



Annual Report

2014/2015

Introduction

This annual report details the third year of Alberta Oat Growers Associations (AOGC) operations. This is the eighteenth year that oat growers from Saskatchewan, Manitoba and Alberta have worked together to give voice to the needs of oat growers.

Shawna Mathieson, now in her fifth year as the Prairie Oat Growers Association (POGA) Executive Director and returned from maternity leave in May 2015. She is leading all the administrative duties of the three provincial organizations as well as POGA.

POGA

AOGC is currently a funding partner in POGA, the prairie wide organization representing oat growers in Canada. POGA funding partners includes AOGC, the Saskatchewan Oat Development Commission (SODC) and the Manitoba Oat Growers Association (MOGA). SODC and MOGA are the equivalent oat grower check-off funded organizations in their respective provinces.

All six Alberta directors are members of the POGA board. Currently there are also six directors from Saskatchewan and six directors from Manitoba on the POGA board.

The goal of POGA is to handle all administration duties of the provincial organizations and the overall approval and monitoring of projects of mutual benefit to oat producers across Western Canada. Some projects continue to be provincially directed and therefore funded directly from the provincial organization at the discretion of each provincial board of directors. An example of this in Alberta is the project "Optimizing Oat Yield, Quality and Stand-ability in Central Alberta" led by Dr. Linda Hall at the University of Alberta and co-funded with ACIDF.

Education

One priority of AOGC has been education. To deliver on this initiative, we distribute the Oat Scoop a minimum of two times per year to every member of AOGC, SODC and MOGA.

AOGC also hosts an Annual General Meeting in Alberta every year to encourage Alberta at Growers to learn about where their check-off is being used, talk to the millers and vote on important issues for our industry. The 2014/2015 meeting was held in Grande Prairie Alberta during Peace Country Classic show.

AOGC is also the co-host to the POGA annual conference, a day-long seminar on oat production and marketing held every third year in Alberta. This event was held at the Banff Springs Hotel, in Banff AB, in December 2014.

As a partner to the Prairie Oat Growers Association, The Alberta Oat Growers Association directors have been active ambassadors to the oat milling and processing side of the industry.

Policy

AOGC, through POGA, holds a membership in Grain Growers of Canada which represents oat growers on many policy issues at the national level. A current issue facing oat growers is the proposed mycotoxin standards in food grains in Canada. AOGC and POGA are actively providing input into these standards, have co-funded a publication of a study addressing these standards and are conducting further research, through the Canadian Grain Commission to measure the occurrence of fungi and mycotoxins on oats. This project is partially funded by the Agricultural Development Fund (ADF) of Saskatchewan. POGA is also very pleased that Health Canada now allows oats to be labeled as a gluten-free food. This labeling has been allowed in the United States for some time and can only help oats sales to the gluten free market.

AOGC, through POGA, is a signatory to the Alberta Crop Industry Development Fund Ltd. (ACIDF). In addition, POGA is also represented at Western Grains Research Foundation (WGRF), The Prairie Grain Development Committee (PGDC), Field-to-Market Canada and The Canadian Roundtable for Sustainable Crops (CRSC).

AOGC, through POGA, has taken a very active role in the transportation issues that have plagued Canada. POGA President, Art Enns, presented to the House of Commons in April 2014 and to the Senate in May 2014. Four representatives from the POGA board, along with two oat industry representatives and POGA staff, also travelled to Ottawa in February 2015 to meet with the federal government. With about 90% of oat exports going to the United States this continues to be a very important transportation market for oat growers. Unfortunately, the United States is also still the most underserved market by the Canadian railroads.

POGA directors, and our Executive Director, have also been active advocates to the oat milling and processing side of the industry by attending and speaking at the North American Millers Association annual conference each year for the past seven years. Our strong industry support is demonstrated by our invitation to these meetings as oats is the only commodity group represented.

AOGC has an ongoing dialogue with our Minister of Agriculture and the AOGC directors met again with Alberta Agriculture Minister Verlyn Olson during Crops and Chops 2014.

Research and Market Development Projects

AOGC through POGA continues to fund and administer an oat breeding collaboration project with the industry and the Government of Canada under the Agri-Innovation program.

The Prairie Oat Breeding Consortium (POBC) funds a breeding program aimed at developing food and milling quality cultivars adapted to the western provinces. POGA, with a group of eight oat industry stakeholders, has agreed to fund half of the costs of this program which is held at the Brandon Research Centre in Brandon, MB under Dr. Jennifer Mitchell Fetch.

Last year the oat commissions began a new project with the Crop Development Centre (CDC) in Saskatoon. The project, titled, "Investigation of Avenanthramides, a

New Healthy Compound in Oat” hopes to improve the nutritional value of oat through increasing the level of avenanthramides, novel bioactive compounds in oat that have strong antioxidant, anti-inflammatory and anti-itching activities. AOGC, through POGA, will be contributing \$90,000 over three years with the remainder of the funding coming from WGRF and ADF. This project was approved in the 2013-2014 year but has just now begun at CDC.

POGA has also submitted another project titled “Develop New Strategies to Efficiently Utilize Oat Grains in High Production Dairy Cows to Maximum Economic Return and Benefit to Prairie Oat Growers,” by Dr. Peiqiang Yu to MAFRD and ADF/WGRF for potential funding. The objective of this project is to use a systematic approach to develop new strategies to more efficiently utilize feed oats and milling oats by integration, with maximum replacement of barley, in sustainable dairy production. This study hopes to show that oats improve animal production and health which will assist Canadian dairy industry to develop low-cost feeding strategies by utilizing oats as an alternative feed resource. POGA has committed 25% of the project cost for this important research.

AOGC, through POGA, also provides financial support to Oat Advantage, a private oat breeding program, for further oat breeding in the Prairie Provinces. This funding supports four main goals 1) Improved oat line quality selection for low hull content 2) Improved oat line selection for variation of groat surfaceborne trichomes (hairs) 3) Improved seed purity in early generation harvest and 4) Steady flow of breeding material through winter nursery utilization.

AOGC, through POGA, is also funding research, along with ADF, to determine the possible link between reducing colic in horses by feeding oats. In addition, we have three projects partially funded through Western Diversification Canada (WD) that expired in March 2014. This money contributed to the development of an Oat Research Advisory Board for oat research related to equine in the United States. It will also helped fund a strategy to develop the Mexican market for Canadian oats and work with the transportation industry to find better opportunities for moving oats between Canada and the large oat importers, mainly the USA.

AOGC, through POGA, received funding through AgriMarketing starting in the 2015-2016 year to advance the Canadian Oat Market in Mexico. The goals of this project include increasing the per capita consumption of oats and therefore increasing the amount of Canadian oat exports to Mexico. In addition, POGA will work directly with the government of Mexico regarding their food security and nutrition programs and with the Mexican nutrition and dietician’s community to incorporate more oats into the Mexican diet.

Finally, AOGC, through POGA, provides funding for two additional research projects at The University of Saskatchewan: Healthier Oat Oil Through Improved Stability, and Fatty Acid Profile and Improving the Nutritional Value of Oat Through Increasing the Level of Water-Soluble Beta-Glucan. Both of these projects seek an oat with innovative nutritional and processing traits that will be desirable to consumers and industry while helping Canadian Prairie oat growers maintain (and potentially grow) their role as an important supplier of high value oat.

A key recommendation from the POGA study of world oat markets highlighted the need to investigate the potential to recapture the USA oat feed market. AOGC/POGA

then conducted a USA Equine Feed Study which clearly demonstrated the potential of these markets.

The Oat Sustainability Project (OSP), formerly called the Equine Feed Oat Project, is an initiative of POGA and was created in 2009 to research, educate and communicate information about oats to the equine industry.

To provide horse owners with important factual information, POGA commissioned a review of published research about oats used in horse feed. The review was performed by one of the leading equine nutrition experts in the industry, Dr. Laurie Lawrence, of the University of Kentucky, Department of Animal and Food Sciences. Dr. Lawrence reviewed over 260 published research documents covering nutritional value of oats in the equine diet and her research concludes that oats are the best grain to feed horses.

The OSP has been working with the equine industry via various methods, including partnerships with equine associations, publications and experts in the field. The OSP wishes to educate as many members of the equine industry as possible about the benefits of oats. As of summer 2015, the OSP has been redesigned to focus on online advertising, TV and social media to better target the market.

POGA has also has two additional equine research projects: "Can oat beta-glucan improve the responsiveness of the immune system in horses?" (Co-funded by The Government of Canada through the AgriInnovation Program) and "Oats Improve the Gastrointestinal Health of Horses" at Penn State University (co-funded by WGRF).

Finally, in December of 2015 AOGC, in conjunction with POGA, will host a "Future of Oat Forum" in Moose Jaw, SK. This event will include farmers, industry and researchers to determine the most pressing needs of the oat market and how to achieve them. The Saskatchewan Industry Organization Development Fund (IODF) is co-funding this event.

Summary

AOGC has successfully contributed to the profile, representation and profit of Alberta oat growers. Since 2008, oat growers in Western Canada have spent less than \$0.18 of every dollar spent on research and marketing. The great collaboration of industry, government and the oat organizations is displayed by the amount of research and marketing work that is able to continue for our small crop.

AOGC will continue to develop the strategic relationship with POGA and work towards multiplying the producer investments in AOGC with both industry and government partnerships to expand oat profitability and profile both locally and around the world.

Board of Directors and Staff

Keith Gilchrist, Chairman

RR1
Pickardville, AB T0G 1W0

Nick Jonk, Audit Chair

PO Box 5609
Westlock, AB T7P 2P6

Gordon Pope

Box 272
Ryley, AB T0B 4A0

Bruce Thomi

RR 1
Woking, AB T0H 3V0

Anthony Van Rootselaar

Box 35
Spirit River, AB T0H 3G0

William Winsnes, Vice Chairman

Box 335
Ryley, AB T0B 4A0

Shawna Mathieson, Executive Director

PO Box 20106
Regina, SK S4P 4J7
Phone: 306-530-8545
Email: smathieson@poga.ca