

2020-2021 | Annual Report

Sask  **Wheat**
DEVELOPMENT COMMISSION



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About Sask Wheat

The Saskatchewan Wheat Development Commission (Sask Wheat) was established in June 2013. The Commission, under the direction of its elected board of wheat producers, ensures that Saskatchewan's wheat farmers have the resources, leadership, and representation to strengthen Saskatchewan's competitive advantage and ensure the interests of Saskatchewan's farmers are protected. Check-off dollars administered by the Commission go towards research, advocacy, grower relations and market development initiatives that improve wheat varieties, grow the marketability of wheat, and provide higher value to producers.

Our Vision

Wheat is a highly profitable and sustainable crop for Saskatchewan farmers.

Our Mission

Sask Wheat will provide leadership in identifying and supporting research, market development, and advocacy to maximize profitable and sustainable wheat production for Saskatchewan farmers.



Strategic Priorities

Research

GOAL: Maximize direct financial benefit to Saskatchewan producers through yield gains, improved quality characteristics, and agronomic efficiencies.

Market Development

GOAL: Promote Canadian wheat in a way that increases value and marketability and provides a greater net return to producers.

Advocacy

GOAL: To represent the interests of Saskatchewan wheat producers to governments, their respective agencies or representatives, corporations, non-governmental organizations, and consumers.

Grower Relations

GOAL: To share valuable knowledge and resources with producers through communication and extension activities to enhance the profitability and productivity of Saskatchewan wheat producers.

I am pleased to report on the activities of the Saskatchewan Wheat Development Commission (Sask Wheat) and the state of the industry in Saskatchewan for the 2020-2021 fiscal year.

The Chair's Report



Brett Halstead,
Chair

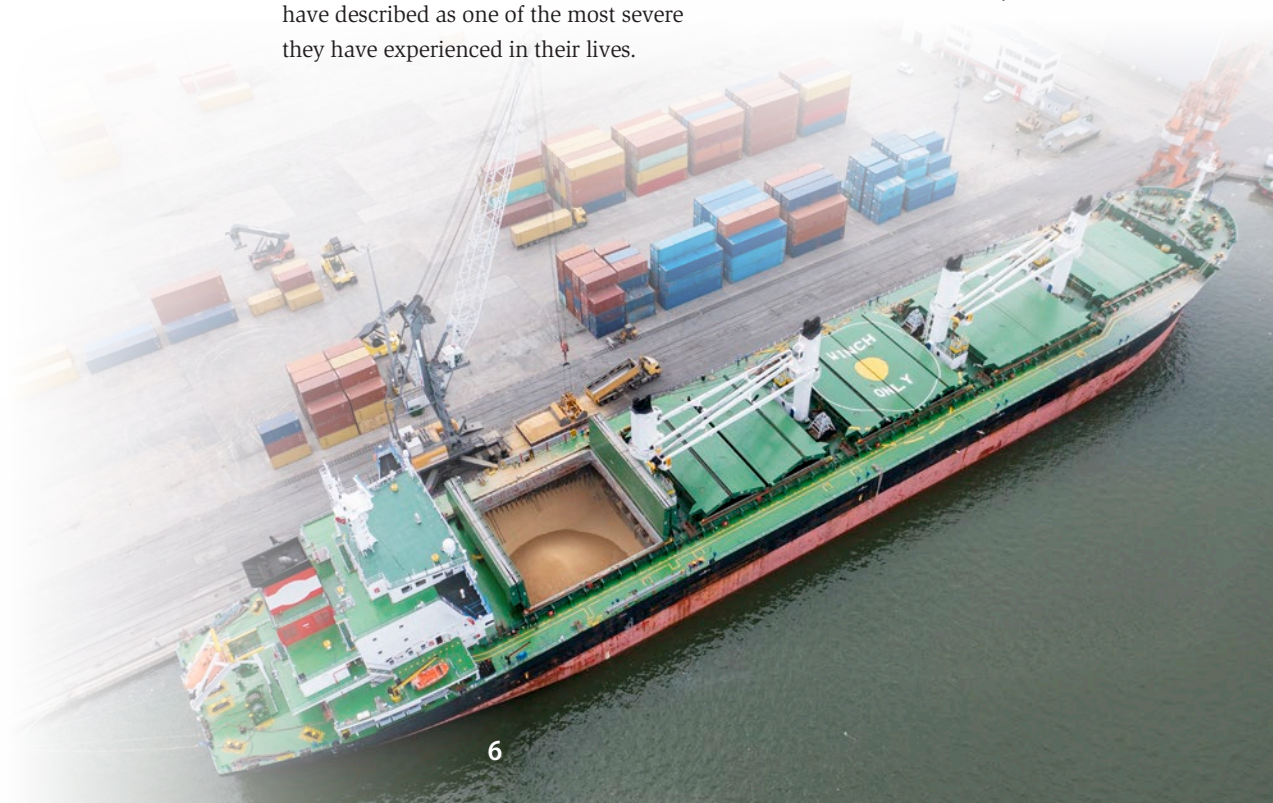
This was a year of extremes for Saskatchewan wheat producers. On one hand, the Canadian grain industry had a strong marketing year. Data from the Canadian Grain Commission shows 6.06 million tonnes of durum were exported, an increase of 15 percent from the previous record set in 2019-20. Exports of wheat excluding durum reached 19.63 million tonnes, up slightly from the previous record of 19.53 million tonnes set in 2018-19. Prices remained relatively steady throughout the winter and spring in spite of some unexpected occurrences overseas, such as a larger than expected Australian wheat crop and larger than expected durum crops in Morocco and Algeria.

On the other hand, Saskatchewan grain producers dealt with a drought that many have described as one of the most severe they have experienced in their lives.

According to the Saskatchewan Ministry of Agriculture's Crop Report, hard red spring wheat yields averaged 30 bushels an acre while durum averaged only 19 bushels an acre. While prices have gone up, with bids near \$20 per bushel for #1 CWAD in the summer, few were able to take advantage of this as the heat and dry conditions impacted yields across most of the province. Other than a few spotty areas, most of the province is reporting topsoil moisture is significantly depleted, making significant snowfall and spring rains necessary to get next year's crop off to a good start.

The drought had a particular impact on producers who entered into forward-sales contracts with grain companies. The poor weather conditions meant that many producers would not be able to deliver on their contracts, which prompted Sask Wheat to join with six other producer organizations to urge the Western Grain Elevator Association and its members to work with farmers to eliminate administration fees and penalties on grain contract buy-outs for the 2021-2022 growing season.

Carbon sequestration and offsets has been a topic of focus for Saskatchewan wheat producers for several years. At Sask Wheat's 2021 AGM, a resolution





was passed calling for commissions and associations to lobby to have Saskatchewan farmers recognized and rewarded for carbon sequestered through continuous cropping and reduced or zero-till practices. Sask Wheat collaborated with other crop commissions to urge the Ministry of Environment to continue working with the Saskatchewan Soil Carbon Sequestration Protocol Working Group to develop a made-in-Saskatchewan offset protocol for the sequestration of carbon in agricultural soils for adoption in the federal and Saskatchewan GHG offset systems.

Sask Wheat joined with SaskBarley and the Agricultural Producers Association of Saskatchewan (APAS) for a joint submission to the Canada Grain Act (CGA) review. The submission was in addition to Sask Wheat's own submission, which recommended that mandatory outward inspection remain a function of the Canadian Grain Commission (CGC), that the current CGC Commissioner governance model with producer representation remain, and that grain companies be

legislated to report daily and weekly sales data to the CGC to improve market transparency. A resolution was passed at the 2021 Sask Wheat AGM calling for the commissions to work together to advocate for the establishment of an export sales reporting program. Sask Wheat and the other commissions continue to advocate for transparent reporting through the creation of an export sales reporting program through the CGC.

Transportation and handling was good the past crop year, with each rail company moving more than 30 MMT of grain. However, there are still issues, such as delayed rail car order fulfillments, that continue to impact producers and show that more work needs to be done in this area.

The past year's conditions underscored the continued need for the development of wheat varieties that are more resistant to environmental stressors. Although the dry conditions did not favour the development of fusarium head blight (FHB) and orange wheat blossom midge in 2021, we know

these and other diseases and pests will be problems for Saskatchewan wheat producers down the road. This is why research remains a top priority of Sask Wheat. In the 2020-2021 crop year, Sask Wheat committed nearly \$10.2 million to 50 projects and programs that are addressing well known and emerging issues, from developing FHB resistant varieties to identifying new physical control measures for herbicide-resistant weeds.

Saskatchewan's wheat industry has come through a challenging year. There will be more challenges ahead of us, but thanks to the dedication and perseverance of wheat producers, and with the support of producer-directed commissions like Sask Wheat, we will be able to endure future issues. The continued support of Saskatchewan's wheat producers has kept Sask Wheat strong. I would like to thank my fellow directors and the staff of Sask Wheat for doing an excellent job this year and I look forward to continuing our work towards profitable and sustainable wheat production for Saskatchewan farmers. ◆

The 2020-2021 crop year was one of extreme weather conditions. Following a year that saw a wet spring that delayed seeding in some areas, we experienced one of the worst droughts in recent memory in 2021. The record-setting heat and dry conditions led to extremely poor yields throughout much of the province.

General Manager's Report



Harvey Brooks,
General Manager

Although exports were strong in the 2020-2021 marketing year, market disruptions, changes in trade patterns, and supply and demand dispositions have reinforced the need for more market transparency. In response to the Canada Grain Act (CGA) review consultation process and a resolution passed at Sask Wheat's 2021 Annual General Meeting calling for public export sales reporting, Sask Wheat commissioned a report on "Data Requirements for a Transparent Market" by Mercantile Consulting Venture Inc. The report provides a comprehensive overview of data gaps in grain markets and the solutions required to put producers on a more equal footing when planning their cropping decisions and marketing their production. The report is available on Sask Wheat's website.

Through the CGA review consultation, Sask Wheat called on the Canadian Grain Commission (CGC) to create a daily and weekly export sales reporting program

similar to the data available to American farmers as collected and published by the USDA since 1973. Providing data on export sales will allow producers to better understand market dynamics, moving them toward more equal footing with other supply chain participants. In preparation for the CGA review, Sask Wheat also contracted a report to review areas of potential changes to the CGA and the operations of the CGC, and the potential impacts on Saskatchewan grain producers' activities and economics. This report is also available on Sask Wheat's website.

Research remains the core focus of Sask Wheat. Just as we do with advocacy issues, Sask Wheat looks to collaborate with other Saskatchewan and western Canadian commissions on funding research whenever possible. We do this through our traditional research channels, such as the Agriculture Development Fund's research call, and through the Canadian Wheat Research Coalition (CWRC), which is a partnership between Sask Wheat, Alberta Wheat Commission, and Manitoba Crop Alliance. The CWRC has funded five-year Core Breeding Agreements with the Universities of Saskatchewan, Alberta, and Manitoba and Agriculture and Agri-Food Canada for a total of \$37.8 million. The funding for these agreements is shared between the commissions and is calculated annually based on total tonnes of spring wheat sales in Western Canada on which a levy is collected. For 2021, Sask Wheat contributed 50.94 percent of the funding.





Courtesy Farm and Food Care Saskatchewan.

In the past crop year, the CWRC signed core breeding agreements with the Universities of Alberta and Manitoba and Agriculture and Agri-Food Canada. These five-year agreements, which are in addition to the core breeding agreement with the University of Saskatchewan's Crop Development Centre, which was announced last year, will contribute to the development of wheat varieties that will benefit wheat producers across Western Canada.

The Board of Directors of Sask Wheat made grower relations a priority in 2020-2021, and the new Agronomy Extension Specialist position was created as a result. Although Covid-19 meant that we were

unable to host in-person events, such as our Think Wheat and Grade School meetings, we were able to reach producers with webinars and podcasts, bringing the latest agronomy information and research from university and industry experts. We were also able to build our database of agronomy information on our website. It is our intention that the information available to producers on our website, in our print and email newsletters, through our podcasts and webinars, and at our in-person events when we are able to host them, bring significant value to producers and allow them to realize greater profit from growing wheat.

Sask Wheat has grown and matured as an organization and will continue to evolve to meet the changing needs of Saskatchewan's wheat producers. Research, market development, advocacy, and grower relations will remain the core functions of the organization, but within those areas, we will initiate new programs and activities that will bring value to wheat producers and assist them in their day-to-day business operations.

On behalf of the staff of Sask Wheat, it has been a pleasure working on behalf of Saskatchewan's wheat producers over the past year and we look forward to continuing our relationship with you. ◆

Board of Directors



Brett Halstead
Chair



Jake Leguee
Vice-Chair



Bill Gehl



Lesley Kelly



Ken Rosaasen



Glenn Tait



Jocelyn Velestuk

Sask Wheat Staff



Harvey Brooks
General Manager
(until October 2021)



Blair Goldade
Research Program Manager
(until October 2021)
Executive Director
(starting October 2021)



Dallas Carpenter
Communications
Manager



Constance Chiremba
Research Program
Manager
(starting October 2021)



Debbie Forgie
Administrative Assistant
(until July 2021)



Valar Gurusamy
Research Project
Manager
(until June 2021)



James Lokken
Policy Analyst



Sushmita Nandy
Research Project Manager
(starting July 2021)



Carmen Prang
Research Program
Coordinator



Deborah Rousson
Office Administrator



Cheryl Smith
Administrative
Assistant
(starting August 2021)



Haley Tetreault
Agronomy Extension
Specialist



Kelsey Tollefson
Policy Manager

Research remains the central program for Sask Wheat. Improving the relative net profitability of producing wheat for Saskatchewan farmers is the key priority of Sask Wheat.

Research Overview

For the 2020-2021 crop year, Sask Wheat committed \$10,183,908 to 50 research projects.

This includes projects funded through the Saskatchewan Ministry of Agriculture's Agriculture Development Fund research call and Alberta's Agriculture Funding Consortium. Of these, 20 are projects undertaken by Agriculture and Agri-Food Canada (AAFC) researchers and 16 are projects from the University of Saskatchewan.

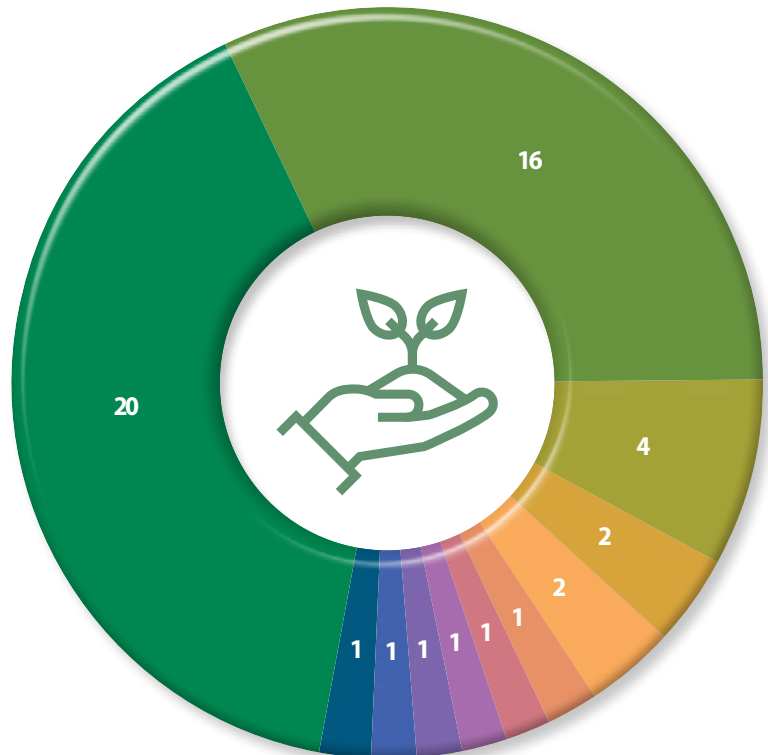
Since 2013, Sask Wheat has funded 211 projects for \$52,745,009.

Sask Wheat funds projects based on their merit and their potential benefit to Saskatchewan wheat production, with the Board of Directors taking advice from research staff, the Research Committee, and external reviewers, who carefully review each research project. The process Sask Wheat uses is thorough and ensures the commission is completing its due diligence in investigating the details of each project to ensure the research fits within the organization's research priorities, that it has scientific merit, and to ensure it will benefit producers.



Number of projects funded by organization for 2020-21

Agriculture and Agri-Food Canada	20
University of Saskatchewan	16
University of Alberta	4
Saskatchewan Variety Performance Group	2
University of British Columbia	2
Saskatchewan Ministry of Agriculture	1
University of Manitoba	1
Lethbridge College	1
Carleton University	1
Canadian Grain Commission	1
Canadian Weed Science Society	1



The Sask Wheat research program invests in research and development initiatives in three main priority areas:

- **Varietal Development** – genetics/’omics’; pre-breeding (e.g. germplasm, precision breeding, high throughput phenotyping and genotyping, genomic selection, tools for improving breeding efficiency); breeding for yield, biotic stress (e.g. Fusarium Head Blight (FHB), rust, ergot), abiotic/physiological stress (e.g. drought, Water Use Efficiency (WUE), cold tolerance, root system, lodging) and quality; testing/trialing
- **Production** – agronomy (e.g. fertility, Nutrient Use Efficiency (NUE), WUE, soil health, soil microbiome, crop rotations, crop management including genetics, environment and management (GxExM), reduced input costs, economic analysis); integrated pest management (disease, weeds, insects, biological control, innovative technologies); fungicide resistance; management strategies for herbicide resistance; harvest management
- **Post-Production** – storage; end-use (e.g. quality, processing, utilization), economic and regulatory analysis, value-added initiatives

Canadian Wheat Research Coalition (CWRC)

The CWRC is a collaboration between, Sask Wheat, the Alberta Wheat Commission, and the Manitoba Crop Alliance, with a focus on funding genetic and agronomic wheat research for western Canadian farmers.

Core Wheat Breeding Agreements

The 2020-2021 crop year saw the announcement of the final two core wheat breeding agreements. In May, the CWRC announced a \$2 million, five-year commitment to the University of Alberta (U of A) to fund research activities through the U of A’s wheat research program, with a specific



focus on developing new Canadian Western Red Spring (CWRS) and Canadian Prairie Spring Red (CPSR) wheat varieties.

A top objective of the agreement is for the U of A’s wheat breeding program to develop three to five registered wheat varieties focusing on the traits of early maturity, shorter straw stalk, and resistance to stripe rust and Fusarium Head Blight. The program is led by principal investigator and well-known wheat breeder, Dr. Dean Spaner.

In August, the CWRC announced a five-year commitment of over \$3.5 million to the University of Manitoba (UM). The agreement will ensure the continuation of UM’s successful FHB nursery program along with the winter wheat breeding program. The primary objective for the UM’s FHB screening nursery is to continue evaluating breeding lines for their reaction to *Fusarium graminearum* – the most

common causal agent of FHB. As one of few FHB screening nurseries in Canada, the UM program returns vital information to the network of western Canadian breeding efforts and is the key to developing future wheat varieties with FHB resistance.

The U of A and UM agreements were the final core funding agreements with the public wheat breeding programs to be signed and announced in Western Canada. The previously announced agreements were \$22.6 million to AAFC and \$9.6 million to the University of Saskatchewan’s Crop Development Centre.

Canadian National Wheat Cluster

Officially announced in January 2019, the Canadian National Wheat Cluster (CNWC) is worth nearly \$25 million over five years. Activities funded through the CNWC will address common issues that



farmers face and improve varieties and agronomic practices.

Funding for the CNWC comes from Agriculture and Agri-Food Canada through the Canadian Agricultural Partnership's AgriScience program and ten producer and private organizations from across Canada.

In 2021, Sask Wheat completed knowledge and technology transfer updates for 10 of 20 Wheat Cluster activities, providing an overview of the progress and accomplishments of each activity. The activity summary profiles included interviews with the principal researchers and an overview of the objectives of their research activities.

The ten activity profiles were written in January and February of 2021. They included activities from various regions across the country and a cross-section of activity themes, including pest and disease management, developing winter and spring



wheat varieties with improved characteristics such as higher yield potentials, drought tolerance, and resistance to diseases such as rusts and fusarium head blight.

The ten activity profiles are hosted on the CWRC website (wheatresearch.ca) and are being shared and further disseminated via electronic newsletters, print publications, and social media by the three founding commissions of the CWRC and the other activity funders.

Wheat Variety Development Network

Through a new Memorandum of Understanding (MOU), the CWRC and SeCan are working collaboratively on a funding model to enhance public wheat breeding capacity that is transparent and gives producers a clear understanding of how their investment is being used.

Producers have a long history of supporting public varietal development and have benefited greatly from the varieties that have been produced. These varieties have excellent yield potential, resistance to pests,

and tolerance of environmental stresses such as drought.

The MOU is seen as the first step in creating a mechanism to complement the long-term Core Breeding Agreements with public institutions. The CWRC is looking forward to working with SeCan and other organizations to strengthen public plant breeding and provide benefits to producers and the entire wheat value chain. This may involve an expanded testing network to address the critical need for investment in near-market breeding and evaluation activities, including more support for variety registration testing, disease testing, and expanded locations/sites for small plot trialing.

The CWRC is committed to being part of a system that will maintain and grow funding for public wheat research and is optimistic that this collaboration can provide sustained capacity for varietal development to enhance the profitability and competitiveness of wheat production and ultimately promote the interests of wheat producers. ◆

Renewal of Crop Development Centre (U of S) “Research and Development for Durum Wheat”

- Term: 5 years, beginning in 2021
- Funding Amount: \$1,552,500
- Lead Researcher(s): Dr. Curtis Pozniak (University of Saskatchewan)
- Funding Partners: SeCan

Funded Research Projects

Department of Soil Science ‘Soil Science Field Facility’

- Term: 2 years, beginning in 2021
- Funding Amount: \$300,000
- Lead Researcher(s): Dr. Tom Yates (University of Saskatchewan)
- Funding Partners: Western Grains Research Foundation, SaskBarley, SaskCanola, Province of Saskatchewan, Department of Soil Science (University of Saskatchewan)

Impact of phosphorus fertilizer forms on nutrition of wheat, pea and canola, soil fate and losses in run-off water

- Term: 3 years, beginning in 2021
- Funding Amount: \$91,320
- Lead Researcher(s): Dr. Jeff Schoenau (University of Saskatchewan)
- Funding Partners: Saskatchewan Canola Development Commission (SCDC), Saskatchewan Pulse Growers (SPG), and Western Grains Research Foundation (WGRF)

Marker assisted breeding for common bunt resistance in new wheat varieties adapted to the Canadian Prairies

- Term: 3 years, beginning in 2020
- Funding Amount: \$67,200
- Lead Researcher(s): Dr. Ron Knox (Agriculture and Agri-Food Canada)



- Funding Partners: Saskatchewan Ministry of Agriculture - Agriculture Development Fund (ADF), Alberta Wheat Commission (AWC) and Western Grains Research Foundation (WGRF)

Next generation fungicides - Translating dsRNA technology from the lab to the field

- Term: 3 years, beginning in 2021
- Funding Amount: \$308,000
- Lead Researcher(s): Dr. Steve Robinson (Agriculture and Agri-Food Canada).
- Funding Partners: Alberta Wheat Commission (AWC), Manitoba Crop Alliance (MCA)

Generating a rapid and low-cost diagnosis of fungi on wheat

- Term: 3 years, beginning in 2021
- Funding Amount: \$66,775
- Lead Researcher: Dr. Sean Walkowiak (Canadian Grain Commission)





- Funding Partners: Manitoba Crop Alliance (MCA), Western Grains Research Foundation (WGRF)

Targeting reproductive and spike traits for improving grain yields in wheat

- Term: 4 years, beginning in 2021
- Funding Amount: \$471,730
- Lead Researcher(s): Dr. Raju Datla (Global Institute of Food Security (GIFS)/ University of Saskatchewan)
- Funding Partners: Alberta Wheat Commission (AWC), Manitoba Crop Alliance (MCA)

Physical IPM strategies for remediating kochia patches for canola, wheat, and pulse production

- Term: 3 years, beginning in 2021
- Funding Amount: \$124,366
- Lead Researcher(s): Dr. Shaun Sharpe (Agriculture and Agri-Food Canada)

- Funding Partners: Saskatchewan Ministry of Agriculture - Agriculture Development Fund (ADF)

Stimulating germination wild oat and volunteer cereals (wheat, barley, and oats) from the soil seed bank

- Term: 1 year, beginning in 2021
- Funding Amount: \$40,088
- Lead Researcher(s): Dr. Shaun Sharpe (Agriculture and Agri-Food Canada)
- Funding Partners: Saskatchewan Oat Development Commission (SODC), Manitoba Crop Alliance (MCA)

Identification and exploitation of genome structural variants for trait improvement in Prairie crops

- Term: 4 years, beginning in 2021
- Funding Amount: \$115,000
- Lead Researcher(s): Dr. Andrew Sharpe (Global Institute of Food Security (GIFS) /University of Saskatchewan, SK)

- Funding Partners: Alberta Wheat Commission (AWC), Saskatchewan Canola Development Commission (SCDC), and Western Grains Research Foundation (WGRF)

Synchrotron-based X-ray and geospatial artificial intelligence to determine Fusarium infection and deoxynivalenol in cereals

- Term: 3 years, beginning in 2021
- Funding Amount: \$245,558
- Lead Researcher(s): Dr. Randy Kutcher (University of Saskatchewan)
- Funding Partners: Western Grains Research Foundation (WGRF)

Mapping novel Fusarium head blight (FHB) and stripe rust resistance genes from Watkins landraces

- Term: 3 years, beginning in 2021
- Funding Amount: \$87,688
- Lead Researcher(s): Dr. Gurcharn Singh Brar (University of British Columbia, BC)
- Funding Partners: Saskatchewan Ministry of Agriculture - Agriculture Development Fund (ADF), Alberta Wheat Commission (AWC), and Manitoba Crop Alliance (MCA)

Shining light on digital agriculture: linking soil NIR measurements, fertility, and crop yields

- Term: 3 years, beginning in 2021
- Funding Amount: \$82,829
- Lead Researcher(s): Dr. Derek Peak (University of Saskatchewan)
- Funding Partners: Saskatchewan Ministry of Agriculture - Agriculture Development Fund (ADF), Saskatchewan Canola Development Commission (SCDC)

Unraveling and stacking of grain protein genes in durum to keep pace with yield increases through breeding

- Term: 3 years, beginning in 2021
- Funding Amount: \$236,670
- Lead Researcher(s): Dr. Yuefeng Ruan (Agriculture and Agri-Food Canada)
- Funding Partners: Alberta Wheat Commission (AWC)

Unraveling the genetic mechanisms underlying ergot resistance in durum wheat

- Term: 3 years, beginning in 2021
- Funding Amount: \$98,400
- Lead Researcher(s): Dr. Yuefeng Ruan (Agriculture and Agri-Food Canada)
- Funding Partners: Alberta Wheat Commission (AWC), Western Grains Research Foundation (WGRF)

Enhancing the Saskatchewan soil health assessment protocol – phase 2

- Term: 3 years, beginning in 2021
- Funding Amount: \$143,558
- Lead Researcher(s): Dr. Kate Congreves (University of Saskatchewan)
- Funding Partners: Saskatchewan Canola Development Commission (SCDC)

Collecting the carbon data needed for Climate-Smart agriculture in Saskatchewan

- Term: 4 years, beginning in 2021
- Funding Amount: \$66,607
- Lead Researcher(s): Dr. Kate Congreves (University of Saskatchewan)
- Funding Partners: Saskatchewan Ministry of Agriculture - Agriculture Development Fund (ADF), Saskatchewan Canola Development Commission (SCDC), Saskatchewan Oat Development Commission (SODC)



The integration of cold-tolerant genetics and agronomy to support the adoption of an ultra-early durum wheat seeding system

- Term: 4 years, beginning in 2021
- Funding Amount: \$639,049
- Lead Researcher(s): Dr. Brian Beres (Agriculture and Agri-Food Canada)

Fungicide timing to mitigate Fusarium head blight in cereal crops and temperature effects on chemotypes

- Term: 3 years, beginning in 2021
- Funding Amount: \$130,519
- Lead Researcher(s): Dr. Randy Kutcher (University of Saskatchewan)
- Funding Partners: Alberta Wheat Commission (AWC), Western Grains Research Foundation (WGRF)

Low-cost paper-based strip tests for detection of mycotoxins in grains

- Term: 3 years, beginning in 2020
- Funding Amount: \$22,494
- Lead Researcher(s): Dr. Maria DeRosa (Carleton University)
- Funding Partners: Saskatchewan Ministry of Agriculture - Agriculture Development Fund (ADF), Alberta Wheat Commission (AWC), Manitoba Crop Alliance (MCA), Western Grains Research Foundation (WGRF)

Understanding auxinic herbicide resistance in kochia and staying ahead of what's next

- Term: 4 years, beginning in 2021
- Funding Amount: \$50,000
- Lead Researcher(s): Dr. Charles Geddes (Agriculture and Agri-Food Canada)



- Funding Partners: Saskatchewan Ministry of Agriculture - Agriculture Development Fund (ADF), Saskatchewan Pulse Growers, Saskatchewan Barley Development Commission (SBDC), Alberta Wheat Commission (AWC), Manitoba Crop Alliance (MCA)

Breeding hardier crops for Saskatchewan - Dynamic phenotyping to dissect component of water stress in wheat

- Term: 4 years, beginning in 2021
- Funding Amount: \$138,600
- Lead Researcher(s): Dr. Steve Robinson (Agriculture and Agri-Food Canada)
- Funding Partners: Western Grains Research Foundation (WGRF), Manitoba Crop Alliance (MCA)



Maximizing durable disease resistance in wheat

- Term: 4 years, beginning in 2021
- Funding Amount: \$164,218
- Lead Researcher(s): Dr. Curtis Pozniak (University of Saskatchewan)
- Funding Partners: Saskatchewan Ministry of Agriculture - Agriculture Development Fund (ADF), Alberta Wheat Commission (AWC), Manitoba Crop Alliance (MCA)

Increasing grain yield in CWRS wheat while maintaining grain protein levels and baking quality

- Term: 3 years, beginning in 2021
- Funding Amount: \$17,941
- Lead Researcher(s): Dr. Pierre Hucl (University of Saskatchewan)
- Funding Partners: Saskatchewan Ministry of Agriculture - Agriculture Development Fund (ADF), Alberta Wheat Commission (AWC), Manitoba Crop Alliance (MCA), Western Grains Research Foundation (WDRF)

Multi-pronged Fusarium head blight management strategy in Western Canada through insight into pathogen virulence mechanisms

- Term: 4 years, beginning in 2021
- Funding Amount: \$59,800
- Lead Researcher(s): Dr. Curtis Pozniak (University of Saskatchewan)
- Saskatchewan Ministry of Agriculture - Agriculture Development Fund (ADF), Alberta Wheat Commission (AWC), Manitoba Crop Alliance (MCA), Western Grains Research Foundation (WGRF)

Determining best management practices for integrated maturity management in CWRS wheat production

- Term: 3 years, beginning in 2021
- Funding Amount: \$141,142
- Lead Researcher(s): Dr. Dean Spaner (University of Alberta)
- Funding Partners: Alberta Wheat Commission (AWC)

Improvement of nitrogen fixation trait in wheat and triticale

- Term: 3 years, beginning in 2021
- Funding Amount: \$53,125
- Lead Researcher(s): Dr. Alicja Ziemienowicz (Agriculture and Agri-Food Canada)
- Funding Partners: Alberta Wheat Commission (AWC), Alberta Innovates Bio (AI Bio), Western Grains Research Foundation (WGRF)

Varietal mixtures to discourage wheat pests, manage pest populations, and stabilize yield across environments

- Term: 3 years, beginning in 2021
- Funding Amount: \$79,350
- Lead Researcher(s): Dr. Dean Spaner (University of Alberta)
- Funding Partners: Alberta Wheat Commission (AWC), Results Driven Agriculture Research (RDAR)

Implementing genomic selection for development of next generation CPSR wheat cultivars

- Term: 5 years, beginning in 2021
- Funding Amount: \$100,000
- Lead Researcher(s): Dr. Harpinder Randhawa (Agriculture and Agri-Food Canada)
- Funding Partners: Alberta Wheat Commission (AWC), Results Driven Agriculture Research (RDAR)

Staying ahead of ever evolving cereal pathogens: management by early detection and genetic host resistance

- Term: 4 years, beginning in 2021
- Funding Amount: \$405,087
- Lead Researcher(s): Dr. Gurcharn Singh Brar (University of British Columbia)
- Funding Partners: Saskatchewan Barley Development Commission (SBDC), Alberta Wheat Commission (AWC)



Advancing monitoring and decision-making tools for wireworm in Alberta

- Term: 3 years, beginning in 2021
- Funding Amount: \$45,309
- Lead Researcher(s): Dr. Haley Catton (Agriculture and Agri-Food Canada)
- Funding Partners: Alberta Wheat Commission (AWC), Results Driven Agriculture Research (RDAR), Alberta Pulse Growers (APG)

Resistant Wild Oat Action Committee (RWOAC)

- Term: 2 years, beginning in 2021
- Funding Amount: \$92,750
- Lead Researcher(s): Dr. Eric Johnson (Canadian Weed Science Society)

- Funding Partners: Alberta Wheat Commission (AWC), Manitoba Crop Alliance (MCA), Saskatchewan Forage Seed Development Commission

To enhance wheat and barley productivity for producers through optimizing the efficacy of arbuscular mycorrhizae mediated crop-nitrogen uptake

- Term: 2 years, beginning in 2021
- Funding Amount: \$46,006
- Lead Researcher(s): Dr. Guillermo Hernandez-Ramirez (University of Alberta)
- Funding Partners: Alberta Wheat Commission (AWC), Results Driven Agriculture Research (RDAR)

Developing decision support tools for effective herbicide use in the face of herbicide resistance

- Term: 2 years, beginning in 2021
- Funding Amount: \$87,550
- Lead Researcher(s): Dr. Brianne Tidemann (Agriculture and Agri-Food Canada)
- Funding Partners: Alberta Wheat Commission (AWC), Manitoba Crop Alliance (MCA)

Introgressing Thinopyrum intermedium stripe rust resistance genes into wheat

- Term: 3 years, beginning in 2021
- Funding Amount: \$122,265
- Lead Researcher(s): Dr. Andre Laroche (Agriculture and Agri-Food Canada)

- Funding Partners: Alberta Wheat Commission (AWC), Results Driven Agriculture Research (RDAR)

Manipulating weed seed production through phenology-based weed control

- Term: 3 years, beginning in 2021
- Funding Amount: \$29,000
- Lead Researcher(s): Dr. Charles Geddes (Agriculture and Agri-Food Canada)

- Funding Partners: Alberta Wheat Commission (AWC), Alberta Canola Producers Commission (ACPC), Manitoba Crop Alliance (MCA), Manitoba Pulse and Soybean Growers (MPSG), Western Grains Research Foundation (WGRF)

Balancing short- and long-term productivity, stability, and risk in semi-arid cropping systems by investing in soil health

- Term: 3 years, beginning in 2021
- Funding Amount: \$97,593
- Lead Researcher(s): Dr. Charles Geddes (Agriculture and Agri-Food Canada)
- Funding Partners: Alberta Wheat Commission (AWC)





Courtesy Dr. Richard Cuthbert of Agriculture and Agri-Food Canada

Genome wide association study to identify markers for stripe rust virulence and resistance in diverse Canadian wheat panels

- Term: 4 years, beginning in 2021
- Funding Amount: \$272,250
- Lead Researcher(s): Dr. Reem Aboukhaddour (Agriculture and Agri-Food Canada)
- Funding Partners: Alberta Wheat Commission (AWC), Results Driven Agriculture Research (RDAR)

Developing on-farm grain drying strategies for optimum quality and energy efficiency

- Term: 3 years, beginning in 2021

- Funding Amount: \$92,307
- Lead Researcher(s): Dr. Chandra Singh (Lethbridge College)
- Funding Partners: Alberta Wheat Commission (AWC), Results Driven Agriculture Research (RDAR), Alberta Innovates (AI)

Investigating RNAi as a management tool for prairie wireworms

- Term: 3 years, beginning in 2021
- Funding Amount: \$69,000
- Lead Researcher(s): Dr. John Laurie (Agriculture and Agri-Food Canada)
- Funding Partners: Alberta Wheat Commission (AWC), Results Driven Agriculture Research (RDAR), Western Grains Research Foundation (WGRF)

Managing carbon for soil health in wheat-based cropping systems

- Term: 3 years, beginning in 2021
- Funding Amount: \$70,852
- Lead Researcher(s): Dr. Benjamin Ellert (Agriculture and Agri-Food Canada)
- Funding Partners: Alberta Wheat Commission (AWC), Results Driven Agriculture Research (RDAR)

Review of Sask Wheat Levy and Opportunistic Investments

- Term: 1 year, beginning in 2021
- Funding Amount: \$59,570
- Lead Researcher(s): Dr. Richard Gray (University of Saskatchewan)

University of Alberta Core Breeding Agreement

- Term: 5 years, beginning in 2021
- Funding Amount: \$1,019,817
- Lead Researcher(s): Dr. Dean Spaner (University of Alberta)
- Funding Partners: Alberta Wheat Commission (AWC), Manitoba Crop Alliance (MCA)

University of Manitoba Core Breeding Agreement

- Term: 5 years, beginning in 2021
- Funding Amount: \$1,223,452
- Lead Researcher(s): Dr. Curt McCartney (University of Manitoba)
- Funding Partners: Alberta Wheat Commission (AWC), Manitoba Crop Alliance (MCA), Western Grains Research Foundation (WGRF), Saskatchewan Winter Cereals Development Commission (SWCDC)

University of Saskatchewan Insect Rearing Facility

- Term: 1 year, beginning in 2021
- Funding Amount: \$70,000
- Lead Researcher(s): Dr. Sean Prager (University of Saskatchewan)
- Funding Partners: Saskatchewan Canola Development Commission (SCDC), Saskatchewan Pulse Growers

SK Variety Performance Group (SVPG) Extra Wheat Data Support 2021

- Term: 1 year, beginning in 2021
- Funding Amount: \$111,600
- Lead Researcher(s): Terry Kowalchuk (Saskatchewan Ministry of Agriculture)

Saskatchewan Variety Performance Group (SVPG) Support for Regional Variety Testing 2021

- Term: 1 year, beginning in 2021
- Funding Amount: \$66,586
- Lead Researcher(s): Terry Kowalchuk (Saskatchewan Ministry of Agriculture)

Saskatchewan orange wheat blossom midge survey 2021-2023

- Term: 2 years, beginning in 2021
- Funding Amount: \$62,460
- Lead Researcher(s): Sharon Nowlan
- Funding Partners: Saskatchewan Crop Insurance Corporation

Adapting Wheat to Stressful Environments: Identifying Key Transpiration Efficiency Components Reducing Day Time Water Loss and Heat Stress Linked to Yield

- Term: 5 years, beginning in 2021
- Funding Amount: \$465,926
- Lead Researcher(s): Dr. Karen Tanino (University of Saskatchewan)

Genomic Selection in CWRS and CWAD Wheat Breeding

- Term: 2 years, beginning in 2021
- Funding Amount: \$130,000
- Lead Researcher(s): Dr. Ron Knox (Agriculture and Agri-Food Canada) ◆



Canada Grain Act (CGA) Review

In January 2021, Agriculture and Agri-Food Canada launched a consultation regarding the review of the CGA and operations of the Canadian Grain Commission (CGC). In 2020, in preparation for this CGA review, Sask Wheat had commissioned a report by Ward Weisensel to review potential changes to the CGA and their implications

Advocacy and Market Development

for Saskatchewan grain producers' activities and economics. The report is available on Sask Wheat's website. Maintaining the strength of Canada's quality assurance system and the Canadian brand was an important focus for Sask Wheat during the review consultation. In addition to our individual submission, Sask Wheat also sent in a joint submission with our Producer Coalition partners, APAS and SaskBarley. The key recommendations of Sask Wheat's submission include:

CGC Mandate and Governance - Sask Wheat believes it is vital that the CGC's mandate continues to be to work "in the interests of the grain producers." Furthermore, the governance structure of the CGC needs to ensure that producers' interests are protected from the parties that are meant to be regulated by the CGA. Sask Wheat is supportive of the current Commissioner governance model of the CGC with western Canadian producer representation at the Commissioner level.

Outward Inspection - As part of protecting the Canadian brand, Sask Wheat is in favour of mandatory outward inspection remaining as a function performed by the CGC. While Sask Wheat is supportive of mandatory outward inspection remaining





Courtesy of Farm and Food Care Saskatchewan



include feed mills and container-loading facilities to ensure producers have access and coverage under the CGC's producer protection services.

Subject to Inspector's Grade and Dockage (STIGD) - STIGD is an important tool for producers to have when negotiating with grain companies. However, Sask Wheat would like to see several changes made to enhance the usefulness of the program, including having the CGC define a specific window for how long a grain company must hold onto a producer's grain sample that will allow producers a reasonable time to challenge an elevator's grade after delivery. Adding non-grade determinants such as DON and Falling Number (FN) to the STIGD process would also strengthen the program. Finally, Sask Wheat urges the CGC to expand access to STIGD to all licensed facilities.

Producer Payment Protection - Sask Wheat believes it is crucial to maintain a security system that reflects an individual company's risk profile and activities to keep the system accountable.

CGC Oversight on Objective Measurements - Sask Wheat encourages the CGC to use its authority and a portion of its surplus to increase its capacity to conduct onsite inspections and auditing of grading practices and equipment at primary elevators through a random auditing program. Sask Wheat also recommends the CGC explicitly define and explain the scope of its authority regarding oversight on equipment and testing protocols for non-grading factors, such as DON and FN, which have become increasingly important in grain contracts.

Western Grain Standards Committee - Sask Wheat supports adjusting the membership of the Western Standards Committee so that "actual producers of western grain" constitute a clear majority of the Committee.

as a function performed by the CGC, there are improvements that should be made to the current system to improve timeliness of service.

Market Transparency - Sask Wheat is calling on the CGC to implement an export sales reporting program to improve market transparency and support the competitiveness of producers. Canadian producers need timely access to sales and export data, and the CGC is best suited to collect and disseminate this data as a neutral party which is already privy to much of the information needed.

Licensing - Sask Wheat is requesting that licensing requirements be extended to



CGC Fee Reduction for Inspection and Weighing Services

In May 2021, the CGC announced a proposal to reduce service fees for official inspection and weighing services in light of the continued growth in grain export volumes and the CGC's surplus. As part of Sask Wheat's response to the CGA review consultations, Sask Wheat had requested the CGC immediately start a review of its user fees and fee setting methodology to account for increasing production and export trends, to prevent producers from being overcharged and the CGC's surplus from continuing to grow.

Through Sask Wheat's CGA review submission, Sask Wheat also called on the Federal Government to review appropriation funding levels for CGC and Grains Research Lab (GRL) activities to ensure they accurately reflect the benefit provided to the Canadian public. Currently, the CGC relies on service fees to fund approximately 90 percent of its operating costs, although many activities of the CGC, such as the GRL, provide important public goods for the country. Sask Wheat strongly believes that additional federal funding should be provided to the CGC.

Sask Wheat is pleased the CGC is taking steps to address the growing surplus and looks forward to further consultations with the CGC on the development of other initiatives within the Surplus Investment Framework to determine uses of the accumulated surplus that will benefit Saskatchewan wheat producers.

Market Transparency

At Sask Wheat's 2021 AGM, a resolution was passed calling for Sask Wheat to work with other commissions and organizations to advocate for the establishment of an Export Sales Reporting Program. Improving market transparency is a key issue for farmers and has been a longstanding focus of Sask Wheat. Recent market disruptions, changes in trade patterns, and lagging information on supply and demand dispositions have illustrated farmers' need for timely marketing information to maximize returns and improve profitability.

In light of the CGA review and the resolution passed at our AGM, Sask Wheat commissioned a report on "Data Requirements for a Transparent Market" completed by Mercantile Consulting Venture Inc. The report is available on Sask Wheat's website and provides a comprehensive overview of data gaps in



grain market information and the solutions required to put producers on a more equal footing with other participants in the Western Canadian grain supply chain when planning their cropping decisions and marketing their production.

Through the CGA review, Sask Wheat coordinated with other provincial farm organizations to call on the CGC to expand its responsibilities to collect and disseminate data to improve market transparency. As part of our submission to the CGA review, Sask Wheat and other producer groups called on the CGC to create an Export Sales Reporting program to put farmers on more equal footing with other supply chain participants and enable farmers to make more informed marketing decisions.

In addition to our CGA review submission, Sask Wheat continues to advocate for the creation of an Export Sales Reporting



Program through meetings with the CGC and Agriculture and Agri-Food Canada. The producer groups have also written to Minister Bibeau, highlighting the opportunity to improve profitability for farmers and grow the Canadian economy through the creation of a mandatory Export Sales Reporting Program.

Transportation

Both CN and CP reported a record amount of grain moved during the 2020-2021 crop year, with both railways moving more than 30 MMT of grain. The steady growth seen in production over the past several crop years has pushed the railways to continue to move record volumes of grain. However, even with record movement, rail car order fulfillment data provided through the Ag Transport Coalition (ATC), which Sask Wheat is a member of, and west coast ocean vessel line ups show there is still

work to be done to improve the efficiency and resiliency of our grain handling and transportation system.

Sask Wheat continues to support the ATC to ensure detailed information on Canadian rail movement of grain is available to producers. For producers, increased transparency in rail performance is one of the few ways to hold others in the supply chain accountable, draw wider attention to service issues and understand when problems are developing that may influence their ability to deliver grain and the prices they receive for their products.

Sask Wheat also continues to participate in the Crop Logistics Working Group (CLWG) and Transport Canada's Commodity Supply Chain Table (CSCT). These forums provide opportunities for the government and industry to engage in constructive dialogue on transportation challenges and to work toward strategic solutions.

Through the CLWG, Sask Wheat participated in Transport Canada's consultations to amend the *Transportation Information Regulations* to collect service and performance information from Class 1 rail carriers. This consultation is part of the process to formalize the data and performance measurement metrics collected by Transport Canada under the *Transportation Modernization Act*. Sask Wheat views improved transparency into the rail transportation supply chain as crucial to supporting a more competitive and efficient rail sector. While we are supportive of Transport Canada's current initiative and believe it will deliver improved visibility into railway performance, Sask Wheat remains committed and focused on the continued development of a more comprehensive performance measurement system. We believe this initiative will complement existing independent performance measurement initiatives in place through the Grain Monitor Program and the ATC.

Carbon Sequestration and Offsets

Sask Wheat continues to work with other producer organizations and the Saskatchewan Soil Conservation Association (SSCA) to advocate for Saskatchewan farmers to be recognized and compensated for carbon sequestered from conservation practices, including continuous cropping and direct seeding.

At Sask Wheat's 2021 AGM, a resolution was passed calling for commissions and associations to lobby to have Saskatchewan farmers recognized and rewarded for carbon sequestered through continuous cropping and reduced or zero-till practices. Sask Wheat knows this is a major concern for Saskatchewan farmers. We are also concerned about the impact the federal carbon tax has on farmers' viability. Sask Wheat continues to call for a balanced approach that returns value to the farmgate for conservation practices.



Sask Wheat, along with other commission and producer associations, participated in the Carbon Support Group for the Carbon Advisory Committee of the Saskatchewan Soil Conservation Association (SSCA). Through this process, Sask Wheat supported the Committee's efforts with both levels of government, to develop an offset protocol that recognizes and rewards the sequestration of carbon in agricultural soils.

Sask Wheat worked closely with SSCA and other commissions to respond to both the provincial and federal consultations on greenhouse gas offset programs in 2021. Provincially, Sask Wheat, SaskBarley, SaskCanola, SaskFlax, SaskOats, and Saskatchewan Pulse Growers sent a joint response to the discussion papers released by the Ministry of Environment in the spring of 2021. In addition, the commissions wrote to every MLA regarding recognition of farmers' carbon sequestration contributions through zero-till. However, both the federal and provincial governments have advised that zero-till will not be eligible for carbon offset credits within a regulated offset system, due to the adoption rate begin greater than 40 percent.

While we are greatly disappointed in the direction both the federal and provincial governments are going with their greenhouse gas offset programs, we will continue to advocate for farmers to be recognized and compensated for the carbon they sequester through continuous cropping and direct seeding and explore alternative policy mechanisms to accomplish this.

Responsible Grain (Code of Practice)

In the winter of 2020, the Canadian Roundtable for Sustainable Crops (CRSC) released a draft code of practice, Responsible Grain, for consultation with farmers. Responsible Grain is a proposed voluntary code of practice that aims to demonstrate the sustainability of Canadian grain farmers to our customers. Sask Wheat, although a member of CRSC, has not endorsed this initiative. Sask Wheat's Board of Directors participated directly in the Responsible Grain consultations and will continue to be actively involved in future consultations. Sask Wheat encourages all farmers to get involved in any future consultations as well.

Pest Management Regulatory Agency (PMRA) Update

Sask Wheat is strongly supportive of the PMRA's mandate to ensure the protection of human health and the environment. The agriculture sector fundamentally relies on Canada's regulators, including the PMRA, to maintain the confidence of Canadians and our international customers and to support the competitiveness of Canadian producers. Sask Wheat is actively involved in any PMRA consultations that could impact Saskatchewan wheat producers.

Tank Mix Labelling

In September 2020, Sask Wheat coordinated with other Canada Grains Council members to respond to a regulatory proposal put forward by the PMRA on Tank Mix Labelling. The proposal indicated that "if a label contains no guidance related to tank mixing, then tank mixes are not permitted." This would be a reversal of PMRA's long-standing 2009 guidance authorizing the use of tank mixes that do not have specific labels. This proposed change appears to be administrative in nature and not based on specific safety concerns as identified by the PMRA. Sask Wheat continues to support the PMRA's current interpretation of the Pest Control Products Act that allows the use of tank mixes that are not specifically excluded on approved labels, as long as the directions on each individual label are otherwise followed. Further consultations or announcements regarding this proposal have not been made by the PMRA, but Sask Wheat will continue to monitor this file and ensure farmers are aware of any changes.

Clothianidin and Thiamethoxam Final Decision

In March 2021, the PMRA released its final decision on two neonics, Clothianidin and Thiamethoxam. In 2018, the PMRA proposed to cancel all outdoor agricultural uses of Thiamethoxam and Clothianidin

due to concerns over aquatic invertebrates. As these chemistries are the only ones available to control wireworms in cereal crops, losing these products would have been significant for producers. Sask Wheat had noted our concern with the approach taken by the PMRA to arrive at the proposed decision in 2018, specifically water monitoring data that was used from eastern Canada. Sask Wheat worked with other Saskatchewan crop commissions and the Ministry of Agriculture to compile additional water monitoring data that was submitted to the PMRA. After considering this additional water monitoring data, data from registrants, and published literature, the PMRA concluded that the risks to aquatic invertebrates associated with the use of Clothianidin and Thiamethoxam as a seed treatment on wheat are acceptable.

Business Risk Management (BRM) Programs and Next Policy Framework

Improvements to BRM programs continues to be another important area of focus for Sask Wheat. In November 2020 prior to the Federal-Provincial Territorial Agriculture Ministers meeting, Sask Wheat, along with other crop and livestock organizations, encouraged the Provincial Government to increase AgriStability coverage from 70 percent to 85 percent of historical individual reference margins and to eliminate the Reference Margin Limit from program calculations. Sask Wheat was pleased to see the provincial and federal governments come to an agreement on the removal of the Reference Margin Limit; however, we continue to advocate with other producer associations for the compensation rate to be increased.

Consultations have already started on the priorities for the next policy framework which will begin in 2023. Sask Wheat has been involved in consultations with both the federal and provincial governments and will continue to be actively involved in any future consultations. Science, research, and

innovation continues to be a top priority area for Sask Wheat in the next framework. Funding provided through both federal and provincial programs under this priority area is vital to ensuring producers have access to new varieties and technologies to support their profitability and sustainability. Ensuring there is continued government funding for varietal development activities through the AgriScience Cluster program in the next policy framework is vital to prevent funding gaps for public breeding institutions. While sustainability and the environment will understandably be a large focus of the next framework, the research and varietal development being completed under the science, research, and innovation stream will also help farmers remain sustainable and profitable in a changing climate.

Plant Breeding Innovation (PBI)

In the spring of 2021, Health Canada consulted on proposed new guidance for Novel Food Regulations focused on plant breeding. Sask Wheat participated in the consultation in coordination with

Canada Grains Council members. Sask Wheat believes the proposal from Health Canada to improve guidance and clarity for plant breeders on the interpretation of Canada's novelty-based regulatory triggers will help to support the sustainability and profitability of Canadian farmers while maintaining Canada's high standards of safety. Health Canada has proposed that pre-market safety assessments would only be automatically required for plants where foreign DNA remains in the product. This means that for conventional breeding and gene editing, pre-market safety assessments would only be required if there could be an increased allergen or toxin, if there is a nutritional change that could exceed a dietary upper intake limit or result in a deficiency, or if there is a significant change in use (e.g., eating a part of the plant not eaten before). This proposal would align Canada with regulatory decisions made in the U.S., Australia, Japan, South America, Israel, and the Philippines, and provide more clarity for plant breeders, allowing them to use new breeding tools under more certainty regarding pre-market assessments.





Courtesy of Farm and Food Care Saskatchewan

Market Access and Advocacy:

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

Over the past year, Cereals Canada continued to monitor market access

issues, provide customer technical support and programing and promote the use of Canadian cereals in the global marketplace.

Cereals Canada is actively responding to market access issues and trade barriers as they occur in addition to proactive work that strengthens trading conditions for the benefit of Canadian farmers and the value chain. 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. Cereals Canada’s partners include the Canada Grains Council, Canadian Agri-Food Trade Alliance, and Canadian government as well as other Canadian and global industry partners to encourage trading nations to strengthen transparency and predictability in trade.

In the past year, Cereals Canada worked on many market access issues. A few examples include:

- **In Peru, significant engagement by Cereals Canada** with industry and government resolved market access risks related to regulatory requirements imposing zero-tolerance for certain weed seeds, originally notified to the WTO in 2017. Cereals Canada actively worked with Peruvian industry and the Canadian Food Inspection Agency (CFIA) to coordinate a unified approach that advanced a science-based systems approach to the management of weed seeds requirements rather than a restrictive zero-tolerance approach. Peru purchases over 1.2 million tonnes of Canadian wheat each year and is one of Canada’s top global wheat importers.



- **China has emerged as Canada's largest wheat customer** as well as being a major wheat producer themselves. With improvements to the administration of Chinese tariff rate quotas, China's growing demand for imported wheat made them Canada's largest wheat customer in 2020 buying over 2.8 million tonnes (close to 1 billion dollars of wheat) from Canada. Being that China is such an important importer, Cereals Canada monitors the trade environment. Cereals Canada had worked closely with its partners to lead a coordinated grain industry response on behalf of the grain sector.
- **In Colombia and Mexico,** Cereals Canada closely monitored logistics issues that affected the flow of imports by rail (in Mexico) and at the Port of Buenaventura (in Colombia). Cereals Canada engaged with the milling industry associations in these countries to ensure strong communication with exporter members and encouraged the Government of Canada to engage on these issues. Colombia has been a reliable buyer of Canadian wheat and durum, purchasing, on average, over 1.2 million tonnes each year. Mexican customers imported almost 750,000 tonnes of Canadian wheat in 2020, up from 700,000 in 2019.
- **In countries like Turkey and Morocco,** Cereals Canada continues to put forward science-based discussions on technical trade issues such as the regulation of quarantine pests or fumigation. In the past five years, Turkey's dynamic export pasta sector has been a regular purchaser of Canadian durum, buying an annual average of 300,000 tonnes. Morocco's quality conscious durum millers value Canadian high-quality durum for its hard, vitreous kernels and excellent yellow colour. Morocco purchased over 1 million tonnes of Canadian durum in 2020.



An emerging middle class is fueling demand for Canadian wheat in China.

Free Trade Agreements

Canada and Indonesia launched technical discussions towards a Free Trade Agreement (FTA) last year. Canadian public consultations took place and Cereals Canada submitted comments in early 2021. Indications suggest there is interest in moving forward with negotiations. 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% of Canada's wheat exports to the world, bringing significant value to Canadian farmers and exporters.

UK - Canada and the United Kingdom 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 the 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% of tariffs on

Canadian goods and over time will remove approximately 99% of tariffs.

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

Connecting with Customers - New Crop Seminars

In 2020-2021, the technical division of Cereals Canada delivered new crop information virtually through 48 webinars/meetings involving 28 markets. The webinars targeted key customers, millers, buyers and traders. The Canadian team shared information on the Canadian system that breeds, produces, regulates and provides technical support to ensure consistent and reliable wheat quality. With all webinars, one on one meetings with individual companies took place to continue to answer questions and build relationships with customers.

The Canadian Cereals brand and website was launched last year as the hub for customers to get up to date and timely information on crop production, new crop information and technical briefs. ◆

Keep It Clean and Pre-Harvest Weed Control

Sask Wheat is conscious of the importance of the standards of export customers and their tolerance for pesticide residues and mycotoxins such as deoxynivalenol (DON). Therefore, Sask Wheat has promoted the responsible and timely use of pesticides and other farm inputs that will ensure Canada's global reputation as a supplier of quality wheat and assist farmers in meeting contract specifications.

Grower Relations

Sask Wheat has been participating in the *Keep it Clean* program through Cereals Canada since 2018. The program promotes several important steps producers need to take during the crop year to keep their crops acceptable for marketing. The messaging, which is communicated through the *Keep It Clean* website, Twitter, emails, and the communication vehicles of producer commissions, emphasizes the need to follow the label for pre-harvest and in-season application pesticides, fungicides, and plant-growth regulators. *Keep It Clean* also encourages producers to manage diseases such as fusarium head blight (FHB) through methods such as seed treatment and a proper crop rotation, and to store crops in clean, dry, and well-ventilated bins.

In July and August, the focus of the *Keep it Clean* campaign shifts to ensuring that all wheat in fields is below 30 percent moisture content in the seed before applying pre-harvest herbicides. Sask Wheat supplemented this message this year with a Wheat Watch document prepared by Sask Wheat's Agronomy Extension Specialist, Haley Tetreault. Staging wheat for pre-harvest weed control is a major issue each year and can be tricky to judge if the entire

field is ready for an herbicide application, as different areas can be in different stages of maturation. The Wheat Watch went into detail to show how to assess moisture levels in kernels and what pre-harvest intervals are for different herbicides.

Fusarium Head Blight (FHB) Risk Maps and Resources

For the seventh year in a row, Sask Wheat provided FHB risk maps for producers in June and July, when most crops are in the heading stage and are most susceptible to FHB infection. The risk maps, which are hosted and updated daily on the Sask Wheat website, are compiled by Weather Innovations, which has hundreds of weather stations throughout the province. The risk maps, along with additional decision-making tools provided on the website, allow producers to understand the potential risks and benefits of various management practices to mitigate FHB. The FHB risk maps provide producers with weather-based data to help determine if fungicide applications are warranted.

Although the growing season in 2021 was dry and FHB was not an issue for most producers, fusarium head blight (FHB) remains an issue wheat producers in Saskatchewan must be prepared for. FHB spores stay in the soil for several years and can cause infection in wet and humid conditions. FHB can have a major impact on yield and grade and lead to the development of the mycotoxin deoxynivalenol, or DON, which can impact Canadian wheat export prospects and feed quality.

Sask Wheat has built a library of resources on the Commission website, including an FHB management guide and links to agronomy videos, risk assessment guides, and the annual Guide to Crop Protection. Sask Wheat funds several research projects that are addressing FHB through improved genetics and new management techniques. Sask Wheat also works closely with cereals and crop disease specialists from the

TIP#3 **MANAGE DISEASE PRESSURES** Visit keepitclean.ca for all 5 Simple Tips.

STAY AHEAD OF FUSARIUM

Fusarium head blight (FHB) produces the mycotoxin DON which can limit your crop's end use and marketability.

Learn how steps like early scouting and a well-timed fungicide application can help you stay ahead of FHB at keepitclean.ca.

Fungicide may be applied at early flowering if risk of infection is high.

Keep it Clean!
Resources to Grow Market-Ready Crops

Cereals Canada, Council of Producers, Plant Council of Canada, Wheat Growers of Saskatchewan, keepitclean.ca @KICCanada

\$1 BILLION

IN YIELD AND QUALITY BENEFITS TO PRODUCERS

MIDGE TOLERANT WHEAT
Plant-Protect-Preserve

Contact your retailer or visit midgtolerantwheat.ca

Top left: A Keep It Clean advertisement encouraging producers to follow the label when spraying.

Top right: A Midge Tolerant Wheat ad developed by Sask Wheat in partnership with its partners.

Saskatchewan Ministry of Agriculture and the University of Saskatchewan to provide producers with the latest FHB management information.

Wheat Midge and Midge Tolerant Wheat

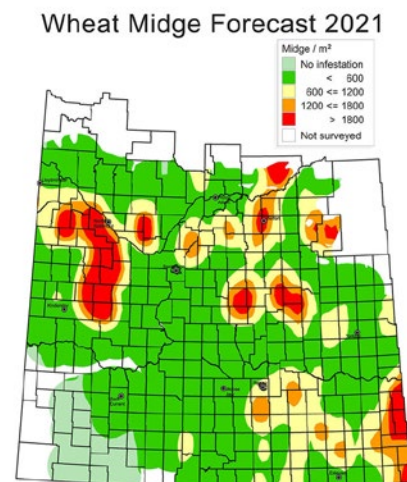
The orange wheat blossom midge continues to be a costly pest to wheat producers, one which can quickly degrade a bountiful looking crop. Sask Wheat, in collaboration with the Saskatchewan Ministry of Agriculture, the Saskatchewan Crop Insurance Corporation, and

Agriculture and Agri-Food Canada, produces wheat midge forecast maps annually to provide information to producers to aid them in management decisions to reduce the risks associated with a midge outbreak. These decisions include having a good crop rotation, growing midge tolerant wheat, and prioritizing in-season scouting in higher risk areas.

The midge forecast maps, which are released in late February, are based on data collected from the Sask Wheat-funded wheat midge survey. The survey takes place across the province in September and October of each year, sampling, processing, and analysing soil from approximately 450 sites.

Sask Wheat continues to participate in the communications activities of the Midge Tolerant Wheat Stewardship program, which are funded through the Canadian Wheat Research Coalition. The communications activities include reaching out to producers through commission newsletters,

Below: 2021 Saskatchewan wheat midge forecast map



social media, and email newsletters, along with maintaining a website and conducting direct communications with producers and seed retailers through the Stewardship program communications vehicles.

The Midge Tolerant Wheat Stewardship Program is an industry coalition representing government, producer commissions, and private companies, including plant breeders and seed growers. The program and communications initiative ensure producers understand the need to protect the midge tolerant (Sm1) gene by signing a stewardship agreement to only use their midge tolerant variety one year past certified seed.

Field Days

Sask Wheat provides annual funding for the field days at the eight Agri-ARM sites in Saskatchewan. Each Agri-ARM site is a producer-directed, applied research and demonstration organization that conducts projects and holds extension events to provide farmers with the latest information on production technologies and practices.

The Covid-19 pandemic led to the cancellation of some of the 2021 field days, but most opted to have online sessions. The East Central Research Foundation's Field Day, the Southeast Research Farm's Field Days, and the Conservation Learning Centre's Field Day were held in person.

Farm and Food Care Saskatchewan

Sask Wheat is a principal member of Farm and Food Care Saskatchewan (FFC-SK), an organization that connects farmers, ranchers and others involved in food production to their customers while also connecting consumers to their food.

Due to the COVID-19 pandemic, The Ag in the City event was held virtually over five evenings from April 15 to 29, 2021, with cooking demonstrations, video vignettes about Canadian farming, and interactive events and contests.



The Food Influencer Tour was held in-person once again in 2021 after being cancelled in 2020. The tour, which was held on July 20 and 21 in the Saskatoon area, gave local people in the fields of health, dietetics, and education the opportunity to experience modern farms and food production while being able to meet with and learn from farmers. The tours allow FFC-SK to build relationships that helps its members better understand consumer questions and engage with “influencers” in discussions about farming.

Ag in the Classroom

Sask Wheat is a strong supporter of agricultural education within the province. Once again, Sask Wheat provided support to Agriculture in the Classroom Saskatchewan at the “Superheroes” level.

Canadian Wheat Nutrition Initiative

The Canadian Wheat Nutrition Initiative is working towards growing the domestic and international market for Canadian

wheat by informing food influencers and consumers about the nutritional value of including wheat-based foods as a part of healthy diets. The working group which steers the initiative includes representatives from Alberta Wheat Commission, Manitoba Crop Alliance, Grain Farmers of Ontario, Cereals Canada, the Canadian National Millers Association, and Sask Wheat.

The goal of the Initiative 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. A Scientific Advisory Committee has been formed and completed the first phase of a benchmarking study to determine the attitudes towards wheat and food to help drive programming and key messages for Canadians.

Scholarships

Enhancing the human resource capacity of research is a focus of the Board of Directors of Sask Wheat. Since 2015, Sask Wheat has provided \$10,000 annually in



Above: The Canadian Wheat Nutrition Initiative informs food influencers and consumers about the nutritional value of including wheat-based foods as a part of healthy diets.

undergraduate scholarships and \$100,000 annually in graduate scholarships to aid students and support the wheat research and innovation activities of the University of Saskatchewan's (USask) College of Agriculture and Bioresources.

Not only does the Sask Wheat undergraduate award provide student assistance, but it compels students from various majors to learn about the production of wheat in Saskatchewan and the importance of wheat to the agriculture sector and Saskatchewan's economy. The Sask Wheat graduate scholarships have helped the USask's Crop Development Centre (CDC) support master's and Ph.D. graduate students, strengthening the CDC's wheat research and development program while



Above: Sask Wheat provides \$15,000 in undergraduate scholarships and \$150,000 in graduate scholarships annually.

training the next generation of researchers and wheat breeders.

To provide greater opportunities for students and further enhance the excellent research at USask, the Board of Directors of Sask Wheat has increased the scholarship funding. Starting in the 2020-2021 academic year, Sask Wheat will provide \$15,000 in undergraduate scholarships and \$150,000 in graduate scholarships annually.

The 2020 Sask Wheat Undergraduate Award recipients are:

- Erin Anderson, fourth year, BSA, Agronomy major
- Joshua McBride, fourth year, BSA, Crop Science major
- Evan Schmidt, fourth year, BSA, Crop Science major

- Warren Seib, third year, BSCAGB, Agribusiness major

The 2020 Sask Wheat Postgraduate Award recipients are:

- Kathryn Aldridge, M.Sc. candidate
- Lampros-Nikolaos Maros, Ph.D. candidate
- Dylan Sjolie, M.Sc. candidate
- Rasanwada Wijesundara, M.Sc. candidate

Due to COVID-19, the annual Bean Feed event, where scholarships are announced, was postponed.

Sask Wheat congratulates these students and looks forward to an opportunity to congratulate them in person at a later date.

Agronomy and Extension

In 2020, The Sask Wheat Board of Directors made agronomy and extension a key priority under the grower relations strategic focus. The first step in accomplishing the objectives of this priority was to create the Agronomy Extension Specialist position.



Webinars and Meetings

The Covid-19 pandemic meant the postponement or cancellation of several events including the CropSphere conference and many of the producer meetings and conferences Sask Wheat typically sponsors. This meant Sask Wheat had to switch to other means to deliver education and information to producers, and, for the first time, offered webinars for producers.

The first webinar was “Virtual Grade School”, which was held jointly with the Saskatchewan Barley Development Commission in late January. Joey Vanneste, Operations Supervisor for Northern Saskatchewan for the Canadian Grain Commission (CGC), gave a condensed version of the presentation he has given in-person in previous years at the Grade School events, discussing common degrading factors in wheat and barley

while also covering topics such as techniques for gathering a representative sample and the factors CGC inspectors look for to provide a grade. Joey also discussed a producer’s rights when grain buyers are grading their grain at an elevator and what avenues are available to producers to dispute a grain grade.

Sask Wheat continued with timely webinars throughout the early part of 2021. In February, Dr. Richard Cuthbert, Research Scientist and Wheat Breeder with Agriculture and Agri-Food Canada (AAFC), and Jim Downey, Research and Development Manager for SeCan, presented information on the latest in wheat breeding and newly released wheat varieties for 2021. In March, University of Saskatchewan soil fertility professor, Dr. Jeff Schoenau, discussed seed placed phosphorus versus foliar phosphorus, MAP versus Struvite,

Above: Dr. Jeff Schoenau of the University of Saskatchewan, discusses the use of phosphorus and micronutrients to increase wheat fertility during a Sask Wheat webinar.

and response of wheat to micronutrient fertilization. And in April, entomologist Dr. Tyler Wist of AAFC presented on common insect pests, including the orange wheat blossom midge and wheat stem sawfly, as well as covering beneficial insects and their impact on wheat.

The Annual General and the Semi-Annual Meetings were also taken online. Sask Wheat and several crop commissions from the CropSphere and Crop Production Week organizations each had virtual AGMs via Zoom and had market analysts Marlene Boersch and Chuck Penner present the

market outlook for each crop for the coming year.

Sask Wheat's Semi-Annual Meeting was also held online in early June 2021. The meeting included an update on Sask Wheat activities and presentations from Dr. Randy Kutcher of the University of Saskatchewan's Crop Development Centre on FHB management and Dr. Tom Wolf of Sprayers101.com on spraying tips and techniques.

Wheat Profit Podcast

Sask Wheat began publishing the Wheat Profit podcast in January 2021. The goal of the podcast is to provide Saskatchewan wheat producers with resources and information to increase profitability and sustainability on their farms.



There were eleven episodes released in the 2020-2021 crop year, which included interviews with researchers on topics such as fungicide timing and early seeding to agrologists and agronomists on topics such as herbicide carryover and spray water quality. The most popular episode was the 2021 soil moisture outlook with former University of Saskatchewan extension specialist Les Henry.

Wheat Watch

Sask Wheat made it a priority to expand the information available to wheat producers on different issues throughout the crop year. Nine *Wheat Watch* documents, which included information and images from academic sources and links to current websites that may help producers, were produced. The topics covered were broad, from seed treatments and early season insect scouting to yield estimation and managing late tillers.

Videos

Sask Wheat produced two videos in the 2020-2021 crop year, one on wheat midge scouting and one on FHB scouting. More videos will be produced throughout the crop year in the future.

Collaborative Initiatives

A key objective of the extension priority is working with the provincial government, other commissions, and industry on agronomic activities. The extension area saw frequent collaboration with other commissions and organizations, with three *Wheat Watch* being created collaboratively among the five Prairie wheat and barley development commissions. In addition, the Sask Wheat and SaskBarley collaborated on a two-part *Wheat Profit/Barley Bin* podcast with grain producer Josh Lade, who spoke about herbicide resistant weeds and the Seed Terminator. ◆



MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The financial statements of Saskatchewan Wheat Development Commission have been prepared in accordance with Canadian accounting standards for not-for-profit organizations. When alternative accounting methods exist, management has chosen those it deems most appropriate in the circumstances. These statements include certain amounts based on management's estimates and judgments. Management has determined such amounts based on a reasonable basis in order to ensure that the financial statements are presented fairly in all material respects.

The integrity and reliability of Saskatchewan Wheat Development Commission's reporting systems are achieved through the use of formal policies and procedures, the careful selection of employees and an appropriate division of responsibilities. These systems are designed to provide reasonable assurance that the financial information is reliable and accurate.

The Board of Directors is responsible for ensuring that management fulfills its responsibility for financial reporting and is ultimately responsible for reviewing and approving the financial statements. The Board carries out this responsibility principally through its Audit Committee. The Audit Committee is appointed by the Board and meets periodically with management and the directors' auditors to review significant accounting, reporting and internal control matters. Following its review of the financial statements and discussions with the auditors, the Audit Committee reports to the Board of Directors prior to its approval of the financial statements. The Committee also considers, for review by the Board and approval by the directors, the engagement or re-appointment of the external auditors.

The financial statements have been audited on behalf of the directors by Lingard + Dreger LLP, in accordance with Canadian accounting standards for not-for-profit organizations.



Management

November 24, 2021



Management

INDEPENDENT AUDITOR'S REPORT

To the Directors of Saskatchewan Wheat Development Commission

Qualified Opinion

We have audited the financial statements of Saskatchewan Wheat Development 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 cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Basis for Qualified Opinion

The Commission collects a levy from Saskatchewan producers through buyers of wheat, the completeness of which is not susceptible of satisfactory audit verification. It was not practical for us to verify whether all buyers of wheat produced in Saskatchewan have collected and remitted the required levy to the Commission. Accordingly, our verification of these revenues was limited to the amounts recorded in the records of the Commission. Therefore, we were not able to determine whether any adjustments might be necessary to revenue, excess of revenues over expenses and cash flows from operations for year ended July 31, 2021, current assets as at July 31, 2021 and July 31, 2020, and net assets at both the beginning and end of the July 31, 2021 and July 31, 2020 years. Our audit opinion on the financial statements for the year ended July 31, 2020 was modified accordingly because of the possible effects of this limitation of scope.

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 ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled

Saskatchewan Wheat Development Commission

Audited Financial Statements for the year ended July 31, 2021

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 audit 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.

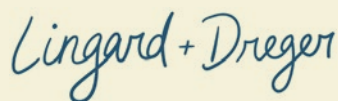
As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- 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.



Chartered Professional Accountants

Saskatoon, Saskatchewan

November 24, 2021

Saskatchewan Wheat Development Commission

Statement of Financial Position as at July 31, 2021

ASSETS

	2021	2020
CURRENT		
Cash and cash equivalents	\$ 3,502,328	\$ 2,802,954
Short-term investments (Note 3)	11,715,946	4,769,642
Accounts receivable (Note 4)	1,104,681	1,696,079
Prepaid expenses	60,315	37,869
	16,383,270	9,306,544
LONG-TERM INVESTMENTS (Note 3)	23,402,341	27,766,197
TANGIBLE CAPITAL ASSETS (Note 5)	28,907	26,905
	\$ 39,814,518	\$ 37,099,646

LIABILITIES


CURRENT

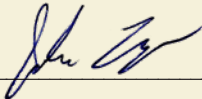
Accounts payable and accrued liabilities (Note 6)	\$ 4,034,039	\$ 3,410,785
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NET ASSETS

INTERNALLY RESTRICTED (Note 2)	1,875,300	1,875,300
UNRESTRICTED	33,905,179	31,813,561
	35,780,479	33,688,861
	\$ 39,814,518	\$ 37,099,646

COMMITMENTS (Notes 8)

APPROVED BY THE BOARD:  Director

 Director

See notes to financial statements

Saskatchewan Wheat Development Commission

Statement of Operations for the year ended July 31, 2021

	Budget (Note 12) 2021	2021	2020
REVENUE			
Producer check-off fees (Note 7)			
Fees	\$ 13,000,000	\$ 15,532,851	\$ 15,049,952
Refunds	(1,040,000)	(1,315,388)	(1,159,071)
Net	11,960,000	14,217,463	13,890,881
Interest and investment income	510,000	769,431	683,123
Expense recoveries (Note 9)	154,454	171,863	187,373
Other	-	7,073	3,754
	12,624,454	15,165,830	14,765,131
EXPENSES			
Research			
Research projects	10,489,725	8,174,029	5,362,836
Research management and consulting	3,421,000	1,573,743	106,880
Market development (Note 9)	1,590,000	1,291,622	1,108,899
Communications and advocacy			
Producer engagement	729,000	460,993	490,479
Policy, advisory, and advocacy	397,000	166,400	87,403
Governance			
Directors	153,500	64,264	102,869
Election	10,000	4,188	90,834
Meetings	25,000	1,669	8,906
Other governance (Note 9)	10,000	310	15,519
Operations and administration			
Service contracts	114,000	126,268	114,318
Wages and benefits (Note 9)	1,076,642	1,059,075	921,280
General and administrative	134,700	61,010	63,230
Rent	90,000	77,141	85,052
Staff travel	35,000	1,432	20,636
Amortization of tangible capital assets	-	12,068	8,185
	18,275,567	13,074,212	8,587,326
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES FOR THE YEAR	\$ (5,651,113)	\$ 2,091,618	\$ 6,177,805

See notes to financial statements

Saskatchewan Wheat Development Commission

Statement of Changes in Net Assets for the year ended July 31, 2021

	Unrestricted	Internally Restricted	2021	2020
NET ASSETS - BEGINNING OF YEAR	\$ 31,813,561	\$ 1,875,300	\$ 33,688,861	\$ 27,511,056
Excess of revenue over expenses	2,091,618	-	2,091,618	6,177,805
NET ASSETS - END OF YEAR	\$ 33,905,179	\$ 1,875,300	\$ 35,780,479	\$ 33,688,861

See notes to financial statements

	2021	2020
OPERATING ACTIVITIES		
Excess of revenue over expenses for the year	\$ 2,091,618	\$ 6,177,805
Changes to income not affecting cash:		
Amortization of tangible capital assets	12,068	8,185
	2,103,686	6,185,990
Changes in non-cash working capital:		
Accounts receivable	591,398	(150,335)
Prepaid expenses	(22,446)	70,683
Accounts payable and accrued liabilities	623,256	1,401,504
	1,192,208	1,321,852
Cash flow from operating activities	3,295,894	7,507,842
INVESTING ACTIVITIES		
Purchase of tangible capital assets	(14,072)	(12,129)
Net purchases of investments	(2,582,448)	(6,659,433)
Cash flow used by investing activities	(2,596,520)	(6,671,562)
INCREASE IN CASH AND CASH EQUIVALENTS FOR THE YEAR	699,374	836,280
CASH AND CASH EQUIVALENTS - BEGINNING OF YEAR	2,802,954	1,966,674
CASH AND CASH EQUIVALENTS - END OF YEAR	\$ 3,502,328	\$ 2,802,954
CASH AND CASH EQUIVALENTS CONSIST OF:		
Cash and cash equivalents	\$ 3,502,328	\$ 2,802,954

See notes to financial statements

1. AUTHORITY

The Saskatchewan Wheat Development Commission (the “Commission” or “SWDC”) was established by provincial legislation on June 7, 2013. The activities of the Commission are funded primarily by a levy on Saskatchewan produced spring wheat, which is collected by buyers at the time of sale.

The mandate of the Commission is to provide leadership in identifying and supporting research, market development and advocacy that contributes to profitable and sustainable wheat production for Saskatchewan farmers.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements were prepared in accordance with Canadian accounting standards for not-for-profit organizations in Part III of the *CPA Canada Handbook* and include the following significant accounting policies:

Revenue recognition

Producer check-off fees are recognized upon receipt of the Buyer’s report. Refunds are recognized when refund applications are received from producers and the requested refund has been agreed to check-off records.

The Commission follows the deferral method of accounting for contributions, which include government funding and grants. Restricted contributions are recognized as revenue in the year in which the related expenses are incurred or restrictions met. Unspent amounts are included in deferred contributions. 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.

Interest and investment revenue consists of interest earned on fixed income securities and bank balances recognized on a time proportion basis.

Cash and cash equivalents

Cash and cash equivalents consist of balances with banks and short-term investments with original maturities of three months or less.

Tangible capital assets

Tangible capital assets are recorded at cost and amortized over their expected useful lives. Computer equipment is amortized using the declining balance method at a rate of 33%. Office furniture is amortized using the declining balance method at a rate of 20%.

Income taxes

The Commission qualifies as a tax exempt organization under section 149 of the *Income Tax Act*.

Internally restricted net assets

The Commission has internally restricted net assets totalling \$1,875,300 comprised of the following: a) Revenue Stabilization Reserve Fund in the event of a crop disaster or revenue-destabilizing event (\$1,000,000) and b) Organizational Reserve Fund in the event of an organizational shut down (\$875,300).

Measurement uncertainty

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 reported amount of revenue and expenses during the reporting period. Actual results could differ from these estimates.

Significant estimates include, but are not limited to, the valuation of accounts payable and accrued liabilities and accruals for certain revenues and expenses.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

continued from previous page

Contributions in-kind

Contributions in-kind are recorded at fair value for goods or services only when a fair value can be reasonably estimated and when the goods or services are used in the normal course of operations and would otherwise have been purchased.

Administration contract expense

Administration contract expense is a fee charged by the Agriculture Council of Saskatchewan Inc. ("ACS") to the Commission for administering the check-off fee program. The fee includes a charge for time spent by ACS staff and a share of ACS's overhead costs. The expense is recognized as the service is received.

Financial instruments

The Commission initially measures its financial assets and financial liabilities at fair value. It subsequently measures all its financial assets and financial liabilities at amortized cost, except for investments in debt and equity instruments that are quoted in an active market, which are measured at fair value. Changes in fair value are recognized in the statements of operations in the period incurred.

Financial assets subsequently measured at amortized cost include cash, and accounts receivable. Financial liabilities subsequently measured at amortized cost include accounts payable and accrued liabilities. The fair value of the cash, accounts receivable, and accounts payable and accrued liabilities approximates their carrying value due to their short-term nature.

3. INVESTMENTS

	Maturity	2021 Market value	Yield	2020 Market value
Short-term:				
Term deposits (cost 2021 - \$11,610,614; 2020 - \$4,747,841)	1 year	\$ 11,715,946	0.90% - 3.05%	\$ 4,769,642
Long-term:				
Term deposits (cost 2021 - \$23,269,136; 2020 - \$27,560,972)	2 - 5 years	\$ 23,402,341	0.90% - 3.23%	\$ 27,766,197
		\$ 35,118,287		\$ 32,535,839

4. ACCOUNTS RECEIVABLE

The accounts receivable balance consists of the following:

	2021	2020
Levies receivable	\$ 1,104,681	\$ 1,640,135
Canadian Wheat Research Coalition service contract	-	54,534
Other receivables	-	1,410
	\$ 1,104,681	\$ 1,696,079

5. TANGIBLE CAPITAL ASSETS

The tangible capital assets balance consists of the following:

	Cost	Accumulated amortization	2021 Net book value	2020 Net book value
Computer equipment	\$ 67,755	\$ 47,794	\$ 19,961	\$ 16,472
Office furniture	23,468	14,522	8,946	10,433
	\$ 91,223	\$ 62,316	\$ 28,907	\$ 26,905

6. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

The accounts payable and accrued liabilities balance consists of the following:

	2021	2020
Levy refunds payable	\$ 1,296,838	\$ 1,168,991
Trade payables	2,631,384	2,120,317
Vacation payable	57,671	66,724
GST payable	2,890	2,578
Accrued payables	45,256	52,175
	\$ 4,034,039	\$ 3,410,785

7. PRODUCER CHECK-OFF FEES

Under the Regulations, each buyer of wheat is required to remit to the Commission a check-off fee of \$1.00/tonne (2020 - \$1.00/tonne) of wheat marketed upon final settlement to producers. Producers can request a refund of check-off fees paid from August 1 to July 31 by submitting a refund application by August 31 of the following fiscal year.

8. COMMITMENTS

(a) Building lease:

The Commission is committed under a lease agreement for its premises at 310 – 111 Research Drive. The agreement expires on November 30, 2021. The required minimum annual lease payments are as follows:

Year ending July 31:

2022	\$ 28,814
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b) Research:

The Commission is committed to funding research and development projects over several years to benefit the wheat industry. Annual payments due in each of the next five years are as follows:

Year ending July 31:

2022	\$ 7,990,785
2023	7,360,291
2024	5,431,520
2025	2,119,592
2026	268,024
	\$ 23,170,212

9. EXPENSE RECOVERIES

Included in other revenue are cost recoveries for expenses that the Commission incurred on behalf of other organizations as follows:

Organization	Recovery amount	Expense category
Canadian Wheat Research Coalition	\$ 160,933	Wages and benefits
Alberta Wheat Commission	6,096	Research projects
University of Manitoba	4,834	Research projects
	\$ 171,863	

10. RELATED PARTY TRANSACTIONS

During the year ended July 31, 2021 members of the Commission's elected Board of Directors received payments for per diems and expenses of \$64,264 (2020 - \$102,869). All related party transactions are measured at carrying amounts.

11. 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, currency or credit risks arising from these financial instruments except as otherwise disclosed.

Credit risk

The Commission is exposed to credit risk from potential non-payment of accounts receivable. Most of the accounts receivable were collected shortly after year-end. As at July 31, 2021 the largest four customers accounted for 60.7% (2020 - five customers, 74.4%) of accounts receivable, and were each received shortly after year end. The balance of accounts receivable is widely distributed among the remainder of the Commission's large customer base.

Interest rate risk

Interest rate risk is the risk that the value of a financial instrument might be adversely affected by a change in the interest rates. Changes in market interest rates may have an effect on the cash flows associated with some financial assets and liabilities, known as cash flow risk, and on the fair value of other financial assets or liabilities, known as price risk. The Commission is exposed to interest rate risk on its fixed income investments. This risk is mitigated through investing in a diverse portfolio of fixed income investments with varying maturity dates.

Liquidity risk

Liquidity risk is the risk that the Organization will encounter difficulty in meeting obligations associated with financial liabilities. The Organization manages liquidity risk resulting from accounts payable and accrued liabilities by investing in liquid assets such as cash and short-term investments which can be readily available to repay accounts payable and accrued liabilities.

12. BUDGET

Budgeted figures are unaudited and have been provided for comparison purposes and have been derived from the estimates approved by the Commission's Board of Directors.

Saskatchewan Wheat Development Commission

Independent Practitioner's Reasonable Assurance Report On Compliance



To the Board of Directors of Saskatchewan Wheat Development Commission

We have undertaken a reasonable assurance engagement of Saskatchewan Wheat Development Commission's compliance during the period August 1, 2020 to July 31, 2021, with the provisions of the following legislative and related authorities ("the Agreements") pertaining to its financial reporting, safeguarding agency resources, spending, revenue raising, borrowing and investing activities.

- The Agri-Food Act, 2004
- The Wheat Development Plan Regulations
- Commission Orders No. 01/13 to 08/17

Management's Responsibility

Management is responsible for Saskatchewan Wheat Development Commission's compliance with the specified requirements of the Agreements. Management is also responsible for such internal control as management determines necessary to enable Saskatchewan Wheat Development Commission's compliance with the specified requirements.

Our Responsibility

Our responsibility is to express a reasonable assurance opinion on Saskatchewan Wheat Development Commission's compliance based on the evidence we have obtained. We conducted our reasonable assurance engagement in accordance with the Canadian Standard on Assurance Engagements 3531, Direct Engagements to Report on Compliance. This standard requires that we plan and perform this engagement to obtain reasonable assurance about whether the entity complied with the specified requirements, in all significant respects.

Reasonable assurance is a high level of assurance, but it is not a guarantee that an engagement conducted in accordance with this standard will always detect a significant instance of non-compliance with specified requirements when it exists. Instances of non-compliance can arise from fraud or error and are considered significant if, individually or in the aggregate, they could reasonably be expected to influence the decisions of users of our report. A reasonable assurance compliance reporting engagement involves performing procedures to obtain evidence about the entity's compliance with the specified requirements.

The nature, timing and extent of procedures selected depends on our professional judgement, including an assessment of the risks of significant non-compliance, whether due to fraud or error.

We believe that the evidence we obtained is sufficient and appropriate to provide a basis for our opinion.

Our Independence and Quality Control

We have complied with the relevant rules of professional conduct/code of ethics applicable to the practice of public accounting and related to assurance engagements, issued by various professional accounting bodies, which are founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

The firm applies the Canadian Standard on Quality Control 1, Quality Control for Firms that Perform Audits and Reviews of Financial Statements, and Other Assurance Engagements and, accordingly, maintains a comprehensive system of quality control, including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Opinion

In our opinion, Saskatchewan Wheat Development Commission has complied with the specified requirements established in the Agreements during the period of August 1, 2020 to July 31, 2021, in all significant respects. We do not provide a legal opinion on Saskatchewan Wheat Development Commission's compliance with the specified requirements

A handwritten signature in blue ink that reads 'Lingard + Dreger'.

**Chartered Professional Accountants
Saskatoon, Saskatchewan
November 24, 2021**

To the Board of Directors of Saskatchewan Wheat Development Commission

We have audited Saskatchewan Wheat Development Commission's control as of July 31, 2021 to express an opinion as to the effectiveness of its control related to the following objectives:

- (1) To safeguard agency resources. That is, to ensure its assets are not lost or used inappropriately; to ensure it does not inappropriately incur obligations; to establish a financial plan for the purposes of achieving its financial goals; and to monitor and react to its progress towards the objectives established in its financial plan.
- (2) To prepare reliable financial reports.
- (3) To conduct its activities following laws, regulations and policies related to financial reporting, safeguarding agency resources, revenue raising, spending, borrowing and investing.

Management's Responsibility

The Organization's management is responsible for maintaining effective control over the objectives stated above.

Auditors' Responsibility

Our responsibility is to express an opinion based on our audit as to the effectiveness of its control related to the following objectives:

- (1) To safeguard agency resources. That is, to ensure its assets are not lost or used inappropriately; to ensure it does not inappropriately incur obligations; to establish a financial plan for the purposes of achieving its financial goals; and to monitor and react to its progress towards the objectives established in its financial plan.

- (2) To prepare reliable financial reports.
- (3) To conduct its activities following laws, regulations and policies related to financial reporting, safeguarding agency resources, revenue raising, spending, borrowing and investing.

We used the control framework developed by The Chartered Professional Accountants of Canada ("CPA Canada") to make our judgments about the effectiveness of Saskatchewan Wheat Development Commission's control. We did not audit certain aspects of control concerning the effectiveness, economy and efficiency of certain management decision-making processes.

The CPA Canada defines controls as comprising those elements of an organization that, taken together, support people in the achievement of the organization's objectives. Control is effective to the extent that it provides reasonable assurance that the organization will achieve its objectives.

We conducted our audit in accordance with the standard for audits of internal control over financial reporting set out in the CPA Canada Handbook - Assurance. This standard requires that we plan and perform the audit to obtain reasonable assurance as to effectiveness of Saskatchewan Wheat Development Commission's control related to the objectives stated above. An audit includes obtaining an understanding of the significant risks related to these objectives, the key control elements and control activities to manage these risks and examining, on a test basis, evidence relating to control.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Control can provide only reasonable and not absolute assurance of achieving objectives reliably for the following reasons. There are inherent limitations in control including judgement in decision

Saskatchewan Wheat Development Commission

Independent Auditors' Report

making, human error, collusion to circumvent control activities and management overriding control. Cost/benefit decisions are made when designing control in organizations. Because control can be expected to provide only reasonable assurance, and not absolute assurance, the objectives referred to above may become ineffective because of changes in internal and external conditions, or that the degree of compliance with control activities may deteriorate.

Opinion

In our opinion, based on the limitations noted above, Saskatchewan Wheat Development Commission's control was effective, in all material respects, to meet the objectives stated above as of July 31, 2021 based on the CPA Canada criteria of control framework.

We have also audited, in accordance with Canadian generally accepted auditing standards, the financial statements of Saskatchewan Wheat Development Commission, which comprise

the statement of financial position as of July 31, 2021, and the statements of operations, change in net assets, cash flows, and a summary of significant accounting policies and other explanatory information. We have issued our report dated November 24, 2021, which is the same date as the date of the report on the effectiveness of internal controls.

Lingard + Dreger

**Chartered Professional Accountants
Saskatoon, Saskatchewan
November 24, 2021**



Sask Wheat Development Commission 2020-2021 Payee List

Personal Services (threshold \$2,500 except Board of Directors)

Board of Directors (all amounts included)

	Honorariums	Expenses	Communication Allowance	Total
Bill Gehl	\$ 2,550	\$ -	\$ 700	\$ 3,250
Brett Halstead	11,800	1,048	700	13,548
Jake Leguee	14,150	848	889	15,887
Ken Rosaasen	11,900	312	1,200	13,412
Glenn Tait	4,250	-	700	4,950
Jocelyn Velestuk	6,750	1,217	700	8,667
Lesley Kelly	3,350	-	1,200	4,550
	\$ 54,750	\$ 3,425	\$ 6,089	\$ 64,264



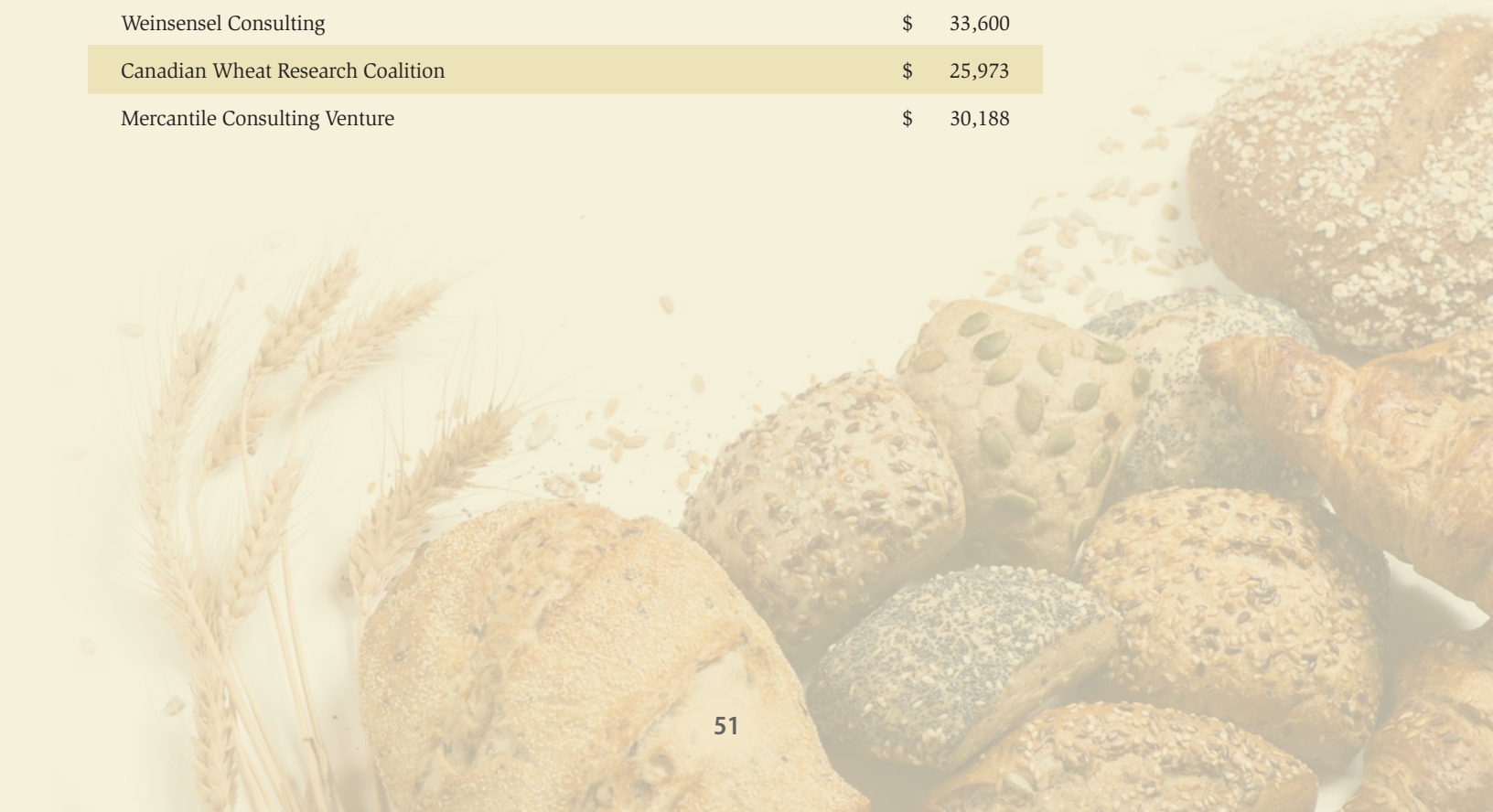
Sask Wheat Development Commission 2020-2021 Payee List *continued*

Extension (threshold \$5,000)

University of Saskatchewan	\$ 165,000
Haywire Creative Inc	\$ 5,250
CropSphere	\$ 11,400
Canadian Agricultural Safety Association	\$ 10,000
Canadian Farmers w Disabilities Registry	\$ 5,000
Canada Grains Council	\$ 7,500
Farm & Food Care Saskatchewan	\$ 5,250

Policy/Advisory/Advocacy (threshold \$5,000)

Farm & Food Care Saskatchewan	\$ 21,000
Agriculture in the Classroom	\$ 50,000
AG Transport Coalition	\$ 80,000
Weinsensel Consulting	\$ 33,600
Canadian Wheat Research Coalition	\$ 25,973
Mercantile Consulting Venture	\$ 30,188



Sask Wheat Development Commission 2020-2021 Payee List *continued*

Research & Development (threshold \$5,000)

Agriculture and Agri-Food Canada	\$ 1,179,918
Canadian Weed Science Society	\$ 44,500
Canadian Wheat Research Coalition	\$ 4,082,959
Board of Governors of Lethbridge College	\$ 30,769
Carleton University	\$ 7,498
East Central Research Foundation	\$ 90,892
Fertilizer Canada	\$ 9,400
IHARF	\$ 44,228
McGill University	\$ 23,000
National Research Council of Canada	\$ 24,124
Northeast Agriculture Research Foundation	\$ 17,135
Prairie Agricultural Machinery Institute	\$ 36,985
Receiver General for Canada	\$ 12,734
Sask. Soil Conservation Association Inc.	\$ 8,000
SeCan	\$ 55,665
Sharon Nowlan	\$ 20,820
The Governors of University of Alberta	\$ 285,274
U of S College of Agriculture	\$ 1,180,000
University of Saskatchewan	\$ 2,191,359
University of British Columbia	\$ 146,000
University of Manitoba	\$ 61,064
Western Grains Research Foundation	\$ 111,330
Saskatchewan Variety Performance Group	\$ 66,586

Sask Wheat Development Commission 2020-2021 Payee List *continued*

Media & Communications (threshold \$5,000)

Denis Design Works	\$	6,605
Canada Post	\$	44,348
Saskatoon Fastprint	\$	37,501
Inshtrix Research Inc.	\$	21,273

Market Development (threshold \$20,000)

Mercantile Consulting Venture Inc.	\$	79,275
Cereals Canada	\$	1,212,347

Supplier Payments (threshold \$20,000)

Agriculture Council of Saskatchewan Inc.	\$	111,163
Innovation Place	\$	77,141

Other Payments (threshold \$20,000)

Weather Innovations	\$	22,200
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Sask  **Wheat**
DEVELOPMENT COMMISSION