn’t involved with APAS, I would much prefer to have active pro-

ducers suggesting policy that affects me rather than other players in the industry that are more concerned with their bottom line than mine.”

Another one of Terry’s main priorities is representing livestock producers and ensuring that the issues affecting livestock production in the province are brought to the forefront of policy discussions.

“Lots of the RMs that aren’t involved with APAS have high amounts of livestock production and they feel that APAS doesn’t represent the livestock industry. They figure it’s more for grain farmers, which it really isn’t,” Terry says. “Our livestock committee looks at issues facing livestock producers and tries to direct policy to benefit the industry.”

As a member of that committee, Terry focuses on issues such as marketing restrictions, the slaughter capacity in the province, regulations in regards to the humane handling of animals, recognizing the benefits of livestock producers’ pastures, and using wetlands, trees and forage fields as carbon sinks.

Terry feels that social license is an increasingly important issue for livestock producers. For example, he doesn’t eat at some chain restaurants anymore because he feels recent advertising campaigns featuring antibiotic-free and hormone-free meat is misleading.

“I would like someone to go to a chain supermarket and buy a piece of meat that has antibiotics in it — it just won’t happen,”

Terry says. "This is a marketing ploy and they're preying on the fact that urban people have such a disconnect with the ag world. Maybe they're not lying to the public, but they're not telling the whole truth."

"A recent article from the Sask Cattlemen's Association states that the amount of estrogen from one serving of cabbage is equal to the same amount of estrogen from over a thousand servings of beef produced using hormone implants," Terry says. "I would suggest that if consumers are concerned about the safety of their food, to ensure the products they consume are produced in Canada, as they are some of the safest in the world."

Because this issue will be increasingly important to Saskatchewan agriculture, Terry urges all RMs that represent livestock operations to consider getting involved with APAS to bring a more diverse representation to the organization and strengthen the agriculture community.

Terry and Pam are still busy farming full-time and he plans to stay involved with the agriculture community for a while. But he also has hopes of transitioning the farm over to the next generation, so he can enjoy more leisure time with Pam and three grandchildren.

But until that day comes, Terry will continue to enjoy the simple pleasures of farming, which were deeply ingrained in him when he grew up on a farm.

"It's rewarding in lots of ways," he says. "You get up in the morning and get outside and the birds are singing."

In the spring, Terry loves watching the baby calves.

"You give calves fresh straw and they're bucking and happy, just like you when you get clean sheets," Terry laughs. "And when they get to go to pasture, their tails are up in the air and they're off exploring. If you've never seen it, it's hard to explain." *FV*



GROWING GREAT RESULTS. ONE FARM AT A TIME.



It's not rocket surgery!
- Don Cherry

Micronutrients are to plants what vitamins are to the human body. A plant lacking in one or more vital nutrient never realizes its full potential.

PowerRich high quality granular and foliar products deliver those vital nutrients in effective sustainable ways your plants can absorb with...

Easy to use, simple products
MAXIMIZING YIELD & PROFIT!



POWERRICH
 TOTAL CROP NUTRITION
1.800.663.GROW (4769)

For more information on all of our products go to

www.powerrich.com

Agriculture is the solution to carbon emissions, NOT the problem

BY TOD LEWIS, APAS PRESIDENT

CARBON AND CLIMATE CHANGE POLICY have been very hot topics in the countryside since the federal government announced its policy on carbon taxation in October 2016. This is especially true in Saskatchewan with the provincial government's refusal to participate in the national carbon pricing plan.

Agricultural producers have a lot at stake in this discussion, both from carbon pricing policies and the impacts of climate change on our business.

The demand for increased food production is an essential consideration. The Food and Agriculture Organization of the United Nations estimates that world food production must increase by 70 per cent by 2050 to support the growing world population. Western Canada is a major export supplier of grains, oilseeds, pulse crops, and meat products, particularly to regions that are facing production shortages due to climate change.

The message from our industry must be heard. Carbon taxes do not work for agriculture. Producers cannot pass along added costs through the value chain to their customers. There is no effective price signal in current carbon policy that will achieve the intended results. Agricultural producers do not set the prices for their products. They operate on very thin profit margins and endure high levels of risk from market prices and growing conditions.

Simply exempting farm fuel is not enough to shelter agriculture from negative impacts. When you add in the impact of all inputs, costs could go up \$15 to \$20 an acre at \$50 per tonne.

Because energy and input costs are such a large factor in farm profitability



and can't be passed along the value chain, producers have a lot of incentive to reduce operating costs by operating as efficiently as possible. When more efficient technologies, crops, and management practices become available, they are rapidly adopted.

More crops and livestock are now being produced than ever before with a lower energy footprint.

A second point is that agriculture is one of the key sectors in addressing carbon emissions through management of our landscape.

At the signing of the Paris climate agreement in 2015, it was clearly recognized that if we increase the sequestration of carbon in agricultural soils by four parts per thousand, the world's farmers can halt the increase in CO₂ in our atmosphere.

Nobody knows more about sequestering carbon through agriculture than prairie farmers and ranchers.

As the stewards of 40 per cent of Canada's cultivated land and 35 per cent of Canada's pasture land, Saskatchewan producers are key players in Canada's land use and carbon cycle management. Every year, Saskatchewan crop producers sequester an additional 8.5 megatonnes of carbon through improved management practices and prairie pastures sequester over two billion tonnes.

As the largest group of private sector land-managers, farmers and ranchers provide sequestration through forages, trees and wetlands.

So, our message to government decision-makers is clear: don't impose taxes that make it harder for us to do our work.

Policy that recognizes agriculture's role in addressing the carbon problem is essential to a real solution.

Possible policy options that need urgent attention from policy-makers include:

- Designing carbon offset policies that provide real financial benefit to producers.
- Providing and recognizing the existing carbon sequestration benefits provided by landscape features like pastures, trees and wetlands, and enhancing these features through positive incentives.
- Dramatically increasing research on plant genetics, cropping rotations and management practices to support even greater sequestration in agriculture.

APAS hosted the Prairie Agricultural Carbon Summit July 13 and 14 to launch the discussion on these important issues, and now we look forward to working with all producer groups on promoting our industry's positions. **FV**



Prime minister visits APAS president's farm

BY DELANEY SEIFERLING

ONE THURSDAY AFTERNOON IN LATE APRIL, APAS president Todd Lewis got a phone call asking if he could host a tour on his farm in Gray for some government officials from Ottawa.

Lewis agreed, but he didn't know who the tour was for.

Two days before the event, Lewis got confirmation that he would be hosting a delegation that included Prime Minister Justin Trudeau, Agriculture Minister Lawrence MacAulay, and Public Safety Minister Ralph Goodale. The purpose of the tour was for the federal team to celebrate the success of the canola industry in Saskatchewan and to learn about canola production.

"I had an hour to try to explain the whole production cycle to him," Lewis laughs.

Lewis says once Trudeau began asking questions, it was clear he was interested in learning more about the technology and innovation that power today's modern farms.

"He was very interested in everything that was going on at the farm as far as equipment, how the seed actually gets into the ground, and how the combine works," Lewis says. "He was asking a lot of good questions."

Lewis says this type of tour is a success for the agriculture industry because any opportunity to showcase modern Saskatchewan agriculture to major decision makers is valuable.

"I think a lot of officials don't recognize what's going on in agriculture," he says. "The more they understand about how it actually works, and what guys are actually doing out here and the benefits of it, the better." >>



And telling the story of Saskatchewan agriculture is even more important now, in the midst of discussions about a potential carbon tax for farmers. In light of this, Lewis was able to show Trudeau some examples of carbon reduction practices, such as the air drill.

“He sure got the concept of the fertilizer being placed down with the seed and packed in so there’s no loss of nitrous oxide, as it’s all tied up in the soil and used by the plant,” Lewis says.

Lewis also had the opportunity to tell

Trudeau about several low-carbon farming practices that have been developed right here in our province and exported around the world — including the air drill that was developed not far from his farm.

“There’s lot of innovation here and continues to be,” Lewis says.

After the tour, the Prime Minister visited the rink in Gray to talk to media and attendees.

“At the Lewis farm, it was fascinating to see the equipment and technology they use every day,” Trudeau said. “A constant

drive to experiment and try new things is something we recognized just last month in our budget. We invest in agriculture and agri-food because we know it has a real potential to grow and create more well-paying jobs for Canadian farmers.”

Trudeau also mentioned that the success of the canola industry is an example of how the government and the agriculture industry can work together.

“Canola, as I saw firsthand today, is one of the export crops that deserves our support,” he said. “It already accounts for



APAS president Todd Lewis, Prime Minister Trudeau and Agriculture Minister MacAulay on the Lewis farm.

more than \$10 billion in exports and the world can't get enough of this made-in-Canada crop. Last year, government and industry worked together to ensure that Canada's canola farmers can continue to export to China, a market worth \$2 billion in canola exports each year."

Representatives from farm commissions and agriculture organizations from across the province also attended the event at the rink. Lewis says part of the success was related to the positive turnout from people in the industry, all of whom came on short notice. *FV*

DARMANI Direct

HOPPER Bottom or **FLAT** bottom

BIN SPECIALS ON NOW

Lease **NOW** with **NO** deposit
NO payments until **DECEMBER**

Up to **17,000** Bushel



Up to **31,000** Bushel



We manufacture. We Sell direct. YOU SAVE.

COMPLETE BIN PACKAGES AVAILABLE

- 40 degree Slope
- Galvanized
- Rack & Pinion (28")
- STEEL SKID/Cement
- **HEAVIEST SKID (5 ROW)**
- Steel floor/Concrete mount
- Air or NON -AIR
- Door unload
- Full Unload systems
- **WIDEST DOOR**

**One Quick Email Could Save You \$1,000's
Get A Quote Today!**



Aeration Fans	Skylift	Hopper Cones
Temp Monitoring	Steel Floors	Tie Down Anchors

Set up /Delivery/Financing

1-866-665-6677 sales@darmani.ca

COMPLETE NEW WEBSITE LAUNCHING IN END-JUNE

Miss the

Carbon Summit?

Recordings available at www.apascarbonsummit.com
and on Shaw and Access television...

Thinking of buying a drone?

What you need to know about applications, options, and safety

BY JACQUIE NICHOLSON

Reprinted from Manitoba Farmers' Voice, Spring 2017

Cutting-edge innovation or overpriced toy? You'll find variations on that debate wherever you find farmers discussing the use of drones in agriculture.

Commercial drones — also known as UAVs or unmanned air vehicles — have been around for decades, but in the last few years, rapid advances in technology and computing capacity have made them a viable option for farmers. And while certainly still not cheap, they're more affordable and widely available than they've ever been.

This has many producers mulling over whether a drone would be a worthwhile investment for their farm. Some are intrigued by the potential of NDVI technology to help them detect problems in their crop. Others see plenty of uses for a moving aerial camera on the farm, even without the specialized sensors and software. Still others feel the benefits of UAVs are overstated and that flying a drone is just another distraction from the actual work of farming.

For those who are considering the purchase, there's a lot to think about: how to choose the right drone for your needs, how to use it to its fullest potential, and how to ensure you're flying it safely.

BIRD'S EYE VIEW: BASIC USES FOR DRONES ON THE FARM

"It was entertainment, is why I bought it," confesses Colin Penner, who picked up a DJI Phantom just before Christmas two years ago. "I knew some guys who were taking some pretty neat video with drones, and I wanted to see what they were all about.

"I justified it as a farm purchase to get it by my wife and dad — \$2,000 is expensive for a toy but not too bad for a tool on the farm — but it really was more for fun, at least initially."

Penner did take some terrific photos and video of his family's third generation cereals and oil-seeds farm. But he also soon found dozens of practical uses for the drone, and says it quickly paid for itself and then some.

In the springtime, Penner flies the drone over his fields to pinpoint areas with water issues. Later in the season, he uses it to check the canola and determine whether it's time to spray.

The first summer he had the drone, his in-laws' farm was hit with a hailstorm, and he used it to assess the damages.

It has also come in handy with yard-site planning, and basically any task where it would help to have a pair of eyes in the sky.

Above: The herbicide residue damage on the left of Colin Penner's soybean field was not visible from the ground, but the drone picked it up. Although he was not able to remedy the situation, he was able to move the fungicide trial planned for that area.

“Last summer we were putting up bins, and I wanted to see if they were squared to the road,” Penner says. “I popped the drone up, and then in real time we could move things a foot this way or a foot that way, to square it up.”

Penner’s drone doesn’t have the capacity for higher-level functions like NDVI mapping, but it has still allowed him to make better decisions about his crop simply by providing a different vantage point than what he can see from ground level.

“Last year we had a wheat field that we noticed a giant strip in the yellow, and realized that we were short nitrogen and could top-dress it and recover some of that yield,” he says.

“This year with soybeans I was on the water truck and my dad was spraying. I was taking some video and I could see some strips up and down the field where there was overlap residue from other years. So we were able to identify that issue and correct it.

These things add up, and if you can bring the yield up on just 100 acres, it ends up paying for itself.”

Chuck Fossay is another producer who sees the benefit in having a bird’s eye view of his farm. He bought his first drone this past winter, a Phantom 2 Vision, with the intention of using it in similar ways.

“One of the areas where I think it will be most helpful for me is when we’ve had a big rainstorm,” Fossay says. “I plan to use the drone to identify the areas that need draining, rather than having to bring my truck right out onto the field.”

Crop scouting is a whole different game these days, says Fossay.

“Our farms are getting much larger, so you don’t have the time to walk the fields like you used to,” he says. “You can’t always see the damage or get all the information you need just by doing a drive-by.”

NDVI: AN INJURY REPORT FOR YOUR CROP

“The data doesn’t lie,” says Matthew Johnson, clicking his PowerPoint ahead to a chart displaying NDVI values and yield. An unmistakable positive trend can be seen.

Johnson owns M3 Aerial Productions, a company that provides agricultural UAV services, and was a guest speaker at the CropConnect conference earlier this year.

A portion of his talk focused on introducing the concept of NDVI, one of the most promising capabilities of agricultural drones. NDVI stands for Normalized Difference Vegetation Index, and in its simplest terms, is an indicator that can assess the health of plants.

Commercial drones – also known as UAVs or unmanned air vehicles – have been around for decades, but in the last few years, rapid advances in technology and computing capacity have made them a viable option for farmers.

To detect NDVI, drones are fitted with sensors that pick up near-infrared light as it bounces off a field. Specialized software transforms the light into a map that shows the variations between healthy and unhealthy plants using shades of green, red, and yellow.

“NDVI is to farming as an injury report is to a coach,” Johnson says. “Really, it’s an injury report for your crop, allowing you to detect problems that you can’t actually see yet.”

The benefits of using NDVI are clear, says Johnson. A study by 73 agronomists based on over 500,000 acres found an average benefit of \$35 per acre when NDVI was used. And the technology is now available to farmers if they purchase NDVI-capable drones, or if they commission a precision ag company to map their fields.

Landon Friesen, who bought his first drone back in 2013 to scout flooded fields, has since begun to make use of

NDVI imaging. He primarily uses it for on-farm trials: testing a new product and then reviewing his NDVI maps to determine whether it’s having a noticeable effect.

He also finds it invaluable for insurance purposes, using it to determine to the acre how much crop was damaged by hail or water.

“This past fall we had lots of flooded out acres,” he recalls. “Using my drone I was able to fly the fields and it would tell me exactly how many acres those flooded spots were. I could hand that to my adjuster, and say, ‘On this half section there’s 63 acres that are unharvestable.’ It takes the guesswork out of having someone go out there and try to measure and estimate.”

Johnson describes NDVI as a promising technology, but not a be-all and end-all. An NDVI map can tell you where the health of a crop is poor, but it can’t tell you why. The field still needs to be manually inspected, either by the producer or an agrologist.

“It just gives you another piece of information,” Johnson says. “You still need to do soil testing, nitrogen tests, but it is another important piece of precision ag. I don’t want to push it as the greatest agricultural breakthrough; it’s a great tool, but it’s not a one-stop shop.

DRONE OPTIONS

According to Friesen, buying a drone is like buying an iPhone.

“They come out with a new one every few months,” he says. “So you have to find a company that’s reputable and with a good name behind them.”

Like Penner and Fossay, Friesen went with a DJI Phantom, beginning with the original model and upgrading to a Phantom 4 a few years later.

There are many companies trying to break into the drone market, but DJI has about 70 per cent of the market share, and with good reason, says Johnson.

“They have very good sensors, very good controls,” he says.

However, DJI produces mainly multi-rotor drones, or quadcopters, which have their limitations on larger farms. >>



Colin Penner's drone picked up the yellow stripes in the wheat field on the left – a nitrogen deficiency. He was able to top dress it to recover some of the yield.

“For farms with more than 2,000 acres, trying to map that with a quadcopter is going to take weeks,” Johnson says. “Fixed wings allow you to cover a lot more area. They are more expensive, but in terms of the cost for time, if you’re spending days trying to map your fields instead of just a few hours, you need to ask yourself how much your time is worth.”

Fixed wings typically run from \$10,000 to \$60,000, with eBee, AgEagle and Firefly Pro being examples of popular models.

The multi-rotors are smaller and significantly cheaper — usually around \$1,500 to \$2,000 — but need their batteries charged often if covering long distances. They are the most common consumer products used for photography and video.

Sensors for the drone can range anywhere from \$1,000 to \$20,000, and a basic package capable of gathering the type of data needed for NDVI mapping would be in the neighbourhood of \$3,000.

There is also software to consider — a seemingly endless array of options. Fortunately, there are plenty of free trials. Botlink, eMotion, Pix4D, and Maps Made Easy are all common platforms.

Friesen says he’s had good luck with DroneDeploy, which he says is cost-effective and user-friendly.

“It’s an app that downloads onto my iPad,” he says. “I plug my iPad into the controller of my drone, then I just draw up on Google Maps what route I want to fly — say, select these 100 acres — and it does it for me.”



Matthew Johnson, who owns M3 Aerial Productions, a company that provides agricultural UAV services, uses a Normalized Difference Vegetation Index that can assess the health of plants. He also provides training so that operators comply with federal regulations.

TOOLS, NOT TOYS: DRONE SAFETY

When advising clients on UAVs, Johnson likes to use the motto, “These are tools, not toys.”

He says today’s drones are so deceptively easy to fly, people often underestimate the amount of training and caution that’s required to operate them safely.

“I’ve personally heard of five fly-aways from people that I know — that’s where you have the drone just take off,” Johnson says. “If the drone hasn’t been calibrated and people haven’t taken the time to do the research and read the instructions, you can lose thousands of dollars worth of equipment.”

There are other possible consequences for irresponsible use. If you are operating without a license when you should have one, you can face hefty fines — up to

\$5,000 for an individual or \$25,000 for a corporation.

Transport Canada regulates the use of drones, primarily to ensure they don’t interfere with piloted aircraft. Recreational users are not subject to licensing, explains Johnson, but if you are operating a drone for any other purpose — say, on your farm — it is considered a commercial operation. Commercial operators must either obtain a Special Flight Operations Certificate, or SFOP, through Transport Canada, or work under an exemption, where 61 conditions must be met.

Most of these conditions are straightforward, and include prohibitions against flying at night or within five miles of airports, or higher than 300 feet. You also need to carry \$100,000 in aviation liability insurance and complete a recognized ground school course.

The course is a requirement both for the SFOP and the exemption, and can be done online or in person. Johnson, based in Winnipeg, offers a two-day in-person ground school course through M3 Aerial Productions. This summer he will also offer the course in Saskatoon on August 26 and 27.

The course focuses on understanding Transport Canada’s rules and regulations as well as aspects like sensor and software options. The course also goes over the application process for the SFOP, which allows drone pilots to fly higher, further, at different times, and to request extra provisions.

In addition to the ground school course, M3 offers a more hands-on, practical course that goes through flying, processing data, and communicating with Transport Canada.

“You can do research online, but it can be overwhelming because there’s so much information,” Johnson says. “Having it presented in an easy-to-understand kind of flow really helps people. The practical piece is not a requirement, but it is very valuable.”

For more information on Transport Canada regulations, go to tc.gc.ca/eng/civilaviation/opssvs/flying-drone-safely-legally.html. For upcoming courses with M3 Aerial Productions, see m3aerial.com/uav-ground-school/.

APAS activities

See what APAS is doing for all Saskatchewan farmers

BY DELANEY SEIFERLING

SPEAKING UP FOR PROVINCIAL PASTURE PATRONS

► Following the province's decision to end the Community Pasture Program, APAS consulted its membership and submitted recommendations to the Ministry of Agriculture. The submission points out that community pastures have served this province's agricultural industry well, and cautions against an approach that would displace current and future patrons from using the pastures to meet their summer grazing needs.

APAS supports a governance model that keeps the pastures under public ownership, but transitions administrative responsibilities to patron-run associations. APAS suggests the province learn from the PFRA pasture experience, and consider using a regional approach when transferring the provincial pastures to patrons. Co-operation between adjacent federal and provincial pastures should also be encouraged wherever possible.

SUBMISSION ON PROVINCIAL MEAT INSPECTION

► APAS recently participated in consultations on the development of a new meat inspection system for Saskatchewan. Under the current system, Saskatchewan abattoirs may receive meat inspection through the Ministry of Health or the more rigorous inspection program offered through the Ministry of Agriculture. The province is proposing to unify the two inspection programs into a single system.

Local abattoirs provide an important service to agricultural producers and rural communities, and APAS has raised concerns that a one-size-fits-all approach could jeopardize the

commercial viability of small businesses in rural Saskatchewan. The submission asks the Ministry of Agriculture to work closely with local abattoirs throughout the process to ensure that new requirements pose minimal disruption to their business operations.

WORKING ON BRM PROGRAM REVIEW

► APAS is participating in the consultations on the next agricultural policy framework and has recently joined other farm organizations across Canada to call for a comprehensive review of business risk management programs. There are growing concerns that status quo business risk management programs, such as AgriStability, will be implemented in 2018 without meaningful reforms and improvements.

The review will involve working closely with governments for the next year to fully examine how well the existing programs fit with agriculture's evolving risk management needs. The basic structure of Canada's BRM programs has remained essentially the same for the past 20 years, despite significant changes in the sector that have brought new risks and opportunities for producers.

MEETING WITH SCIC

► The APAS executive committee met with officials from Saskatchewan Crop Insurance Corporation to discuss the spring harvest and seeding situation. SCIC officials reviewed the process used to assign value to unharvested production and the steps being taken to ensure timely decision-making in what was a very difficult spring in many areas of the province.

REPRESENTING THE INTERESTS OF PRODUCERS IN WATER MANAGEMENT

► APAS has been appointed to the Agricultural Water Management Advisory Board, an agricultural stakeholder board that will advise the government on water management issues during the implementation of Bill 44 and the province's agricultural water management strategy. APAS looks forward to representing the interests of Saskatchewan agricultural producers on this important industry/government forum. The formation of the board is a good first step towards developing balanced, fact-based policies to govern water management in Saskatchewan.

RECOMMENDING WAYS TO ADDRESS CGC SURPLUS

► In a submission to the Canadian Grain Commission, APAS recommended that the CGC focus on three areas of concern to producers in allocating an estimated surplus of over \$95 million. The first APAS priority calls for the commission to review and update grain quality factors and grading systems. The second calls for the CGC to review the current bond-based producer payment security system and look at possible options, such as a payment protection fund.

The third priority recommends the CGC consult and consider expansion of its mandate to enhance producer protection and transparency in the grain trade. These measures would include generic grain contracts, similar to those used in Australia, as well as improved complaint accountability and follow-up, and increased auditing and transparency of weigh scales and other measurement equipment. APAS has also suggested an expansion of the CGC's statistical reporting program to enhance sales and market transparency in the industry. >>

The CGC surplus was generated from user fees paid by producers in years of record grain production. A producer refund was found to be neither legally possible, nor administratively practical.

CONTINUING TO WORK ON IMPROVING GRAIN TRANSPORTATION

▶ APAS has been very active on the grain transportation file throughout 2017.

On May 16, Federal Transport Minister Marc Garneau introduced Bill C-49, the Transportation Modernization Act. APAS president Todd Lewis attended events in Edmonton and Calgary to offer APAS’s perspective on the draft bill and to receive technical briefing on the aspects affecting grain transportation.

Prior to the introduction of the bill, the Producer Coalition — consisting of APAS, Sask Wheat, and Sask Barley — met with federal politicians and officials in Ottawa to reinforce the message that its producers who bear the

costs of freight and service disruption. APAS is generally optimistic about Bill C-49, and has joined the other members of the Producer Coalition to call for the legislation to be in place for the 2017 crop. APAS will be continuing to participate in the legislative process to ensure the bill meets the needs of Saskatchewan agricultural producers.

OPPOSING ELIMINATION OF CASH TICKET DEFERRALS

▶ APAS has vigorously opposed the federal government’s proposal to eliminate cash ticket deferrals from the Income Tax Act. APAS stressed during the federal consultation process that tax deferrals should be maintained and expanded to include other agricultural commodities such as livestock.

APAS wrote to 36 members of Parliament about cash ticket deferrals and requested that the Standing Committee of Finance look into the matter as soon as possible. APAS was successful in obtaining a two-month

extension in the comment period deadline, and will be watching this issue and future federal tax initiatives very closely.

PROMOTING PRODUCERS’ ROLE IN COMBATTING CLIMATE CHANGE

▶ In a recent submission to the Canadian Council of Ministers of the Environment consultation, APAS pointed out that farmers and ranchers provide a range of environmental benefits to society, chief among them carbon sequestration. APAS stressed that these contributions need to be recognized. As well, because there is even greater potential for sequestration through plant genetics and new farm management practices, APAS also stressed that offset programs are needed to help producers make investments to implement innovation in this area.

The submission highlighted that a successful design for a national carbon offset system needs to recognize the unique nature of agriculture and the business considerations of producers. APAS argued that an overly bureaucratic system of defining and administering offsets will reduce the potential benefits in the effort to reduce carbon emissions.

MENTORING UNDER-40 PRODUCERS ONCE AGAIN

▶ APAS will be again be offering the Youth Leadership and Mentorship Program, this time for 2017-18, thanks to funding provided by the Government of Saskatchewan through Growing Forward 2. The goal of the program is to help producers under the age of 40 understand how national policy development occurs and how to have an influence. Participants will also have the opportunity to improve their leadership skills and expand their professional contacts with other producers, farm leaders, and government representatives.

For more information, see the Youth Leadership and Mentorship Program information and application on the APAS website at apas.ca/youthleadership-program. FV



APAS has vigorously opposed the federal government’s proposal to eliminate cash ticket deferrals.



New safety app aims to save lives, strengthen emergency response

STARS air ambulance has released **SOLUS**, a smart-phone app that can request 24-7 emergency assistance anywhere with phone reception in Canada.

SOLUS connects you with STARS Emergency Link Centre, which coordinates an emergency response and contacts your pre-defined emergency contacts.

The app has a database of farmers and off-duty medics that can be sent while medical personnel are en route.

For more information, visit solus.ca.

MacDon

FD75 FlexDraper®

Multi-Crop Harvesting Solution

Take your harvest to the next level with an FD75 FlexDraper®.

Call your local MacDon dealer today or see it in action at MacDon.com



The Co-operators Member Benefits Program

Exclusive farm insurance coverage and savings for APAS members

As a Canadian-owned co-operative insurer, The Co-operators works with our participating member organizations like APAS to offer their members enhanced coverage and discounts.

As an APAS member, you have access to many exclusive benefits and savings including:

- > Farm premium discounts
- > The Better Limits for Members endorsement
- > The Member Program Enhanced endorsement, which includes coverage for:
 - Grain, fertilizer and other harvested produce
 - Fire department charges
 - Fuel in fuel tanks
 - Farm machinery (loss of use)
 - Enhanced Debris Removal Limits, and much more!

We're here to help

Members of APAS are encouraged to contact their local Co-operators Financial Advisor today to learn more, or visit cooperators.ca/MemberBenefits.



Home Auto Life Investments Group Business Farm Travel



Not all products available in all provinces.

An all-encompassing approach to succession planning

BY JILL WINZOSKI

Sure, succession planning involves communicating with family members, but there is so much more than that. One succession planner in Manitoba handles it all — family coaching, lawyer and accountant coaching, tips for passing on the farm. This article, which is reprinted from the Winter 2017 Edition of *Manitoba Farmers' Voice*, will show you what to look for when hiring a succession planner.

IF THERE'S ANYONE DOING succession planning the way Paul Craft does, he hasn't heard about it. But if there was, he'd be thrilled.

"I wish there were a dozen of them out there, because there's way too much business for one person," said Craft. "There are lots of people who say they do it, but they don't do it this way."

Based in Steinbach, Manitoba, Paul Craft Financial Inc. started out in the early 1980s as an insurance broker. As the agency and its clients evolved, Craft began assisting people with farm succession plans, refining the process along the way. Over the past 10 years, he and his team have formally offered succession planning as an independent service.

"We are literally hired to manage the entire process," said Craft.

He said that by hiring a "voice in the wilderness," clients not only cut the time and money spent on accountants and lawyers by half, but will find the process much less daunting than tackling the project on one's own.

"It's not a do-it-yourself project when there's money and emotion involved," noted Craft. "As the saying goes, 'if you're your own doctor, you have a lousy doctor!'"

The missing step in most succession plans, he said, is preparation.

"You don't just start succession plan-



ning," said Craft. "You prepare for it, and then you get engaged. When you decide to plant, you don't just go out in the field and throw seeds around. There's a lot of work that needs to be done on your end to prepare for succession planning, but it's not nearly as scary as it might sound."

While all business successions are

complex, Craft said farm transitions can be all the more overwhelming because first of all they're inherently so emotionally charged.

"Secondly, it's agriculture. And there's nothing rational about agriculture. It's a vocation, not an occupation. They do it because they love it. If it was about money, they'd sell for \$10 million

and retire, right? But they don't. They go back to the bank and borrow more money, buy more land and give it all to the kids. So it's a very emotionally-charged process."

Instead of forcing families to lunge headlong into the financials and legalities straight out of the gate, Craft conducts what he calls the discovery process, or gathering all the "soft facts." It's during this time that dialogue about the client's values happen on a level they've likely never discussed before. From there, Craft decides if the plan will be viable or not.

"There may not be enough farm to share, or there may be too few people to actually do the job," he explained. "They may be too young, or they may not have what it takes. They may be too old, or they may not have been given any responsibility. So I make a judgement call."

This preliminary stage will sometimes take four or five meetings to help Craft understand who the family is, where they came from, and how they acquired the farm. He also meets with family members individually, so they can talk more openly than they might have been able to within a group.

"A lot of the problems families have is they don't share information and they don't communicate properly. That's where it breaks down," he explained. "But you really can't afford not to address the underlying issues."

After every meeting, Craft and his team summarize the conversation in written detail, which is then sent to the client.

"We ask them to go through the summary and tell us if we're on track here, and if we aren't, we ask them to make changes and corrections. By doing this every meeting, we build an inventory of detailed summaries."

Another unique aspect of Craft's service is that he charges a flat fee, and collects only when the process is completed. Scrapping the fee-per-hour model lowers the stress and prevents clients from making hasty decisions, he said.

"You need to take time to flesh out the dream, the vision and the values," he

explained. "And because this is a process, they get more and more comfortable all the way through. People start to become empowered and feel in control, because someone is listening to them and the meter isn't running."

SOLUTIONS TO COMMON SCENARIOS

When delving into the particulars of a family's situation, there are some common yet surmountable challenges that Craft encounters.

"Typically, there are two scenarios," he said. "The parents are too generous, or not generous enough. It's rare that they hit it on the button."

Craft said it's crucial for first generation farmers to forget about who is buying their business, and instead focus on what they need to get from this deal.

"It's a sale," he said. "I don't care who's taking over. You're relinquishing control of your business at some point in time. You're getting paid something for it."

Once the parents define their goals, said Craft, the next step is to determine whether the deal is good for the next generation.

"If you don't do it properly, you could set them up to fail," warned Craft."

He explained: "The first guy built up the farm with sweat equity, and the second guy bought him out — but had no money. The farm was worth something when he bought it so he spent all his life paying it off and living the fancy lifestyle he was used to.

"His son was also used to living a fancy lifestyle, and he has to come in and buy out his dad, who probably hasn't finished paying grandpa yet, so he's got to pay grandpa, too. So all of the money that should be going into the business is going out the back door to service debt. There's no money to reinvest and so therefore you're going downhill."

Craft said it's crucial to realistically weigh each component of the plan, and get clear about how much is needed to afford his or her lifestyle, how much debt the farm can carry, and what the son or daughter can realistically afford to pay.



Paul Craft and his team have a unique way of approaching succession planning that first develops communication between family members, and then brings in legal and financial counsel. He charges a flat rate, so the meter is not running and forcing the family into spur-of-the-moment decisions.

"Anything outside of that and they won't be able to stay in business," he added.

Once these factors have been established and lenders have given the green light, Craft said it's time to iron out some of the precautionary measures to ensure everyone is treated fairly if things don't go according to plan. He stressed that a provision can be put in place that will safeguard the parents against the plan collapsing on the successor's end.

"It's got to be good for everybody, without any conflict of interest," he said. "If you've got money invested, you're second in line next to the bank if it's set up properly. If you don't like the way things are going, you can call in the loan or take the farm back. That's not hard to set up and it's not unfair — it's just part and parcel of the agreement."

In the case of marital arrangements, Craft said the plan can be set up so the parents are happy and the daughter-in-law feels trusted and can still build equity in the farm.

"This guy's wife is going to be crucial to his success," he further explained. "You can't expect her to invest her whole lifetime and be treated like a third-class citizen. Anything they build together should be shared. The original investment built by the parents, however, can be preserved." >>

What he sees as the most important consideration in succession plans is how to reduce the price tag of the farm to ensure cash flow, but also keep the first generation secure — or taking measures to prevent the successor from selling the farm for its true value and walking away.

In most cases, a share freeze can be created, as well as new common shares worth a dollar each, said Craft. That way, only the growth from the time of transition belongs to the successor. The remainder can then be gifted in the client’s will, 10 to 20 years later.

By doing this, a vesting period is created — ensuring the son or daughter doesn’t receive all the equity before it’s certain the plan is going to work. In the case of the successor passing away, shares are divided between the entire family, and not only the spouse.

In the case of offspring who are not actively participating on the farm, Craft said what’s often done is they share residual assets proportionately.

While there are many moving parts to succession planning, it’s still possible to cover all the bases, Craft said. His role is to assimilate intersecting advice from lawyers, accountants, financial advisers — plus the farm owner and his family.

This may include cash, RRSPs, life insurance proceeds, or any outstanding balance of money owed back to the estate by the family member who bought the farm.

“It can be quite complex in the calculation,” said Craft, “but what you are really measuring is liquidity, without including farm assets.”

While there are many moving parts to succession planning, it’s still possible to cover all the bases, Craft said. His role is to assimilate intersecting advice from lawyers, accountants, financial advisers — plus the farm owner and his family. He likens it to GPS navigation.

“You can’t pinpoint your position on the earth with one satellite, or you’ll be off by metres. You need three, four or five of them and you can get yourself pinpointed to within a millimetre of the earth. That’s how this works.”

In the end, said Craft, it’s not just a succession plan that comes out of this process, but a strengthened family relationship.

“Clients have told me how much it has meant to them, and how we addressed the elephant in the room,” he said. *FV*



2017: FCA Fleet Program

RAM - CANADA’S LONGEST-LASTING LINE OF PICKUPS¹

Criteria for this special member benefit:

1. Your RM must be a current APAS member
2. Present your tax notice as a ratepayer in an APAS member RM
3. Provide your GST number
4. FAN #G5280



www.apas.ca/my-rewards
For questions, please call: 1-306-789-7774



¹Longevity based on IHS Automotive: Polk Canadian Vehicles In Operation data as of July 1, 2016, for model years 1988-2016 for the entire Ram large pickup segment compared to all competitive large pickups that have been on the road since 1988.

Get the tools you need to work with your professional advisors

BY DELANEY SEIFERLING

AS PART OF A NEW partnership with the Canadian Farm Learning Centre, APAS is now offering its members a discount on all CFLC educational courses — which are focused on giving farmers the extra education and tools they need to better manage their farm businesses and work alongside professional advisors in farm business management, accounting, law, and risk management.

“CFLC was created to bridge the gap between the professional advisors and farmers, and help better equip farmers to go into those meetings with a better understanding of all their options, instead of being confronted with massive decisions on the spot,” says CFLC marketing coordinator Megan Duford.

Having this extra education in advance of these meetings saves farmers’ time and money, she adds, which is another goal of the CFLC.

“It’s really meant to educate the farmer so they are making the correct decisions for them and their family.”

All content is exclusively offered online, which allows farm families to work through complex and often sensitive topics at a pace that suits their busy schedules.

“One of the things we noticed at in-person seminars is that it is difficult to understand the complex issues and topics that are presented in the short amount of allotted time,” Duford says.

“The amount of information available in our courses is quite substantial. With the online platform, they can do it in the comfort of their own home, on their own schedule and they can pace themselves at a rate to take information in as they need to.”

The CFLC has also found that farmers aren’t always comfortable talking about their personal situations in a group of people. Further complicating the matter is that each farm family can



include multiple children, who may or may not farm.

“With this in mind, the course worksheets guide the farm family through the difficult conversations that need to be addressed when approaching topics such as retirement, succession, or creating a multi-generational farm.”

Duford says the course that generates the most interest is succession planning because it’s a tough topic to work through with an advisor alone. Many personal factors can affect the retirement, estate, and succession planning process.

The online platform is intuitive and simple to use, Duford says. Each course includes step-by-step instructions, quizzes and worksheets which allow farmers to apply concepts to their own personal situations.

CFLC students pay an annual fee of \$500 then a monthly subscription for each course they take. Subscription fees

range from \$150 to \$250 per month. APAS members receive a 10 per cent discount on the monthly course fee.

To learn more, visit canadianfarmllearningcentre.com. To take advantage of the discount program, go to the contact page on the website and get the number for the office nearest you. Then call with the courses you’re interested in, and tell them that you’re an APAS member. **FV**

CFLC courses currently available

- Farm Business Structures
- Farm Financial Planning
- Farm Succession Planning
- Managing Risk in Agriculture

APAS gains national stage

Former APAS president Norm Hall elected to the CFA

BY DELANEY SEIFERLING

THIS PAST FEBRUARY, former APAS president Norm Hall was elected first vice-president of the Canadian Federation of Agriculture.

This new appointment is welcome news for APAS, as Hall is now able to bring the Saskatchewan perspective to a wider audience.

“We were always represented at CFA, but me going to the national level should put a bit of a spotlight on APAS nationally,” Hall says. “It will bring a stronger Saskatchewan voice to the federal table.”

Hall has been involved with APAS since 2003, most recently as its president, a position he held from 2011 to 2016. He was appointed to represent APAS on the CFA board of directors in 2012 and was elected to the CFA executive committee the same year.

Since his appointment in February, he has been busy learning just how much work the CFA does.

“I went down there a week after the CFA’s AGM because there were some meetings coming up and we had to divide things up, and I looked at the list of organizations CFA belongs to and it was five pages long, single-spaced,” Hall says.

“I knew we were on a lot but didn’t realize it was that many.”

Hall and CFA resident Ron Bonnett sat down to divide up their lists of appointments. Hall ended up on six grain-focused committees, while Bonnett, an Ontario cattle producer, took on the live-stock-oriented commitments.

“I’ve been involved with a lot of these committees on the periphery before, but now that I’m on their boards, it’s starting to be really interesting,” Hall says.

CURRENT ISSUES

Since his election, Hall has been fully immersed in the many ongoing issues that the CFA deals with.



Past president Norm Hall moves to the national stage as newly elected VP of the Canadian Federation of Agriculture.

A hot topic is international trade, including the North American Free Trade Agreement and how it may potentially be impacted by new policies issued

by U.S. President Donald Trump. In April, CFA executive members did a five-day tour to the U.S. to meet with the American Farm Bureau boards in several

states and discuss the importance of trade between Canada and U.S.

“We can’t lobby the U.S. government, so we were down there to ensure these groups were lobbying their government to ensure that NAFTA doesn’t get opened up,” Hall says.

The response the CFA team received was overwhelmingly positive.

“They all got it. They understood,” Hall says. “That’s some of the progress we made.”

Some changes to NAFTA may still be coming, Hall says, but it will be important to continue to advocate for enhancing and improving opportunities instead of disrupting trade.

“Maybe there are some things that need to be modernized,” Hall says. “Maybe this is an opportunity to tweak NAFTA one more time, but with fine watch tools instead of sledgehammers.”

“ Maybe this is an opportunity to tweak NAFTA one more time, but with fine watch tools instead of sledgehammers.”

Another issue that has been top of mind for farm policy groups in recent years is improving transportation. Hall says there has been slow and steady progress on this.

In mid-May, the federal government announced new legislation for improvements to grain transportation for West-

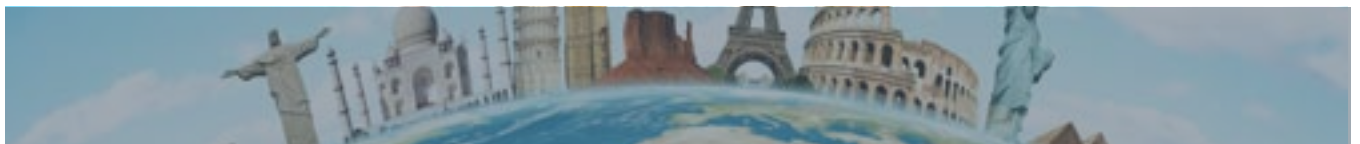
ern Canada. This included a definition of “adequate and suitable” rail service, a commitment to maintaining the maximum revenue entitlement, permanent options for long-haul interswitching, and reciprocal penalties. Hall says this announcement was welcome news, but there is still work to be done to ensure the regulations are set.

“We as western Canadian farm groups have worked really hard to get this far,” Hall says. “We’re not going to sit on our laurels and hope everything gets put in place for us. We have to keep working at it. The legislation is coming down, but now the regulations have to go in place.”

CFA will also continue its work on issues such as farm safety, a potential carbon tax, the next agricultural policy framework, and the ongoing agriculture labour shortage across Canada. **FV**



Travelling? Enjoy these savings!



Hotels



Choice Hotels - Enjoy savings of 15% off of the best available public rate at over 6,300 Choice Hotel locations worldwide. To book - use client ID 00234940 and visit www.choicehotels.ca or call 1-800-4CHOICE.



Local Hospitality/HUB International Hotel Savings - compares worldwide hotel offers. Members can access over 100,000 hotel properties from around the world. Visit www.apas.ca/my-rewards or call 1-800-892-2136 (code: strata).

Rental Cars



Enterprise Rent-A-Car Visit www.enterpriserentacar.ca and use Account Number STRATA1.

National Car Rental Book online at www.nationalcar.ca or call 1-800-227-7368 and use Contract ID 5030699.

Alamo Visit www.alamo.ca and use Contract ID 7106324.

Arranged and Administered by:



CFA builds pro-NAFTA allies on U.S. mission

BY RICHARD KAMCHEN



THE CANADIAN FEDERATION of Agriculture has found allies during a recent U.S. trip to promote the benefits of the North American Free Trade Agreement.

A five-day tour in late April uncovered NAFTA support from U.S. farmers who, like the CFA, discourage any wholesale changes to the 23-year-old trade deal between Canada, the U.S. and Mexico.

“Our main purpose was to talk to American producers and see if they were in the same place we were, that NAFTA actually has been good for all three countries,” says CFA president Ron Bonnett. “By and large, they were very strongly supportive of the trade that there’s been between all three countries.”

CFA met with American Farm Bureau representatives in several states, including California, Kansas, Iowa and Wisconsin.

Both groups oppose renegotiating NAFTA. They share similar viewpoints about the need for adjustments to address regulatory harmonization.

“Regulatory harmonization is really important when it comes to trade agreements because you can negotiate the best trade agreement possible, but then when it comes to technical barriers to trade or significant differences to the regulatory regime, that itself can create problems and impede the trade that’s been negotiated,” says Bob Friesen, CFA trade analyst.

CFA and the Farm Bureau also found common ground on adding components to NAFTA to take into account new technologies that have been developed since the deal came into effect in 1994.

Bonnett says that the organizations also agree trade disputes invariably hurt farmers more than anyone else and that NAFTA is working well for agriculture.

Coincidentally, the CFA’s U.S. mission came when several international trade issues were making headlines, making it an “interesting week to go,” says Bonnett.

During the week before Bonnett’s departure, U.S. President Donald Trump criticized Canada’s supply-managed dairy sector in a speech in dairy-heavy Wisconsin.

“There has been some rhetoric, mainly from the president, about supply management, but we didn’t hear that much about it when we were travelling,” says Bonnett. “They recognize the milk issue is oversupply in the United States. They’re producing way more than they consume, and that’s true in Europe and New Zealand as well.”

In other trade developments prior to the CFA’s meetings, Japan signalled a revival of Trans-Pacific Partnership talks

without the U.S. Meanwhile, Mexico flexed its importing muscles as it reportedly eyed alternative nations to supply its milk and corn.

And capping the whirlwind news week was Trump's U-turn on immediately terminating NAFTA following calls against such a step from U.S. farm groups, Prime Minister Justin Trudeau and Mexican President Enrique Peña Nieto — not to mention sliding U.S. corn futures and other agricultural markets.

However, since the CFA's meetings, the Trump administration has given formal notice for renegotiating NAFTA. A mid-May letter from U.S. Trade Representative Robert Lighthizer to Congress triggered a 90-day consultation between the administration, Congress and businesses.

Bonnett wonders if Congress will put any constraints on the administration's power to negotiate. He points out that a number of members of Congress represent states that conduct significant trade with Canada and Mexico, and will want assurances revision talks don't damage their agricultural industries.

Interestingly, part of Lighthizer's letter takes a similar stand as the CFA and the Farm Bureau, in that the administration acknowledges the need to update some parts of NAFTA.

"Many chapters are outdated and do not reflect modern standards," the letter reads. "For example, digital trade was in its infancy when NAFTA was enacted."

The administration also aims to modernize NAFTA to include new provisions to regulatory practices, customs procedures, and sanitary and phytosanitary measures — areas also targeted by the CFA and its U.S. counterpart.

In the meantime, the CFA intends to return to the U.S. — specifically Washington — to once again compare notes with the Farm Bureau.

POTENTIAL RISKS

Bonnett believes Canada's supply management sectors will be watching developments closely in light of Trump having taken aim at the Canadian dairy sector.

"Incidentally, the U.S. has an over-\$400 million trade surplus with Canada on dairy products," says Friesen.

The other risk is a potential attempt by groups like R-CALF to revive mandatory Country of Origin Labelling, says Bonnett. However, Farm Bureau representatives didn't tell the CFA that either dairy supply management or COOL needed addressing, he adds.



CFA president Ron Bonnett and president of the Kansas Farm Bureau, Richard Felts, during the CFA visit to the U.S.

And even though the Trump administration has made Mexico a greater target than Canada in its trade complaints, the CFA supports working together with its Mexican partner.

"There's a lot of trade between Canada and Mexico as well; the whole deal is developed as a North American bloc, and I think there's an advantage to negotiating as that bloc," says Bonnett. "Otherwise, suddenly you get into playing one country against another and really that likely isn't going to help anybody." **FV**

NAFTA and farmers

NAFTA entered into force January 1, 1994, and created the world's largest free trade area between Canada, the U.S., and Mexico. Under the comprehensive trade-liberalizing agreement, the three partners progressively eliminated almost all tariff and quota barriers to agricultural and other trade by 2008.

"It's a reciprocal trade agreement where everybody benefits," says Friesen. "Somewhere between 60 and 70 per cent of our agriculture and agri-food is exported. Our agricultural economy depends on our export markets and so it's really important to have NAFTA."

Canada and the U.S. are each other's largest agricultural export markets. According to Agriculture and Agri-Food Canada, in 2015 Canadian agricultural and agri-food trade to the U.S. was \$22 billion, while U.S. agricultural trade to Canada reached \$25 billion.

Friesen explains that the states the CFA visited during their trip enjoy mutually beneficial trade with Canada. For instance, Kansas imports around \$10 million worth of live cattle from Canada but exports back \$162 million of beef.

Canada also exports about \$127 million in live hogs to Iowa, but imports \$190 million of animal feed — \$128 million of which is soybean meal — and \$136 million in fresh and frozen pork comes from that state.

Friesen says that contrary to the "trade kills jobs" narrative, Kansas attributes around 84,000 jobs to trade and investment with Canada, Iowa about 100,000 and California over one million.

"These states also realize how important this trade agreement is to jobs."



A unified voice on farm policy is more important than ever

BY DUANE HAAVE, APAS GENERAL MANAGER

AGRICULTURE IN CANADA is at a unique crossroads. Influential groups such as the federal Advisory Committee on Economic Growth are promoting the agriculture and agri-food sector as a strategic one to drive our national economic growth. Decision-makers have realized that the world will have to produce 70 per cent more food by 2050 to feed a growing population.

Saskatchewan producers are facing growing expectations as both economic growth generators and as suppliers of strategic food supplies.

Consumers also have higher expectations of the food they buy, while also having less understanding about farming and food production than ever.

At the same time, farmers and ranchers have never been such a small percentage of the national and provincial population. As a key sector, agriculture must find ways to improve our communication and advocacy with government, industry, and the public to ensure that the appropriate policies are in place to allow our industry to meet its potential.

Farm groups are going to have to commit themselves to work together at the provincial and national level to communicate a common voice on the issues that affect all of us.

The following is a list of priority issues identified by APAS members that our board, committees, representatives, and staff are currently working on. We're also working in partnership with the industry as a whole to develop and promote solutions.

CARBON POLICY

Carbon taxes would be an unreasonable burden on agricultural producers and will not help address carbon emissions issues. Agriculture is playing a signifi-



cant role in sequestering carbon and there is a lot of exciting potential to build on this expertise for the future. Our industry needs to focus attention on the recognition of carbon management on the landscape and encourage carbon policy that brings actual results and solutions. APAS is fully engaged with the government on carbon policy and hosted the Prairie Agriculture Carbon Summit to further facilitate discussion on this crucial issue.

AGRICULTURAL POLICY FRAMEWORK

The next five-year federal-provincial policy framework is currently being developed for implementation in 2018, and agriculture needs to strongly advocate for business risk management programs that actually work. AgriStability has been a failure, and we need governments to recognize the problem and develop something workable. We have to make sure programs like crop insurance work in a changing industry.

TRANSPORTATION

Prairie farm organizations have worked together to develop policy positions that will help our industry get products to market on time and at a reasonable price. We saw some very positive results when the federal transport minister tabled legislation this spring. Now we need to see legislation enacted in time to ship this year's crop.

ECONOMIC VIABILITY OF OUR INDUSTRY

The ability of our industry to grow in the future depends on agricultural producers retaining a fair share of the wealth they create. APAS members believe that agriculture needs to develop new tools for input and price transparency, standard contracts, and access to market tools to enhance producer returns. Agriculture also needs to inform consumers about the need for fair returns for producers for the food they produce.

HUMAN RESOURCES

Agriculture faces dramatic generational change and a shortage of skilled labour. Everyone in the industry needs to work together to find ways of assisting new producers to get started, and fill labour shortages in primary production and processing.

INFRASTRUCTURE AND COMMUNICATIONS

Along with our essential road and rail infrastructure, agriculture will increasingly rely on access to broadband and wireless technology for production and marketing. No increase in production or improved market access will be worth anything if we can't efficiently produce, market, and transport our products. The government and regulators must ensure rural access to essential communications

BIOSECURITY, TRESPASS LAWS, SURFACE RIGHTS

Agriculture as a whole is faced with complex issues in terms of who sets the rules around production methods, land use and access to farmland at the corporate level, the consumer level and in local municipalities. There is growing pressure from crop diseases, animal diseases, and invasive weeds. Trespass laws need to be reviewed to ensure that access to farm land doesn't bring along unwanted disease and weeds, or that recreational users and hunters don't get away with damaging property. Surface rights laws need to be updated to protect landowners from bearing the cost of resource extraction on their property. *FV*

APAS is pleased to welcome new members to our team

Colleen Hennan is our new communications and community relations coordinator. She has a background in radio broadcasting and most recently worked at the MS Society. You can email her at chennan@apas.ca.

Debra Nyczai is our member relations coordinator. She will be the point of contact for administrators regarding all membership and benefits inquiries such as invoicing and the My Rewards program. Debra comes to us from the Humboldt and District Chamber of Commerce where she was executive director. She is looking forward to connecting with reps and RMs around the province. Her email is dnyczai@apas.ca.

Richard Boulding is our climate change and carbon researcher. He was born and raised on a family farm north of McLean, and studied geosciences at the University of Regina where he is currently enrolled in a masters of science program. Richard has more than 10 years of experience in geoscience, including employment with the Saskatchewan Geological Survey, the Royal Saskatchewan Museum and the Peace Region Paleontology Research Centre. He also holds valuable teaching experience in environmental geology and soil science. You can reach him at rboulding@apas.ca.

In addition to our new employees, APAS is looking forward to welcoming intern **Reindorf Yeboah** of the Johnson Shoyama School of Public Policy in August. He will work on a 12-month research and feasibility study on how to improve information on farm input prices. Funding for the projects is from Agriculture and Agri-Food Canada's Career Focus Program.

There is currently no publicly accessible price database available that provides price benchmarks and regional comparisons for fertilizer, agri-chemicals, and other basic farm inputs — and Reindorf will be researching solutions to this concern.

He will also research producers' experience with, and confidence in, available market-based risk management tools such as forward pricing and futures contracts. The project will also assess the adequacy of government programming in supporting the use of market-based risk management.

APAS is looking forward to providing some solid research and recommendations on these two important issues.



APAS Long Distance and Home Phone Program

Great rates mean you stay easily connected! West Can provides preferred group rates to APAS members.

Long Distance:

- 3.5¢/min (Cda/U.S.)
- 2.5¢/min between friends and family
- 5.0¢/min (Cda/U.S.) - any cell provider

Home Phone:

- Replaces more expensive traditional phone lines
- Highspeed Internet required



Arranged and administered by:



FOR PROGRAM DETAILS

Call 1-800-665-0384
Email: info@westcangroup.ca
Visit My Rewards at
www.apas.ca/my-rewards



Private Health Services Plan (PHSP):

Not a traditional insurance product,
simply health & dental tax savings for business owners

Benefits to business owner:

- Available for Sole Proprietorships, partnerships and Corporations
- Offer health and dental benefits to self and employees
- 100% tax deduction for business on reimbursements
- 100% nontaxable reimbursement of eligible medical expenses
- No medical evidence required
- CRA Approved



View PHSP Video on
www.APAS.ca/my-rewards

Claim your Member discount
1-866-996-7477

For More Information: 1-866-996-7477 phsp@stratabenefits.ca



COMPETITION + GLYPHOSATE
DAY 21: re-growth occurs



EXPRESS® + GLYPHOSATE
DAY 21: complete burn

Actual test results, University of Guelph, 2014

LASTING FALL BURNDOWN. FLEXIBLE RE-CROPPING.

Fall is the best time to control many tough perennials and winter annuals. By adding DuPont™ Express® SG herbicide to your glyphosate post-harvest burndown you'll eliminate your toughest weeds from shoots to roots with complete systemic activity and no re-growth. What's more, you can seed winter wheat 24 hours after your fall application and enjoy maximum re-cropping flexibility in the spring.

To find out more, visit fallexpress.dupont.ca, call the DuPont™ FarmCare® Support Centre at 1-800-667-3925 or ask your local retailer.



DuPont™
Express® SG
herbicide

As with all crop protection products, read and follow label instructions carefully.
Member of CropLife Canada.

Unless indicated, trademarks with ®, ™ or SM are trademarks of DuPont or affiliates. © 2017 DuPont.