

USDA Foreign Agricultural Service

# GAIN Report

Global Agricultural Information Network

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## This Week in Canadian Agriculture - Issue 13

### Report Categories:

Agriculture in the News

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### Report Highlights:

Greek Yogurt Production Capacity to be Expanded with Support from Quebec Government \* U.S. Food Recycling Company Buys Canadian Rendering and Biodiesel Plant \* Field Crop Stocks Report Released \* Health Canada Seeking Input on Regulations Intended to Protect Honey Bees \* U.S. Food and Drug Administration and Canadian Government to Hold Stakeholder Outreach Session on Proposed Rules under FSMA \* Funding for Canola Disease Resistance Research Announced \* Funding to Improve Competitiveness of the Canadian Beef Industry Announced

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.

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*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.

**Greek Yogurt Production Capacity to be Expanded with Support from Quebec Government:**

Danone Canada has announced plans for a \$C40 million expansion of its Oikos Greek yogurt manufacturing capabilities in Boucherville, Quebec. The announcement of the expansion was made in Boucherville on September 6, 2013, with the government of Quebec contributing \$C5 million in an interest-free loan. According to the Danone Canada representative, the expansion is needed to meet local demand and the money will be used to purchase milk tanks, strainers, separators and a full Greek yogurt line. Dairy giant Saputo has also announced plans for expansion. The expansion of its Brandon, Ontario operation, which was first announced in February 2013, is being done to accommodate new products, including a cottage cheese line. Saputo, which closed smaller plants earlier in the year, says this expansion is part of Saputo's efforts to improve efficiencies.

**U.S. Food Recycling Company Buys Canadian Rendering and Biodiesel Plant:** Texas food recycling company Darling International has bought Rothsay, Canadian food processor Maple Leaf Foods's rendering and biodiesel business. Rothsay operates six rendering plants in Manitoba, Ontario, Quebec and Nova Scotia and a biodiesel facility in Quebec. Rothsay renders restaurant grease and animal byproducts from its meat packing operation into animal feed, edible lard, biodiesel and cosmetics. The sale, which is expected to close by the end of 2013, is contingent on approval by Canada's Competition Bureau. Canada's Competition Bureau is mandated to review the sale when the value of the assets exceed 50 million dollars, or when the value of the amalgamated company exceeds \$C80 million, and when the combined dollar value of the parties and their respective affiliates exceeds C\$400 million.

**Field Crop Stocks Report Released:** Statistics Canada has released its *Stocks of Principle Field Crops* report. The data is based on the *July Farm Survey* conducted from July 24 and August 5. Stocks are down for wheat, canola, barley and oats. High prices have resulted in more grain moving into the system. Total wheat stocks have been drawn down to 5.1 million metric tonnes (MMT), the lowest

level since 2007. Canola stocks fell 14.0% to 608.1 thousand metric tonnes (TMT) and are at extremely low levels. The five year average is 1.5 million. Barley stocks decreased 17.7% and stocks of oats have declined 36.9% from a year ago.

Statistics Canada's *Stocks of Principal Field Crops, July 31, 2013* is available at the following URL address: <http://www.statcan.gc.ca/daily-quotidien/130906/dq130906c-eng.pdf>

### **Health Canada Seeking Input on Regulations Intended to Protect Honey Bees:**

The Pest Management Regulatory Agency (PMRA) of Health Canada has opened a 90 day consultation period to solicit input on proposed measures to mitigate risks to pollinators related to the use of neonicotinoid treated corn and soybean seed. The 90-day consultation period closes on December 12, 2013. The PMRA made the determination that it is necessary to implement measures to address the impact of neonicotinoid treated corn and soybean seed on bees and other pollinators. According to the PMRA's consultation document, the agency came to this conclusion after investigating high rates on pollinator mortality in the spring and summer of 2012, and again in 2013. PMRA states within its consultation document that bee health is a complex issue that goes beyond the incidences in 2012 and 2013 and involve a number of factors including parasite, disease and climate. They are also working with the United States Environmental Protection Agency. According to statistics published by the Canadian Association of Professional Apiculturists, increases in honey bee deaths in Canada were highest in Manitoba and Ontario highest, jumping from 16%, 12%, respectively, in winter 2011-2012 to 46.4%, 37.9%, respectively in winter 2012-2013.

The consultation document and information on how to participate in the consultative process can be found at the following URL address: [http://www.hc-sc.gc.ca/cps-spc/pest/part/consultations/\\_noi2013-01/noi2013-01-eng.php](http://www.hc-sc.gc.ca/cps-spc/pest/part/consultations/_noi2013-01/noi2013-01-eng.php)

**U.S. Food and Drug Administration and Canadian Government to Hold Stakeholder Outreach Session on Proposed Rules under FSMA:** The Canadian government and the United States Food and Drug Administration (FDA) will be holding a public listening session on four framework rules (regulations) that are being proposed under the U.S. Food Safety Modernization Act (FSMA). The information session is being held in the afternoon of September 18, 2013 in Ottawa. The proposed rules being explained are (1) current good manufacturing practice and hazard analysis and risk-based preventative controls for food, (2) standards for growing, harvesting, packing, and holding of produce for human consumption, (3) foreign supplier verification programs for importers of food for humans and animals and (4) accreditation of third –party auditors/certification bodies to conduct food safety audits and to issue certifications.

More information on FSMA can be found at the following URL address: [www.fda.gov/food/guidanceregulation/fsma/default.htm](http://www.fda.gov/food/guidanceregulation/fsma/default.htm)

**Funding for Canola Disease Resistance Research Announced:** On September 4, 2013, the Canadian government announced an investment of C\$4.2 million for research that will focus on blackleg and sclerotinia disease resistance in canola. The funding was awarded to the Saskatchewan Canola Development Commission (SaskCanola), a producer-led organization whose mandate is to enhance canola producers' competitiveness and profitability through research, market development and communication activities. Blackleg and sclerotinia are both serious diseases caused by fungi which can

result in significant yield loss in canola. This research funding comes out of the 5-year, up to C\$698 million AgriInnovation Program which operates under the Growing Forward 2 policy framework.

More information about this announcement can be found at the following URL address:

[http://www.agr.gc.ca/cb/index\\_e.php?s1=n&s2=2013&page=n130904a&src=hp](http://www.agr.gc.ca/cb/index_e.php?s1=n&s2=2013&page=n130904a&src=hp)

#### **Funding to Improve Competitiveness of the Canadian Beef Industry Announced:**

On September 4, 2013, the Canadian government announced research investments of over \$C1 million to support the beef industry's efforts to seize opportunities and respond to market challenges. An investment of \$C827,050 is being made to BIO, a producer cooperative, who will use the funds to conduct research in order to increase producers' understanding and use of genetic evaluations so that they may better anticipate and select genetic traits that the market place will demand. An investment of C\$264,110 has been awarded to the Ontario Cattlemen's Association. The aim of the research is to improve feed efficiency for beef cattle based on a comprehensive analysis of their liver function. The funding research investments are being made through the Canadian Agricultural Adaptation Program (CAAP).

More information about these research projects can be found at the following URL address:

[http://www.agr.gc.ca/cb/index\\_e.php?s1=n&s2=2013&page=n130904&src=hp](http://www.agr.gc.ca/cb/index_e.php?s1=n&s2=2013&page=n130904&src=hp)

#### **Exchange Rate:**

Noon rate, September 16, 2013 (Bank of Canada): U.S. Dollar = C \$ 1.0316

#### **Most Recent Reports from FAS/Ottawa:**

<b>Report #</b>	<b>Name of Report</b>	<b>Date Submitted</b>
CA13046	2013 Livestock Annual	09/06/2013
CA13045	CFIA Releases Food Safety Forum Consultation Report	08/21/2013
CA13044	This Week in Canadian Agriculture – Issue 12	08/01/2013
CA13042	Wine and Spirits	07/26/2013
CA13041	Grain and Feed Annual	07/26/2013
CA13040	Poultry Annual	07/24/2013
CA13039	CFIA Consults on Fertilizers Regulations Modernization	07/19/2013
CA13037	CFIA Announces New Deadline in Food Safety Consultations	07/08/2013