

USDA Foreign Agricultural Service

# GAIN Report

Global Agricultural Information Network

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## Canada

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### **This Week in Canadian Agriculture Issue 15**

**Report Categories:**

Agriculture in the News

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**Report Highlights:**

**G20 Introduces New AgResults Initiative \* Canada Invests in Grain Varieties Research \*  
Canadian Government Invests in Improving Traceability \* Canadian Government Investment  
Could Help Flax and Hemp Producers \* Food Prices Likely to Rise Due to Dry Summer \* Raw  
Pet Food Industry Showing Growth in Canada**

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.

**G20 Introduces New AgResults Initiative:** On Monday, June 18, British Prime Minister David Cameron, Canadian Prime Minister Stephen Harper, and Australian Prime Minister Julia Gillard, announced the launch of a new \$100 million AgResults prize fund to stimulate technological agriculture innovations. The key elements of the initiative, according to the InterAction.org article “G20 AgResults Initiative and NGO Response,” include a World Bank administered fund of \$100 million; supported by Australia, Canada, Italy, the United Kingdom, the United States, and the Bill & Melinda Gates Foundation. Prime Minister Stephen Harper, in his announcement of the initiative, stated that Canada’s contribution is substantial, representing about 40 percent of international funding and that the initiative “will help communities around the world to better access safe and nutritious foods.”

The InterAction.org article “G20 AgResults Initiative and NGO Response” may be found at:

<http://www.interaction.org/article/g20-agresults-initiative-and-ngo-response>.

Prime Minister Stephen Harper’s announcement may be found at:

<http://pm.gc.ca/eng/media.asp?id=4877>.

**Canada Invests in Grain Varieties Research:** The B.C. Grain Producers Association has been awarded \$520,000 from the federal government's \$163-million Canadian Agricultural Adaptation Program. According to the Agriculture Canada news release on the topic, the half million dollar investment will be used to study crop varieties that offer the best yield potential and maturity for growing condition in the Peace River region, either via new crop management practices or by new varieties of existing crops such as canola, cereals, pulse and flax. In British Columbia, money from the Canadian Agricultural Adaptation program, whose purpose is to help the Canadian agricultural sector adapt and remain competitive in global market, is delivered by the Investment Agriculture Foundation.

More on the B.C. Grain Producers Association is available at the following URL address:

<http://www.bcgrain.com/index.html>. The press release is available at the following URL address:

[http://www.agr.gc.ca/cb/index\\_e.php?s1=n&s2=2012&page=n120719a](http://www.agr.gc.ca/cb/index_e.php?s1=n&s2=2012&page=n120719a). More information on the Canadian Agricultural Adaptation Program (CAAP), as well as the Investment Agriculture Foundation

(IAF) are available at the following URL addresses: CAAP - <http://www4.agr.gc.ca/AAFC-AAC/display-afficher.do?id=1286477571817&lang=eng>, IAF - [www.iafbc.ca](http://www.iafbc.ca).

**Canadian Government Invests in Improving Traceability:** The Canadian Government issued a press release on July 13, 2012, announcing the creation of the Canadian Agri-Traceability Services (CATS). CTA is a national traceability system that will provide traceability data services for the Canadian Cattle Identification Agency (CIAA) and the Agri-Tracabilite Quebec (ATQ), as well as other stakeholders. The Canadian government is providing \$500,000 to create the single data system and another \$265,000 to help the CCIA and the ATQ improve their data management capacities. The funding is part of the Growing Forward program and is being made through the Canadian government's Canadian Industry Traceability Infrastructure Program which supports the development of industry-led system that collect and verify identification and movement data.

The press release can be viewed at the following URL address:  
[http://www.agr.gc.ca/cb/index\\_e.php?s1=n&s2=2012&page=n120713](http://www.agr.gc.ca/cb/index_e.php?s1=n&s2=2012&page=n120713)

**Canadian Government Investment Could Help Flax and Hemp Producers:** Advanced Food Material has received a \$500,000 grant from the Canadian government for a project that will scale up a biorefining project to produce high quality microcrystalline cellulose, nanocrystalline cellulose, lignin, and green chemical byproducts from parts of hemp and flax crops that are often considered waste product. This is expected to increase the value per acre for both hemp and flax crops. The project is funded under the Agricultural Innovation Program which is designed to boost the development and commercialization of innovative new products, technologies and processes for the agricultural sector.

The press release from Agriculture and Agri-Food Canada can be viewed at the following URL address:  
[http://www.agr.gc.ca/cb/index\\_e.php?s1=n&s2=2012&page=n120718](http://www.agr.gc.ca/cb/index_e.php?s1=n&s2=2012&page=n120718)

More information on Advanced Food Material is available at the following URL address:  
<http://www.afmcanada.ca/>

More on the Agricultural Innovation Program can be found at the following URL address:  
<http://www4.agr.gc.ca/AAFC-AAC/display-afficher.do?id=1320767853009&lang=eng>

**Food Prices Likely to Rise Due to Dry Summer:** Experts are warning Canadians to expect higher food prices in the coming year as the major drought in the corn belt in the United States, which includes Iowa, Illinois and Nebraska, is combined with the effects of drought-like conditions in parts of Central and Eastern Canada. Environment Canada has been reporting record-setting high temperature across Ontario, Quebec and the Atlantic provinces coupled with some of the lowest rainfall on record. The impact has been stronger because both Central and Eastern Canada experienced a mild winter and an early spring. Quebec's apple producers are expecting a mediocre crop this year due to the record temperatures and corn is especially vulnerable right now since rain is essential to help pollination.

**Raw Pet Food Industry Showing Growth in Canada:** The raw pet food industry, which has both its supporters and its detractors, has shown increased acceptance and considerable growth in Canada in the past year. This is a \$100 million dollar industry in the United States and while figures are not available for the Canadian market, the Canadian Association of Raw Pet Food Manufacturers (CARPFM) reports that some raw companies in Canada are reporting a 30 to 40 percent growth in Canada over the last year. Proponents of raw pet food support the belief that the healthiest diet for dogs is one that is close to

that of wild dogs. Opponents of the industry have expressed safety concerns over the possibility of spreading diseases such salmonella and E.coli as a result of this feeding method. The Canadian Association of Raw Pet Food Manufacturers has responded to these concerns noting that their industry is unregulated and is trying to self-initiate strict manufacturing guidelines to ensure and promote product safety. More information on the Canadian Association of Raw Pet Food Manufacturers is available at the following UL address: <http://www.carpfm.ca/about.html>

**Exchange Rate:** Noon rate, July 20, 2012 (Bank of Canada): U.S. Dollar = C\$1.0114

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| <b>Report #</b> | <b>Name of Report</b>                       | <b>Date Submitted</b> |
|-----------------|---|-----------------------|
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| CA12020         | This Week in Canadian Agriculture, Issue 11 | 05/31/2012            |
| CA12019         | This Week in Canadian Agriculture, Issue 10 | 05/10/2012            |
| CA12018         | This Week in Canadian Agriculture, Issue 9  | 05/04/2012            |
| CA12017         | This Week in Canadian Agriculture, Issue 8  | 04/27/2012            |
| CA12016         | This Week in Canadian Agriculture, Issue 7  | 04/25/2012            |
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