

USDA Foreign Agricultural Service

# GAIN Report

Global Agricultural Information Network

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**Date:** 05/06/2011

**GAIN Report Number:** CA11027

## Canada

**Post:** Ottawa

### **This Week in Canadian Agriculture - Issue 9**

**Report Categories:**

Agriculture in the News

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**Report Highlights:**

Federal Elections Results Signal Changes for Agricultural Policy \* Changes to Canadian Wheat Board Single-Desk Status Expected \* Manitoba Canola Growers Association Nix Marketing through the Canadian Wheat Board \* Statistics Canada Releases Stocks of Principle Field Crops Report \* Canadian Broker Structure Reviewed

This Week in Canadian Agriculture is a review of Canadian agricultural industry developments of interest to the U.S. agricultural community. The issues summarized in this report cover a wide range of subject matter obtained from Canadian press reports, government press releases, and host country agricultural officials and representatives.

*Disclaimer:* Any press article summaries in this report are included to bring U.S. readership closer to the pulse of Canadian developments in agriculture. In no way do the views and opinions of these sources reflect USDA's, the U.S. Embassy's, or any other U.S. Government agency's point of view or official policy.

**Federal Elections Results Signal Changes for Agricultural Policy:** Canada's May 2 federal elections resulted in a majority for the Conservative party which had been governing as a minority government for five years. Now, with the majority in the Parliament, the government is in a position to push through some long-shelved agenda items. Agricultural agenda items which have been central to their campaign and which will likely be high on the priority list include bringing "marketing choice" to Prairie farmers through removal of the Canadian Wheat Board's (CWB) monopoly over western barley and wheat, and aggressively pursuing Free Trade Agreements (FTAs) that will benefit livestock, grains and oilseeds sectors.

**Changes to Canadian Wheat Board Single-Desk Status Expected:** Throughout the campaign and since being re-elected in his Saskatchewan riding, Canada's Minister of Agriculture has been very vocal in his party's belief that the Canadian Wheat Board can survive the loss of its exclusive hold over the buying and selling of Western Canada's wheat and barley and compete in an open system. How quickly the Conservative government, which has been active in looking at ways in which the removal of the board's monopoly over western barley and wheat can be achieved, will move on this matter remains unknown, as well as what approach will be taken. The Canadian Wheat Board has issued a press release in response to the Conservative party's majority win. Allan Oberg, chair of the CWB board, reminded the Conservative government that the same democratic principles that resulted in their majority win applied to the elections run to determine the composition of the Canadian Wheat Board's board of directors, which is currently controlled by single-desk supporters. The CWB press release is available at the following URL address:

[http://www.cwb.ca/public/en/newsroom/releases/2011/news\\_release.jsp?news=050311.jsp](http://www.cwb.ca/public/en/newsroom/releases/2011/news_release.jsp?news=050311.jsp)

**Manitoba Canola Growers Association Nix Marketing through the Canadian Wheat Board:** The Manitoba Canola Growers Association (MCGA) announced in a press statement issued May 5, 2011 that they will not be moving forward with a voluntary marketing option for canola with the Canadian Wheat Board (CWB). The reason cited is "insufficient interest." Sections 49 to 52 of the Canadian Wheat Board Act enable the CWB to market other crops thorough an open-market system. In the press release issued on their website, the MCGA stated that they have already informed the Canadian Wheat Board that they will not be pursuing the idea any further. The MCGA went through the exercise in response to a resolution passed by MCGA members to look into alternative marketing options. The Alberta Canola Growers Association, as well as SaskCanola, had publically distanced themselves from support for such a program. The press release can be found at the following URL address:

<http://www.mcgaanola.org/>

**Statistics Canada Releases Stocks of Principle Field Crops Report:** Statistics Canada released its report on *Stocks of Principle Field Crops at March 31* on Thursday, May 5, 2011. The report details the farm held-stocks at the provincial level and the farm-held plus commercial stocks at the national level for major Canadian grains. The statistics confirm that total stocks of canola and barley have fallen significantly compared to the same date in 2010, while in contrast; total stocks of corn for grain have risen above the previous year's levels. Weather-related production problems in the Prairies which reduced supplies are the main contributors to the significant decreases in canola and barley stocks. Total stocks of canola and barley have decreased 22.8% and 31%, respectively, from 2010 levels for the same period. Total corn for grain, on the other hand, increased almost 2% from March 31, 2010 levels due to an increase in production resulting from excellent growing conditions. Canada's major corn producing areas were unaffected by the environmental factors plaguing western production in 2010. The complete report is available at the following URL address: <http://www.statcan.gc.ca/pub/22-002-x/22-002-x2011003-eng.pdf>

**Canadian Broker Structure Reviewed:** A report reviewing the broker structure in Canada as one business model to exporting into Canada is available through the Global Agricultural Information Network (GAIN). Brokers assist their principals (the food manufacturers they represent) in marketing and selling their products in Canada. They help company executives and their staff to navigate through the Canadian food distribution system. The listing in this report includes brokers with offices in Ontario and/or Quebec. FAS Canada's Market Development report, *Agent and Broker Directory – Central Canada*, GAIN Report number CA11025, is accessible from the following URL address: <http://gain.fas.usda.gov>. From this site you can perform a search by title or report number.

**Exchange Rate:** Noon rate, May 6, 2011 (Bank of Canada): U.S. Dollar = C\$0.9617

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Report #	Name of Report	Date Submitted
CA11027	This Week in Canadian Agriculture – Issue 9	05/06/2011
CA11025	Agent and Broker Directory – Central Canada	05/03/2011
CA11024	This Week in Canadian Agriculture – Issue 8	04/29/2011
CA11023	2011 Canadian March Planting Intentions	04/29/2011
CA11022	U.S. Wine Exports to Canada Show Explosive Growth	04/21/2011
CA11019	In a Nutshell: Explaining Dairy Trade Flows Between the United States and Canada	04/18/2011
CA11017	Exporting Alcoholic Beverages into the Canadian Market	04/08/2011
CA11016	Actions Taken Regarding Food Imports from Japan	04/08/2011