



Agriculture is Everyone's Business

To: Agriculture and Agri-Food Canada

From: Agriculture Producers Association of Saskatchewan (APAS)

**Re: "Crop Variety Registration in Canada: Issue and Options for the Future", Part B:
"Questions for Discussion"**

- 1. What advantages and disadvantages does the current variety registration system bring to the Canadian crop sector, nationally and internationally? To the particular crops that you are most involved with? Please specify crop (if applicable) and explain.*

APAS Response:

- a) The current variety registration system provides for the orderly classification of Canadian milling wheat by specific end-use:**

As laid out in the discussion paper, variety registration is the "backbone" of Canada's Grain Quality Assurance System. The information obtained through data collection and quality testing provides the Canadian Grain Commission with the necessary intelligence to properly designate new varieties into Canada's existing market classes of milling wheat.

Saskatchewan producers are adapting to new market opportunities by growing a more diversified portfolio of spring wheat. The CWRS class, however, continues to account for the vast majority of wheat planted in Saskatchewan. According to Statistics Canada crop report (2012), almost 90% of wheat seeded in this province belonged to the CWRS class. While slowly being complimented by varieties with broader end-use specifications, the CWRS class is still the principal choice for Saskatchewan producers by a commanding margin.

Producers have expressed concern that an unregulated variety registration would destabilize Canada's wheat classification system. Carefully and clearly defined classes function as a form of price reference, giving producers greater assurance in the quality and value of the product they are bringing to market.

Recommendation #1: Any reductions in the registration requirements of Canada's premier milling classes of wheat and durum must be directly approved by a producer-elected body.



b) The current variety registration system provides for the foundation of Canada's quality assurance system and international brand reputation:

Since the technical end-use parameters of individual varieties are sometimes beyond the scope of the individual producer, the dictum, "the customer is always right" applies no less to the grain sector than to any other business. Although the removal of the CWB single desk has led to new market opportunities for primary producers, the sale of wheat in western Canada continues to be conducted in a highly centralized fashion. According to CGC's grain statistics weekly, approximately 88% of western wheat sold to licensed buyers was through the primary elevator system in 2012. Canadian grain companies, including the CWB and bodies such as Canadian International Grains Institute, possess functional knowledge with regards to the relationship between Canada's wheat classes and quality conscious markets. AAFC should leverage this knowledge throughout the consultative process.

Recommendation #2: AAFC should ensure that consumer preferences are given due weight in determining regulations affecting Canada's reputation as a supplier of high quality wheat.

c) The current registration system provides for, trusted, reliable agronomic and performance data which inform the production choices for all crop types:

The current system subjects candidate varieties to high agronomic and disease standards. Mandated field trials and scrutiny by expert evaluation teams are regulated checks against the entry of misrepresented varieties into the marketplace. Regionally specific agronomic traits and disease resistance should continue to be priority considerations when approving new varieties.

Susceptibility to infectious disease and agronomic deficiencies are serious concerns for all crop types. Poor agronomics and infectious diseases amount to significant economic losses within the grain industry (e.g. Fusarium Head Blight, estimated cost \$50 to \$100 million annually). To the individual farmer, these losses can prove catastrophic. The impact of known diseases can be mitigated over time by continual varietal improvement. Strong, regulated standards enforce this trend.

Recommendation #3: Reductions in supervised trial requirements, in relation to the collection of agronomic and disease data, must be directly approved by a producer-elected body.



2. Given the changes to the crop production sector in Canada highlighted in the engagement document, should Canada's approach to variety registration also change?

APAS Response:

The long-term economic viability of producers should be the primary consideration driving policy in the crop sector. Changes to variety registration will have clear financial impacts on producers: increased production potential, less certainty in agronomic performance, possible effects on brand reputation, etc. Each of these areas will impact producers in different ways, depending on operation size, proximity to markets, growing region, production choices, etc. This fact should not come as a surprise – diversity is a distinguishing feature of primary agriculture.

It should be up to producers to strike a balance that reflects this diversity. The current tiered system is a good foundation – the possibility of movement within the regulations allows for greater flexibility to embrace varietal innovation, while preserving some of the rigorous standards that have come to define the Canadian system. In order to optimize this flexibility, APAS recommends granting elected producers the lead role in determining the movement of crop types within the tiered system.

More time is needed to strengthen and organize the decision-making capacity of producers, as we are still responding to significant changes within the crop sector. APAS sees the formation of provincial wheat and barley commissions as a positive development. The strength of these commissions going forward is their democratic structure, which will ensure they remain accountable to the plurality of producers. AAFC should use the provincial cereal commissions as a potential model for decision-making within a more flexible variety registration system.

Recommendation #4 The variety registration system must meet the future needs of newly elected Saskatchewan cereal commissions, especially with respect to new registration requirements for wheat and barley.

3. Please explain why Canada's approach to variety registration should not change.

The tiered system has ample scope to allow for introduction of new, innovative varieties. In order to enhance flexibility, APAS recommends decision-making authority be granted to elected producers.



4. *If none of the proposed options meet the requirements or objectives you view as critical to the performance of Canada's crop production system, what changes would you or your organization propose?*

APAS strongly recommends AAFC delay any decision until reviewing comprehensive submissions from the duly-elected Saskatchewan wheat and barley commissions. It is our understanding that similar organizations in Manitoba and Alberta are making the same request.

APAS does not support option #3 or option #4 of the draft discussion paper.

Options #1 and #2 in the draft document propose increased movement within the tiered system with the possibility of some crops moving into tiers with fewer regulatory requirements. APAS considers this maybe a reasonable approach to modernization, provided all crop types remain in their current tier with movement occurring under the direct oversight of elected producers. We believe that crop types will move into their appropriate level of government regulation, if and only if, ultimate decision-making authority is vested in an elected body of primary producers. This would be the most efficient and equitable model for variety registration going forward.