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# Haney Farms Quarterly



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## To The Point—Random Musings

By Shaun Haney

### Enjoy the Moment

Crop planning can be as difficult as you want to make it. With the depression of agricultural commodity prices over the years I think for many farmers crop planning was a rather easy process because no matter what you grew you were going to lose money.

In twenty four months it is official, "TIMES HAVE CHANGED". As farmers we have a new problem at it is a complete reversal of the prior issue. In varying degrees, almost all crops now are profitable for growers. Sure we can complain about fuel and fertilizer costs but really isn't the current pricing environment better than when fuel was 30 cents cheaper but barley was \$105 per tonne?

Whether you believe that high crop prices are a short term thing or this is just the beginning, you cannot argue with the fact that currently grain farms in Canada are profitable.

I find that as farmers we have been trained to find the negative even in the good stories. Fifteen years of low grain prices will do

that to people. Enjoy the moment and use these good times to set your farm up in the long term.

### Dispel the Myths

With the globalization of agriculture it becomes more and more difficult for many of us to understand what is happening outside of our local area. As I talk to farmers across Canada here are the most prevalent comments and real truth behind the misunderstanding.

Misunderstanding #1: *If all my neighbors plant spring wheat, the price is just going to fall back to where it was before*

Reality: Kansas has more acres seeded to wheat than all of Canada. The local seeding intentions will have an affect on the price of a commodity depending on how much of the global production it is or the distance of a another source of production of the product or a substitute product. For example, Western Canadian durum is a major supplier to the global market. If Western Canada lost all of its crop to drought there would no doubt be an affect on the price locally and internationally. If half the County of Lethbridge lost it's durum crop

the affect would be minimal at best in the long term.

Misunderstanding #2: *The rise in food prices is completely due to bio-fuels.*

Reality: Even though 1/3 of the US corn crop converted to ethanol last year, there are more market dynamics at work. According to Business Week's May 12, 2008 issue, the rise in corn prices adds 2 cents to a box of corn flakes or 11 cents to a gallon of milk to corn fed cows. Low global ending stock levels and the high cost of transportation to get food around the world are all contributing the rise in food costs not just ethanol.

Misunderstanding #3: *Today's price will remain static going forward*

Reality: I would say that with the volatility in today's commodity prices this may have never been more false. Operating based on the fact that the world is going to remain static is operating in a vacuum and will lead to losses in the future. Do not act blindly, hedge some of your risk and do not let the roller coaster futures market keep you up at night all the time.



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## Crop Insurance Set to Change Across Alberta

*“If farmers are willing to invest more in inputs to increase yields, that should be reflected in coverage levels.”*

*The following article was supplied by AFSC. For further information regarding crop insurance or any other AFSC program contact your local district office or visit [www.afsc.ca](http://www.afsc.ca)*

As Southern Alberta farmers turn the page on another calendar year, AFSC expects many will be pleased to hear major changes to crop insurance are being unveiled for 2008.

### Farmers Asked for Changes

“Over the last few years, farmers have been asking us to change the way their crop insurance coverage is calculated. We’ve consulted with hundreds of farmers province-wide, including across Southern Alberta, and they tell us it’s too complicated,” says Chris Dyck, Manager of Program Development for Agriculture Financial Services Corporation (AFSC). “One of their biggest complaints is that crop production on neighboring farms affects how much insurance coverage they receive. Producers want crop insurance based only on what is produced on their own farm – no one else’s,” he explains.

### Neighbor’s Yields No Longer Affect Coverage

The new program – called Individual Coverage – is quite simple, says Dyck. It takes a producer’s

average yields for each crop (over a five to 15-year period) and used that to set their insurance coverage. “If their yield has been 40 bu /acre for the last 15 years, we will give them coverage based on that number. We no longer factor in the yields of other farms in their area.”

The old system – call Indexed Coverage – was much more complicated, say Dyck. It compared a producer’s crop yields on the average yields of farmers in their “Risk Area”.

### Old System was Confusing

“Most farmers find the old Indexing system very confusing,” explains Dyck. “Many feel Indexing dragged their crop insurance coverage far below actual production levels on their farm. They argue that’s because the ‘normal’ yield in their Risk Area averaged in poor crop yields from other farmers.” Farmers felt that by using Risk Areas, crop insurance coverage levels did not reflect actual production on their farms and the problem was even worse with niche crops. With so few farmers producing niche crops, the Risk Area yield may not represent production levels on their farms.

### Higher Yields = Higher Coverage

Ultimately the new system give

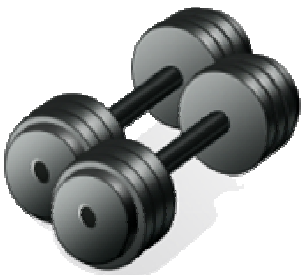
producers more control over their own risk, says Risk Manager Specialist Ted Darling, with Alberta Agriculture and Food. “By personalizing their coverage and making it more responsive to what each farm produces, it encourages producers to adopt the most advanced farming techniques to increase their yields.” They’ll be motivated by the fact that higher yields now lead directly to higher coverage, say Darling. “It can cut both ways, but we all want to be better than average, and we want to be treated better than average. I think farmers will see this as a good move.” If farmers are willing to invest more in inputs to increase yields, that should be reflected in coverage levels. Under Individual Coverage, that’s a choice farmers can make if they want higher coverage levels.

### Cushioning and Trending

Two important features of the old Indexing system will remain under Individual Coverage: cushioning and trending. “Farmers asked us to cushion their yields during natural disasters like drought a hail to reduce the impact on coverage levels,” says Dyck. “If you have a wreck and get a zero yield, we’ll replace that zero with 70 percent of your normal yield to keep your

*(Continued on page 3)*

## Feed Your Body The Proper Fuel



Farming is a unique occupation in the sense that all winter you spend a lot of time on your feet. Whether it is working in the shop, shoveling grain, or checking your cows, there is lots of opportunity for exercise during the winter months. The reality is that for the summer months you are either in a truck or tractor. This can lead to poor nutrition and low amounts of exercise and the afternoon blahs.

Here are some tips to help you avoid the afternoon doldrums and have a more balanced diet during the summer months as you spend considerable amounts of time running machinery.

**Don’t Miss Breakfast**—Missing breakfast is getting the day off to a bad nutritional start. It is important that you kick start your day with the some healthy cereal, gra-

nola, or yogurt. Try some low fat Eggo waffles that come in multiple flavors and can be quickly cooked in the toaster if you are always in a hurry.

**Water** —Be sure to drink eight glasses per day. If you can remember to bring your coffee thermos be sure to pack some bottles of water.

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coverage levels stable.”

Trending means AFSC will boost the older yields in a farmer's average yield records to account to advances in technology and new seed varieties.

### New Farmers and / or New Crops

Farmers who grow a new crop or buy crop insurance for the first time won't get Individual Coverage right away, says Dyck. “We don't have yield records for them yet, so we'll start by basing coverage on the normal yields in their township. Each year, we'll blend their new yield records into the formula until we have five years of

their records on file. Then we'll set coverage using only their production numbers.”

With today's high commodity values and high input costs, AFSC's AgrilInsurance products provide excellent Risk Management tools for Alberta farmers.

## Irrigating Canola

The following article is reprinted with the permission of *Ropin the Web*. *Ropin the Web* can be found at [www.agric.gov.ab.ca](http://www.agric.gov.ab.ca)

### Introduction

The seasonal water requirement for canola depends on variety, target yield and crop management. Canola consumes up to 480 mm (19 inches) of water during a growing season and will use over 7 mm (0.28 inches) per day during peak periods. Polish varieties tend to use less water than Argentine due mainly to the earlier maturity date and plant genetics.

In general, soil moisture levels should be maintained above 50% available moisture, in the active root zone (1.2m), throughout the growing season. The most critical times for irrigating canola are during late vegetation/spiking and throughout the flowering period. Moisture stress during these periods can cause major yield reductions.

Meeting the irrigation needs of this crop changes dramatically depending on soil conditions and the irrigation system used.

### Pivot irrigation systems

Irrigation of canola can start as soon as seeding has been completed. To avoid crusting it is recommended that light frequent water applications be applied until the crop has fully emerged. Once the crop reaches the vegetative stage, moisture levels should be increased to near field capacity.

This will allow irrigator's to avoid continuous irrigations during flowering, and potential disease problems caused by wet soil surface conditions. Knowing the amount of water your system is capable of applying is critical, as this crop uses large amounts of moisture during flowering and once an irrigator falls behind it is difficult to catch up. Pivot irrigators should continue to irrigate this crop until flowering is complete.

### Wheel move irrigation systems

Like surface irrigators, good spring soil moisture conditions for seed germination is a must if high yields are to be expected. If poor moisture conditions exist, it is possible to apply a light application (3 to 4 hr. set) but does not guarantee good establishment. Once the crop is fully emerged, irrigation should start and moisture levels should be increased in the entire root zone. Timing of the second and possible third irrigation, is critical as it is impossible to move wheels through this crop once elongation has occurred and flowering begins. If high yields are expected, irrigators must ensure the root zone is filled as elongation is taking place. This may mean crossing the field with 4 to 6 hour sets during the last week.

### Surface irrigation systems

A producer can expect to surface irrigate canola twice during the growing season depending on spring soil moisture and climatic

conditions. The key problem with growing canola on surface irrigated land is having sufficient spring moisture for seed germination and getting the crop into the vegetative stage. Surface irrigating the crop earlier could cause damage to the crop by drowning or washing the young plants out of the ground.

The most important times to surface irrigate canola, if soil moisture is limited, is during the late vegetative stage (Fig. 1) and during early to mid blooming. Moisture stress during the late vegetative to spiking stage can cause uneven growth and reduced yields. The most critical time to ensure adequate soil moisture is during flowering. If canola is stressed during this time, it will abort flowers and significant yield reductions will occur. Timing of the second irrigation is critical as sufficient water must be added to meet the crops needs, but this water must be used or problems with mechanical harvesting could occur.

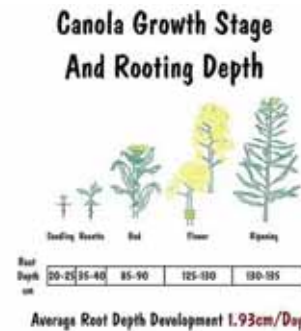


Fig 1

### Experience and Research has Shown

- Moisture stress prior to or during flowering cause the highest yield reductions.
- Canola continues to use soil moisture until full maturity.
- Keeping soil moisture levels at or above 75% increase the potential for lodging.
- Maintaining good soil moisture conditions will: lengthen the flowering period; increase the number of seeds/pod; increase seed weight; and in some instances improve oil quality and content.
- The last irrigation should be completed by the 1<sup>st</sup> week in August. Irrigation past this point delays maturity and increases the risk of frost damage. This information was prepared by the Irrigation Branch.

## Point Blank—Farms Lag in Workplace Safety

*This article is reprinted by permission of the Grainews. It was originally published in the February 25, 2008 issue of Grainews. For subscription information about Grainews, see [www.grainews.ca](http://www.grainews.ca).*

### Farmers over 60 are at particularly high risk. What are you doing to make your work safer?

By Shaun Haney

I am involved in our family business, which has focused on primary agriculture for 80 plus years. Recently Haney Farms ventured into the sand and gravel business by developing a gravel pit on some very marginal farm land just north of the home section. This diversification has been challenging and a real learning experience for our whole team. One major difference between our farm business and the gravel business is the safety requirement.

Most agricultural operations in Canada have farm production plans or calving plans but probably lack a safety plan. Safety does not drive revenue and with margins so slim over the past five years in grain farming and livestock, it's no surprise that safety is not a focus. But as the environmental farm plan has gained momentum in Alberta, safety will be next.

Statistics regarding farm fatalities and injuries are sobering. According to the Canadian Agricultural Injury Surveillance Program (CAISP) website, "there were 1,682 agricultural fatalities in Canada from 1990 to 2004. Agriculture ranks as Canada's third most hazardous industry with respect to rates of fatal injury. In terms of absolute numbers of fatalities, there is no more dangerous occupation (Pickett et al., 1999)."

Yet at the same time, agriculture in Alberta does not fit under the guidance of Occupational Health and Safety. As farmers in Alberta we need to take the lead and begin to make safety more of a priority for the benefit of our family members and employees.

Traditionally, farm safety was more of "street smart"-type teaching. In some ways this has been effective because farm smarts come naturally to those who grow up in the farm environment. To draw a parallel, a child who does lots of boating through his lifetime is going to naturally be more aware of boat safety than someone on a boat for the first time. The reality is that due to a changing world of job complexity, increased legality and more people working in agriculture who did not grow up in it, farms across Canada need to be making safety more of a focus across all age groups.

Usually when we think of farm safety, we think of children and their role on the farm. There are currently some very good resources for youth farm safety such as Ropin' the Web, Farm Safety Association and the Childhood Agricultural Safety Network. According to CAISP, between the years of 1990 and 2003 there were 274 children and youth involved in fatal agricultural accidents. This accounts for 17.4 per cent of farm fatalities in that time span.

Seniors are at even greater risk. The CAISP website shows that, between the years 1990 and 2000, 440 people over the age of 60 were involved in fatalities, which is 34.4 per cent of all agricultural fatalities during the time period. More shocking is the fact that seniors account for one third of the fatalities and only make up 13.2 per cent of the farming population. A Canadian Agricultural Safety Association sponsored study, chaired by Manitoba's Glen Blahey in 2002, outlined that higher accident rates among seniors are often the result of age-related physical changes.

For example, senses and muscles just don't react the way they used to.

I bet many owner/operators believe they are safer in comparison to their employees and kids. The reality is that this not true. According to Ropin' the Web and the Farm Accident

Monitoring System's 2006 report, people between the ages of 45 and 60 accounted for over 27 per cent of all the injuries reported in Alberta hospitals. This age range represents a large amount of owner/operators on Alberta farms. This age range should be the safest if we consider their experience and that they are probably not experiencing the affects of age as discussed above.

Another interesting relationship is how females compare to males in terms of farm accidents. The Farm Accident Monitoring

*"I bet many owner/operators believe they are safer in comparison to their employees and kids. The reality is that this is not true."*

System's 2006 report says 24 per cent (271) of farm injuries reported involved females in Alberta.

In terms of farm safety, everyone involved on the farm has room for improvement. Whether you are an experienced operator in your 40s, a young energetic teenager or an 80 year old who saw the Depression, you need to pay more attention to being safe on the farm. As a fellow farmer I ask that as a group we work together to make our workplaces safer because the real beneficiary will be our industry and operations in the long run. Start by talking to your neighbors and your peers in an ag association, or Google farm safety and find out how you can make your farm safer.



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**Take a Walk**—Many of us eat our lunch on the go. This may not be the safest idea. At lunch time take a few minutes to recharge your brain and take a walk around the tractor a couple times to stretch out your back and legs.

**Keep Portions Small**—Eating a massive carbo-

hydrate filled lunch is not a great way to ensure afternoon success. Keeping portions within reason is very important at lunch time. Eating less more often is always better.

**Snacking is Good**—Grazing throughout the day will lead to lighter lunches and less binging at supper time. Be sure to graze on veggies, fruits and nuts instead of potato chips and candy bars. Sugary snacks will just lead

to a sleepier afternoon.

Summer nutrition and exercise are essential to keep your brain going during the long hours it takes to be a farmer. If you have any questions contact a nutritionist or doctor in your area.