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## Canada

### Agricultural Situation

#### This Week in Canadian Agriculture, Issue 45

2001

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**Report Highlights:** "What's New, EH?" \* Worst Year for Ontario Soybeans \* Honey Production Stable in 2001 \* Dramatic Decline in Maple Products Production \* Cavendish Farms Expands Potato Processing Holdings in the United States \* Ontario Invests C\$10 million in Wine and Grape Industry \* HACCP Program for Ontario Dairy Farms \* Bio Control for Major Potato Pest Shows Promise \* SUSTA's "Go South" Program in Canada.

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Includes PSD changes: No  
Includes Trade Matrix: No  
Unscheduled Report  
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This Week in Canadian Agriculture is a weekly 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. Substantive issues and developments are generally also reported in detail in separate reports from this office.

Disclaimer: Any press report 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.

**WORST YEAR FOR ONTARIO SOYBEANS:** According to newswire reports, Ontario farmers are under a lot of stress as many acres of corn and beans remain unharvested. Heavy rainfall for the past two months seriously delayed the corn and soybean harvest. The Ontario Ministry of Agriculture, Food and Rural Affairs said the harvest has been significantly delayed by wet weather since mid-September and 20 to 30% of the soybean crop was still in the field at the beginning of November. Yields are ranging from 0 to 40 bushels/acre. The overall average for Ontario is likely to be in the low 20's, the lowest on record since 1960. As a result, the year 2001 will likely go down in history as one of the worst on record for Ontario soybeans. A potential shortage in soybean seed supply prompted the Canadian Seed Growers Association to declare an emergency situation allowing for the re-certification of soybeans from fields planted to certified seed, provided all the requirements for pedigreed seed production are met. For more information on the seed situation see CA1146.

**HONEY PRODUCTION STABLE IN 2001:** According to Statistics Canada, Canadian honey production during 2001 is estimated at 31,733 metric tons, virtually unchanged from a year earlier, but 7% below the 1995-99 five year average. Canadian exports of honey, mostly to the United States, reached 15,297 metric tons during 2000. China is the dominant player in the Canadian honey import market, capturing more than 70% of total Canadian honey imports of 2,824 metric tons in 2000. Alberta, Saskatchewan and Manitoba are Canada's major honey producing provinces. The average amount of honey produced per colony is among the highest in the world due to the long summer days of the northern latitude, high sunshine hours and vast areas of crops and forages. In 2000, the average amount of honey produced per colony was 52.6 kilograms. For more information, see the Honey Update, CA1162.

**DRAMATIC DECLINE IN MAPLE PRODUCTS PRODUCTION:** Canadian production of maple products (syrup, sugar and taffy) in 2001 fell to 4.4 million imperial gallons, down 40% from the 2000 level of 7.3 million imperial gallons. According to Statistics Canada, the decline was caused by a short spring in Quebec, resulting in less sap. Production in Ontario was also sharply lower. However, stocks of maple products from previous years will ensure that a steady supply will be available to consumers. The drop in production reportedly resulted in returning prices in Quebec closer to historical levels in the \$C30/gallon range. Most Canadian maple product exports are destined for the United States, but Canada also exports maple products to Japan, Germany, United Kingdom and France.

**CAVENDISH FARMS EXPANDS FROZEN POTATO PRODUCTION IN THE UNITED**

**STATES:** Cavendish Farms of Dieppe, New Brunswick, will purchase the Aviko USA potato processing plant located in Jamestown, North Dakota. According to the company's press release, the sale is expected to be concluded by November 30th, 2001 and will make Cavendish Farms the fourth largest processor of frozen potato products in North America. The Jamestown plant produces a wide variety of frozen potato products for the restaurant business. The 206,000 square foot facility employs 250 people and produces 270 million pounds of frozen potato products per year. Cavendish Farms has two state-of-the-art processing plants in Prince Edward Island, with head offices in Dieppe, New Brunswick and sales offices in Montreal, Toronto and Boston. Cavendish Farms is part of the Irving group of companies, a family business in operation for over 100 years that is headquartered in New Brunswick. "The Jamestown processing plant enables our company to increase production capacity in the United States and pursue exciting new growth opportunities," said Robert Irving, President of Cavendish Farms.

**ONTARIO INVESTS C\$10 MILLION TO BOOST GRAPE AND WINE INDUSTRY:**

Ontario's Ministry of Agriculture, Food and Rural Affairs, is providing half of the C\$20 million funding to the recently launched Ontario Wine Strategy, a 20-year plan aimed at ensuring Ontario wines compete successfully for their share of Ontario and selected export markets. The Ontario Wine Council, Vintners Quality Alliance Ontario and the Ontario Grape Growers Marketing Board will provide the balance of the C\$20 million project funding. The government money is being provided under a five-year, \$200-million Rural Economic Development program which is a component of the Ontario Small Town and Rural Development Initiative to assist rural Ontario. "The wine industry has really become a catalyst for tourism in the Niagara region and across Ontario," said provincial member of Parliament Tim Hudak. "The wine industry is very appreciative of the ministry's financial partnership, which makes it possible for us to execute our exciting new strategic plan," said Paul Speck, Chair of the Wine Council of Ontario. "This is the culmination of a long partnership between the ministry and the industry that has led to tremendous successes in the past and will help create a vibrant future for the wine industry."

**HACCP PROGRAM FOR ONTARIO DAIRY FARMS:** The province of Ontario is investing almost C\$2.7 million to develop and implement a Hazard Analysis and Critical Control Points (HACCP) program for Ontario's dairy farms. HACCP is an internationally recognized system for ensuring food safety. "The Dairy Farmers of Ontario (DFO) organization and owners of the 6,300 dairy farms operating in the province, will fund the balance of the nearly C\$20 million project, which will be integrated into the current regulatory framework of Ontario's dairy industry", said Ontario's Agriculture, Food and Rural Affairs Minister Brian Coburn. Implementation of the HACCP program is being carried out under the DFO's Dairy Quality Assurance Program and will include a review of all production processes and systems to identify potential hazards and the best ways to avoid them on dairy farms. It will also require each producer to develop written standard operating procedures for key control points; monitor and record performance; and define a corrective action protocol if problems do occur. It will be implemented in stages and all Ontario dairy farms are expected to have the program in place by May, 2004.

**BIO CONTROL FOR MAJOR POTATO PEST SHOWS PROMISE:** A new biological control for North America's most destructive potato pest, the Colorado potato beetle is performing well in studies at the Lethbridge Research Centre and may provide valuable,

environment-friendly, control. According to Dr. Mark Goettel of the Lethbridge Research Centre, *Beauveria bassiana*, a naturally-occurring fungus in soils worldwide, shows good potential to control the pest. The fungus is registered in the U.S. as a leaf spray for potatoes, but is not commonly used by potato growers, says Goettel. A key drawback to leaf application is that sunlight can kill off the fungus before it has any affect on the beetles. Goettel's group is investigating a different approach. The idea is to target the beetles in the soil where they spend more than half of their life cycle. Beetle larvae drop down to pupate within the soil during mid-summer, and adults burrow into the soil to overwinter. Goettel says that the Colorado potato beetle has ravaged potato crops in Eastern Canada and the United States and increasingly threatens western Canadian producers. With limited alternatives, farmers have relied heavily on chemical controls, a practice that has led to resistant beetle populations. For the full report see <http://res2.agr.ca/lethbridge/rep2001/rep1115.htm>

**SUSTA's "GO SOUTH" PROGRAM IN CANADA:** Faye Clack Marketing & Communications, SUSTA's marketing representatives in Canada, have been honored by Produce Business Magazine. A Marketing Excellence award for Best of the Class in Graphics from Produce Business was awarded for their Mardi Gras theme promotion. The highly graphic theme "Go South! For Quality Produce from the Southern U.S." was emphasized with colorful beads, coins, banners and posters in Canadian supermarkets as a way to beat the winter blues. Many traditional Mardi Gras dishes such as king cake, jambalaya, catfish and gumbo were highlighted as innovative ways to use Southern U.S. product in dishes.

**Did You Know...** According to Agriculture and Agri-Food Canada, there are over 12,000 maple syrup producers and 9,500 maple farms in Canada.

Recent Reports from FAS/Ottawa:

Report Number	Title of Report	Date
CA1157	Frozen French Fry Annual	11/8/2001
CA1158	This Week in Canadian Agriculture, 44	11/09/2001
CA1160	Anti-Dumping Investigation; U.S. Fresh Tomatoes	11/13/2001
CA1161	Canadian 2002 Foodservice Sales Forecast	11/16/2001
CA1162	Canadian Honey Update	11/20/2001

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