Foreign Agricultural Service
GAIN Report
Global Agriculture Information Network

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Canada

Planting Seeds

U.S. Remains Number One Supplier of Seeds to Canada

2000

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Report Highlights:

For market year 1998/99, the value of Canadian seed imports from the U.S. increased from $122 million in 1997/98 to $130 million, a change of approximately 6.5 percent. In 1998/99, Canada's total of imported seeds was nearly $168 million, indicating that the U.S. remains Canada's number one supplier with a market share of nearly 78%, down slightly from 80% in 1997/98. Forage seeds for sowing contributed with the highest value ($37 million), followed by corn seed ($33 million), and vegetable seeds ($19 million).

Includes PSD changes: No
Includes Trade Matrix: Yes
Annual Report
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Canadian Wheat, Oilseeds, and Specialty Crops Situation 1998/99

Total wheat area in Canada for 1999 harvest was four percent below 1998; acreage seeded to durum wheat in the west dropped 39% from the 1998 record of 7.25 million acres to 4.39 million, and non-durum wheat area increased ten percent to 20.5 million acres. Yields of virtually all crops on the prairies and Ontario were higher, in many cases setting new records. Average wheat yield on the prairies jumped 15% to a record 37.5 bushels per acre. The average wheat yield for Canada set a new record at 38.5 bushels per acre, up five bushels over 1998 and 24% above the ten-year average of 31.1. Winter wheat yields in Ontario jumped 17% over 1998 to a new record of 73.2 bushels per acre, almost five bushels more than the previous (1995) mark of 68.9.

Records for canola yields and production were broken in 1999. Acreage jumped 31% over 1998 to 13.8 million, the second-highest on record, making canola second only to wheat and exceeding barley acreage by over a third. The record for canola area was 14.2 million acres in 1994; a decade ago, in 1989, canola area was 7.2 million acres. The average yield for canola in 1999 was 28.2 bushels per acre, a new record and up from 25.1 in 1998. A 15% production gain occurred on only a two percent increase in seeded acreage.

Canadian prairie farmers attempted to scale acreage of of specialty crops to market prices and planted substantial acreages of field peas, lentils, canaryseed, mustard seed, dry beans and chick peas. A total of 4.73 million acres was seeded to these crops in 1999, down slightly from 4.93 million in 1998. Producers responded to market prices with the result that area seeded to peas and canaryseed declined, mustard seed was similar, and acreage in lentils and chick peas rose dramatically. Chick peas, which only began to be grown on a significant scale in 1997, were seeded on 350,000 acres in 1999, up from 95,000 in 1998, one of the fastest growing pulse crops in Canada. In area and production, combined specialty crops now exceeds all the `major' crops except wheat, barley and canola.

Seed Import Situation 1998/99

For market year 1998/99, the total value of Canadian seed imports from the U.S. increased over six percent from $122 million in 1997/98 to $130 million. In 1998/99, Canada's total of imported seeds was nearly $168 million, and the U.S. remains Canada's number one supplier with a market share of nearly 78%, down slightly from 80% in 1997/98. Forage seeds for sowing contributed with the highest value ($37 million), followed by corn seed ($33 million), and then vegetable seeds ($19 million).

Outlook for Grains and Oilseeds 2000/2001

According to Agriculture and Agri-Food Canada, area seeded in Canada in 2000 is expected to shift from oilseeds into spring wheat, durum wheat, and special crops. Total production of grains and oilseeds is expected to decrease due to lower yields, after favorable growing conditions in 1999/2000 led to record yields for many crops. Canadian exports of grains and oilseeds are projected to decrease due to lower exports of wheat and canola.

For more information, please visit:
http://www.agr.ca/policy/winn/biweekly/English/biweekly/volume13/v13n01e.htm

Planting Seed Consumption: Major Grains and Oilseeds

Table 1: Grains and Oilseed Consumption

	PLANTING SEED CONSUMPTION		
	MAJOR GRAINS AND OILSEEDS		
	'000 METRIC TONS		
Commodity	Average	1997/98	1998/99
	1993/94-1997/98		
Wheat	1,090	1,036	990
Oats	156	171	158
Barley	412	400	382
Corn	29	30	31
Rye	18	21	18
Flaxseed	33	38	35
Canola	36	40	40
Soybeans	71	66	67
Crop Years: August-July for wheat, oats, barley, rye, flaxseed, canola September-August for corn, soybeans			
SOURCE: Statistics Canada, Cereals and Oilseeds Review, September, 1999, Catalogue 22-007.			
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Sunflower Seed Situation and Outlook

Agriculture and Agri-Food Canada (AAFC) notes that Canadian sunflower seed production accounts for approximately five percent of world confectionary sunflower seed production and is a relatively small player in the world sunflower seed market. Production and value-added processing increased significantly during 1998/1999 and are expected to continue growing in 1999/2000 and the longer term. Production of confectionary sunflower seeds has been increasing relative to oilseed varieties in recent years due to increased processing activity and marketing opportunities on the prairies, and a price premium over the oilseed type. Manitoba accounted for about 68 percent of the production in 1999-2000, followed by Saskatchewan at 29 percent, Alberta at 2.5 percent and Ontario at 0.5 percent. The main producing areas are south-central

Manitoba, followed by south-western Manitoba and south-eastern Saskatchewan. Furthermore, processing of oilseed type sunflower seeds for the bird seed industry has been expanding.

In Canada, shorter season varieties have been developed for areas where the traditional hybrids cannot be grown. These varieties have the additional benefit of being able to be sown and harvested with the same equipment as cereal grains or canola whereas the tradition hybrids require specialized equipment. *Sunola* is a miniature, open-pollinated sunflower developed at the AAFC Research Station at Saskatoon. It requires 99-103 days to mature. The oil contentis equal to the best sunflower hybrids. *Sunwheat* is a dwarf hybrid sunflower that requires 100-110 days to mature. Its oil content is slighly lower than Sunola. It is more suited to the arid areas and able to withstand periods of summer heat better than some other crops. Both Sunola and Sunwheat have lower than traditional yields. There are no genetically modified sunflower varieties. According to industry sources, there are currently no plans to develop them.

For more information, please visit:
http://www.agr.ca/policy/winn/biweekly/English/biweekly/volume13/v13n02e.htm

U.S.-Canada Record of Understanding (ROU)

In December 1998, U.S. and Canada signed a Record of Understanding (ROU) designed to facilitate and expand U.S.-Canada bilateral trade in agriculture and Agri-food products. A component of the ROU is a 17-point action outlining specific commodity areas for expanding trade. Under seed trade, the Canadian Food Inspection Agency (CFIA) and USDA's Agricultural Marketing Service met with interested state, provincial and industry representatives in February 1999 to develop initiatives to streamline requirements and facilitate seed trade.

At the April 1999 U.S. - Canada Consultation session under the ROU, the U.S. raised the issue of U.S. seed lab accreditation that Canada recognize grade certificates issued by U.S. seed laboratories. Canada currently requires that seed be graded on a test made by a lab accredited by the Canadian Food Inspection Agency (CFIA). CFIA is in the process of delegating most accreditation to the Canadian Seed Institute. No U.S. labs are accredited at this time. The U.S. and Canada are continuing to explore options to streamline Canadian recognition of the accreditation of U.S. seed labs. USDA's Agricultural Marketing Service is the lead USDA agency on this issue.

For more information, please visit: http://www.fas.usda.gov/itp/us-canada.html

Plan for Legislative Renewal

(The following is taken from an article by Bill Anderson Ph.D., Saskatchewan Ag-biotech Regulatory Affairs Service (SARAS) printed in the Agbiotech Bulletin, Volume 7, Issue 3, March 1999).

The Canadian Food Inspection Agency in cooperation with Health Canada is examining current federal legislation regarding food inspection, agricultural inputs, and animal and plant health to determine if it meets the needs of consumers, industry and international trading partners. The CFIA and Health Canada consulted with private and public stakeholders and concluded that there was a need for a comprehensive review of the legislation. In order to achieve this the CFIA established a Task Force on Legislation. The goal of this Task Force is to develop a strategy and action plan for modernizing and/or consolidating the legislation.

The Task Force has developed a document entitled "Legislative Renewal: Exploring Options of Legislative Change." Initial stakeholder consultation indicated that there is strong support for legislative renewal. The preliminary findings of the Task Force was that there was strong support and recommendation for consolidation of the five food Acts (*Canada Agricultural Products Act, Meat Inspection Act, Fish Inspection Act, Food and Drug Act* (provisions related to food) and *Consumer Packaging and Labeling Act).* The goal of the consolidation is to simplify legislation by combining statutes covering similar sectors into a more horizontal legislation. The Task Force is also looking at modernization of existing legislation in order to ensure that it is current and responsive to the current and future needs of the CFIA. Legislative renewal is complex and involves input from government, stakeholders, responsible Ministers and Parliament.

For more information, visit the CFIA Internet Site at: http://www.cfia-acia.agr.ca/english/toc.html

Cartagena Protocol on Biosafety

After a series of negotiation sessions that spanned over five years, more than 130 countries meeting for a week in Montreal, Canada, adopted the Biosafety Protocol on January 29, 2000. Upon implementation, this first Protocol to the Convention on Biological Diversity (CBD) will provide a regulatory framework for international trade in bio-engineered products referred to as Living Modified Organisms (LMOs). Although the United States is not a party to the CBD, the U.S. participated in the negotiations as part of the Miami Group, a coalition of leading agricultural exporters that also included Argentina, Australia, Canada, Chile, and Uruguay. The Protocol ensures that each country will have an opportunity to obtain information before new biotech products such as genetically-modified seeds, are imported. It reaffirms each country's right to regulate bioengineered products, subject to existing international obligations. It also creates a framwork to help improve the capacity of developing countries to protect biodiversity.

Reaction to the announcement from the Canadian Grains Council (CGC) is quoted in the following CGC news release. Doug Mutch, representing the Canada Grains Council, was the only industry representative participating directly in the Biosafety Protocol negotiations. Begin text.

"Grains Council Gives Qualified Stamp of Approval to Biosafety Protocol."

Winnipeg, February 3, 2000. The Canada Grains Council accepts the Cartagena Protocol on Biosafety negotiated January 29 in Montreal, Council Chairman Henry Penner states, but cautions that the grain industry in Canada must keep a close eye on the operational details that are still to be worked out by future signatories to the Protocol.

The Canada Grains Council representative in these negotiations was Douglas Mutch, a member of the official Canadian delegation. Mutch says the Protocol that creates a global regime for the transboundary movement of living modified organisms is an acceptable compromise.

Mutch says the key benefit is the explicit legitimization of international trade in transgenic products putting the Protocol on a par, not above, the WTO agreement. The down side, Mutch says, is that any country can still ban trade in genetically modified products on a precautionary basis unbiased by scientific assessment.

Mutch says he was looking to the Protocol to improve trade in genetically modified products. Instead, he says, the new Protocol just continues the current situation where any country wishing to block the imports of specific genetically modified grains and oilseeds can delay the process for a long period of time.

The Grains Council Chairman Henry Penner says the Council is urging everyone in the grain industry to make sure that no trade disrupting provisions are written into the operational details of the Protocol. End text.

Trade

Average annual exchange rates for the current report year, as well as the last five years are presented in the following table.

Table 2: Canada - U.S. Exchange Rates

Average Annual Exchange Rates	
Year	$C in U.S. Funds
1994	0.7321
1995	0.7285
1996	0.7334
1997	0.7223
1998	0.6743
1999	0.6730
Source: Bank of Canada Review	

Table 3: Imports of Planting Seeds, Value

Canada: Imports of Seeds for Planting					
July/June Marketing Year					
Value in $Cdn					
	1994/95	1995/96	1996/97	1997/98	1998/99
United States	86,951,536	87,647,496	101,748,141	122,345,628	130,200,706
Netherlands	5,075,699	5,702,218	6,198,874	7,129,180	9,521,605
Chile	370,472	2,593,829	2,957,196	8,143,059	5,396,150
Germany	1,080,790	1,756,953	1,140,101	1,411,364	2,159,117
Argentina	97,106	26,950	1,073,361	2,052,190	3,983,811
United Kingdom	586,320	856,223	1,483,212	1,600,858	1,520,207
Japan	639,385	800,045	1,144,907	1,595,205	1,435,044
Denmark	1,706,275	1,167,966	884,914	473,983	1,196,071
France	533,809	933,373	726,161	1,114,041	1,270,670
Australia	346,174	356,702	361,421	1,283,847	2,208,052
Uruguay	777,798		352,304	1,681,496	1,194,540
Others	3,045,874	3,148,126	4,006,782	6,000,018	7,499,915
Total	101,211,238	104,989,881	122,077,374	154,830,869	167,585,888
01-Feb-00					
allm1999.wk4 - FAS/Ottawa - Source: TIERS, Statistics Canada					
HS: 1003009110, 1003009210, 100510, 1008100010,1008200010, 1201000010, 1205000010, 1206000010, 1209					

Table 4: Imports of Seeds of Forage Plants, Volume

Canada: Imports of Forage Seed					
July/June Marketing Year					
Units: kilograms					
	1994/95	1995/96	1996/97	1997/98	1998/99
United States	10,279,700	9,770,993	11,126,407	11,897,321	13,749,757
Denmark	151,309	955,961	342,708	178,995	417,408
Argentina	78,000	32,459		590,934	1,131,244
Netherlands	276,183	156,941	122,430	170,426	686,087
Uruguay	345,673	76,595		337,589	539,021
New Zealand	203,318	198,484	171,545	218,155	383,558
Germany	57,571	84,673	39,006	389,058	598,522
Australia	50,225	79,493	71,322	206,247	296,420
Italy	512,215	38,375	22,900	20,138	4,235
Belgium	90,233	60,719	54,178	208,575	162,227
China, P. Rep.	15,894		23	104,625	278,947
Others	208,080	161,744	157,685	409,900	202,002
Total	12,268,401	11,616,437	12,108,204	14,731,963	18,449,428
01-Feb-00					
form1999.wk4 - FAS/Ottawa - Source: TIERS, Statistics Canada					
HS: 120921, 120922, 120923, 120924, 120924, 120925, 120926, 120929					

Table 5: Imports of Lucerne Seed for Sowing, Volume

Canada: Imports of Lucerne Seed					
July/June Marketing Year					
Units: kilograms					
	1994/95	1995/96	1996/97	1997/98	1998/99
United States	1,305,266	1,014,957	1,091,542	1,433,022	1,269,470
Italy	512,215	18,000		39	
Australia	46,798	44,680	21,049	36,658	43,755
Afghanistan	105,978				
Uruguay				20,970	56,022
Germany	19,999		1,098	1,000	3,199
Pakistan		20,000			
China, P. Rep.	15,894			3,325	
France	5,056	1,653		872	3,406
Netherlands	1,152	2,880		2,278	4,224
Canada		22	5,103	1,875	1,056
Others	4,582	459	1,881	4,639	744
Total	2,016,940	1,102,651	1,120,673	1,504,678	1,381,876
01-Feb-00					
lucm1999.wk4 - FAS/Ottawa - Source: TIERS, Statistics Canada					
HS: 120921					

Table 6: Imports of Kentucky Bluegrass Seed for Sowing, Value

Canada: Imports of Kentucky Bluegrass Seed					
July/June Marketing Year					
Units: kilograms					
	1994/95	1995/96	1996/97	1997/98	1998/99
United States	2,132,905	1,341,356	2,407,597	2,564,922	3,275,121
Denmark	30,100	389,837	157,250		40,825
Netherlands	20,000	35,067	19,400		
Sweden		5,000	14,257		
United Kingdom	88				17,372
Canada			3,629	7,711	
Germany		605	2,124	4,598	
Others	0	0	0	0	0
Total	2,183,093	1,771,865	2,604,257	2,577,231	3,333,318
36,556					
kenm1999.wk4 - FAS/Ottawa - Source: TIERS, Statistics Canada					
HS: 120921, 120922, 120923, 120924, 120925, 120926, 120929					

Table 7: Imports of Rye Seed for Sowing, Volume

Canada: Imports of Rye Grass Seed					
July/June Marketing Year					
Units: kilograms					
	1994/95	1995/96	1996/97	1997/98	1998/99
United States	2,642,329	3,445,790	3,943,918	3,326,004	4,072,757
Germany		20,225	16,843	322,983	215,125
Belgium	88,233	59,978	50,607	170,000	140,000
Netherlands	132,701	14,358	66,005	88,321	112,951
Denmark		20,004	82,742	133,210	61,154
New Zealand	7,833	300	88,067	24,075	139,996
Uruguay	105,022				100,290
United Kingdom	1,063	2,605	60,625	2,386	
Australia			12,247		
Chile				10,200	
Italy		375	2,300		3,530
Others	1,814	750	2,400	8,146	1,666
Total	2,978,995	3,564,385	4,325,754	4,085,325	4,847,469
01-Feb-00					
ryem1999.wk4 - FAS/Ottawa - Source: TIERS, Statistics Canada					
HS code: 120925					

Table 8: Imports of Vegetable Seed for Sowing, Volume

Canada: Imports of Vegetable Seeds					
July/June Marketing Year					
Units: kilograms					
	1994/95	1995/96	1996/97	1997/98	1998/99
United States	1,044,379	1,316,089	1,124,576	1,238,218	986,487
Netherlands	113,613	119,816	127,018	126,604	135,397
China, P. Rep.	64,329	104,495	130,099	87,993	123,806
Chile	100,948	5,653	5,535	4,467	6,236
United Kingdom	19,943	1,872	26,380	16,781	13,631
Mexico	20,412	20,571	13,747	21,920	1,951
Denmark	59,486	99	312	4,329	3,724
Italy	4,261	4,001	11,524	9,150	25,419
Taiwan	24,074	2,555	2,580	14,949	5,254
Japan	1,546	2,302	582	9,523	16,915
France	7,792	2,108	4,770	7,205	6,493
Others	28,443	19,105	17,470	30,667	45,375
Total	1,489,226	1,598,666	1,464,593	1,571,806	1,370,688
01-Feb-00					
vegm1999.wk4 - FAS/Ottawa - Source: TIERS, Statistics Canada					
HS code: 120991					

Table 9: Imports of Seeds of Herbaceous Plants for Sowing, Volume

Canada: Imports of Herbaceous Plant Seeds					
July/June Marketing Year					
Units: kilograms					
	1994/95	1995/96	1996/97	1997/98	1998/99
United States	30,695	24,269	26,689	15,415	19,074
Netherlands	2,646	3,773	3,708	1,180	1,371
United Kingdom	1,092	1,944	1,745	5,071	997
Germany	1,498	2,589	2,933	1,358	723
France	1,676	823	2,441	327	588
Japan	1,122	979	1,372	715	588
Denmark	141	306	301	484	90
Switzerland	121	1	16	383	65
Guatemala		29	4	190	217
Sudan				86	290
Costa Rica	213	43	16	82	5
Others	29	247	274	435	395
Total	39,233	35,003	39,499	25,726	24,403
01-Feb-00					
herm1999.wk4 - FAS/Ottawa - Source: TIERS, Statistics Canada					
HS code: 120930					

Table 10: Imports of Seeds of Selected Grains for Sowing, Volume

Canada: Imports of Grain Seed for Sowing					
July/June Marketing Year					
Units: kilograms					
	1994/95	1995/96	1996/97	1997/98	1998/99
United States	15,646	20,513	12,115	22,108	24,124
Chile	47	50	1,098	4,082	2,772
France	107	154	278	264	331
Argentina				0	351
Hungary					204
Canada			0	19	173
China, P. Rep.		6		1	33
Austria			1	2	36
New Zealand			3	13	6
Mexico			0	4	17
Thailand	20				
Others	22	0	4	9	10
Total	15,842	20,723	13,499	26,502	28,057
01-Feb-00					
gram1999.wk4 - FAS/Ottawa - Source: TIERS, Statistics Canada					
HS code: 1003009110, 1003009210, 100510, 1008100010					

Table 11: Imports of Corn Seeds for Sowing, Volume

Canada: Imports of Corn Seeds for Sowing					
July/June Marketing Year					
Units: kilograms					
	1994/95	1995/96	1996/97	1997/98	1998/99
United States	15,617	19,256	10,940	19,563	17,780
Chile	47	50	1,091	3,964	2,766
France	107	154	278	264	330
Argentina				0	351
Hungary					204
Canada			0	19	173
Austria			1	1	35
Mexico			0	4	17
New Zealand			3	2	2
India	5				
Australia					3
Others	0	0	3	2	3
Total	15,776	19,460	12,316	23,819	21,664
01-Feb-00					
corm1999.wk4 - FAS/Ottawa - Source: TIERS database, Statistics Canada					
HS code: 100510					

Table 12: Imports of Selected Oilseeds for Sowing, Volume

Canada: Imports of Oilseeds for Sowing					
July/June Marketing Year					
Units: kilograms					
	1994/95	1995/96	1996/97	1997/98	1998/99
United States	2,186,947	3,769,429	12,115	10,116,162	15,855,373
Chile		44,296	1,098	508,846	429,831
Australia	25,194	18,708		277,738	460,090
Argentina		2,831		323,451	375,059
Canada			0		187,071
Belgium				6,461	99,163
New Zealand		11,900	3		38,192
United Kingdom				5,225	21,995
China, P. Rep.				3,761	10,782
Japan		100		5,609	2,823
Denmark				1,584	3,754
Others	1,400	0	283	3,202	4,356
Total	2,213,541	3,847,264	13,499	11,252,039	17,488,489
01-Feb-00					
oilm1999.wk4 - FAS/Ottawa - Source: TIERS, Statistics Canada					
HS code: 1201000010, 1205000010, 1206000010					

Table 13: Imports of Soybean Seeds for Sowing, Volume

Canada: Imports of Soybean Seed					
July/June Marketing Year					
Units: kilograms					
	1994/95	1995/96	1996/97	1997/98	1998/99
United States	58,012,373	64,894,090	209,349,467	290,289,802	267,702,879
China, P. Rep.	109,334	131,357	309,509	449,876	632,031
Japan	175,147	297,939	558,722	189,522	223,922
Taiwan	159,841	163,464	262,979	360,059	131,829
Chile		9,084	22,956	408,844	408,844
Argentina				369,697	431,237
Thailand	124,166	71,379	89,558	131,017	89,838
Canada	1,518	1,427	681	242,052	242,843
Hong Kong	39,540	13,666	2,759	69,920	80,644
Korea, South	20,761	24,928	14,560	345	327
India	17,798	6,579	3,338	22,077	10,180
Others	38,810	6,630	31,610	35,134	19,921
Total	58,699,288	65,620,543	210,646,139	292,568,345	269,974,495
01-Feb-00					
soym1999.wk4 - FAS/Ottawa - Source: TIERS database, Statistics Canada					
HS code: 1201					

Table 14: Imports of Sunflower Seeds for Sowing, Volume

Canada: Imports of Sunflower Seeds					
July/June Marketing Year					
Units: kilograms					
	1994/95	1995/96	1996/97	1997/98	1998/99
United States	286,478	264,820	229,353	1,685,307	2,726,689
United Kingdom			100	5,225	21,995
Japan		100	505	2,476	2,733
Netherlands					3,419
Argentina		2,831			
Chile		120			
Canada			58		
Others					
Total	286,478	267,871	230,016	1,693,008	2,754,836
01-Feb-00					
sunm1999.wk4 - FAS/Ottawa - Source: TIERS database, Statistics Canada					
HS code: 1206000010					

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CA0011	Future of Biotechnology in Canada - New Expert Scientific Panel	02/08/2000
CA0012	Current Canadian Regulatory Framework	02/08/2000
CA0013	State of Biotechnology Debate in Canada	02/09/2000

Related FAS/Ottawa grain and feed reports:

Report Number	Title of Report	Date
CA0005	Prairie Winter Wheat Plantings Up 41%	02/02/2000
CA9128	Total Wheat Production Up Nearly 2½ Percent	11/22/1999

Related FAS/Ottawa oilseeds and products reports:

Report Number	Title of Report	Date
CA9120	Rapeseed and Soybean Exports: July 1999	09/28/1999
CA9108	Canola Production Up Nine Percent for 1999/2000	09/09/1999

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