



JUNE 2019

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## Ottawa Outreach 2019

In April, 2019, POGA sent an eight-member delegation to meet with Canadian Government officials representing the agriculture, trade and transportation sectors. The purpose of these meetings was to deliver key messages focused around the success of Canadian oats, oat research and grain transportation, among others. This year's delegates were: Art Enns, Alan Butuk, Chris Rundel, Darwin Trenholm, Bob Lepischak, Shawna Mathieson, Robynne Anderson and Tracey Foster.

Each year, the POGA delegation ensures that the Federal Government representatives are aware of the importance of Canadian oats - as part of a healthy diet; as a valuable rotation crop for soil erosion reduction, soil fertility and its positive effect on other crop yields; and to remind them that Canada is the largest oat exporter in the world (at about 75%) and thus a very important Canadian crop.

Over the three-day mission, the delegation broke into groups to enable POGA representation to attend 25 meetings with 36 officials, representing offices such as Agriculture and Agri-Food Canada (AAFC), Transportation, Trade, Stakeholder Relations, and Food Policy.

Key messages raised during meetings included:

- The Benefits of Oats: Oats are a true Canadian success story.
- Market Access: Highlighting the need to secure the phytosanitary certificate to gain access to China and diversify the Canadian export market to decrease the reliance on the US market.
- The North American Free Trade Agreement/United States-Mexico-Canada Agreement (NAFTA/USMCA).
- Continuing to work on market share in Mexico.
- Grain Transportation: Highlighting the continued concerns with ongoing transportation issues.
- Canadian Grain Commission: The importance of reducing the Canadian Grain Commission (CGC) fees, thereby returning the fees paid to the producers until the CGC surplus of over

\$130M is reduced to approximately a 6-month CGC operating reserve.

- National Food Policy: Highlighting the health benefits of Canadian grown oats which fit well into the school programs and the nutritional needs of all of Canadians, including the Northern populations.
- Oat Research: POGA's mandate is to increase grower profitability by tackling issues right from the start of the research cycle through production and, eventually, consumption. This research will also allow for continued improvement in oats. Support for research and development is needed to increase the number of final oat products.
- Sustainability: The importance of oats in crop rotations.
- "Value Creation" and the need for more information and options to meet the requirements of the entire industry (*See Value Creation article on page 2 for more information on this topic*).

"This annual mission to Ottawa is a great opportunity for the oat commissions to meet with the Government decision makers and ensure oats, and the producers that grow them, remain top of mind in Ottawa. This "facetime" is important and allows POGA to address issues and raise concerns that otherwise would likely be overlooked," stated Chris Rundel, Vice-Chairman for the SaskOats Commission and POGA board director. *See page 2 for a complete list of officials the POGA team met with.*



POGA representatives in Ottawa. Left to right: Bob Lepischak, Shawna Mathieson, Honourable Andrew Scheer, Art Enns, Chris Rundel

## **Complete List of Officials Met with During POGA Ottawa Mission**

Alistair MacGregor, MP for Cowichan-Malahat-Langford  
Andrew Scheer, MP for Regina-Qu'Appelle  
Bev Shipley, MP for Lambton-Kent-Middlesex  
Dean Alison, MP for Niagara West  
Earl Dreeshen, MP for Red Deer-Mountain View  
Francis Drouin, MP for Glenarry-Prescott-Russell  
Kelly Block, MP for Carlton Trail-Eagle Creek  
Larry Maguire, MP for Brandon-Souris  
Luc Berthold, MP for Mégantic-L'Érable  
Mark Eyking, MP for Sydney-Victoria  
Pat Finnigan, MP for Miramichi-Grand Lake  
Randy Hoback, MP for Prince Albert  
Robert Aubin, MP Trois-Rivières  
Ted Falk, MP for Provencher  
Dan Lussier, Policy Adviser for Marie-Claude Wagantall  
David Lahey, Stakeholder and Policy Analyst for Cathay Wagantall  
Omar Alghabra, Parliamentary Secretary for Jim Carr  
Donald Plett, Senator - Manitoba  
Jason Baillargeon, Director, Food Policy Division  
Roland Beshiri, Policy Analyst, Food Policy Division  
Randy Bismonte, Senior Program Officer, AgriMarketing – Assurance System  
Nathalie Durand, Executive Director, Crops and Horticulture Division  
Chris Forbes, Deputy Minister, Agriculture and Agri-Food Canada  
Liz Foster, Director General, Partnerships and Planning Division  
Annette Gibbons, Associate Deputy Minister, Agriculture and Agri-Food Canada  
Sergio Novelli, Sector Specialist, Coarse Grains  
Brian Rattray, Deputy Director, Crop Sector Policy Division  
Luc Rivard, was Executive Director for Canadian Food Inspection Agency, just transferred to AAFC, Market Access Secretariat  
Simon Renaud, Program Manager, AgriMarketing – Market Development  
Frédéric Seppey, Assistant Deputy Minister, Market and Industry Services Branch  
Marco Valicenti, Director General, Sector Development and Analysis Directorate  
John Corey, Canadian Transportation Agency  
Katie Filmore, Canadian Transportation Agency  
Ryan Dallaway, Canadian Transportation Agency  
Steve Aubut, Canadian Transportation Agency  
Robert Taylor, CP Railways



*POGA representatives in Ottawa. Left to right: Alan Butuk, MP Kelly Block, Tracey Foster, Darwin Trenholm. Complimentary oat products provided by Grain Millers Canada.*

## **Developing Value Creation for Cereal Breeding**

### **POGA Works for Oat Producers' Voices to be Heard**

The Grains Roundtable (GRT) is one of sixteen Value Chain Roundtables, and the Agriculture and Agri-Food Canada (AAFC) website explains that they were, “launched in 2003 as part of a shared vision between industry and government to enhance Canadian competitiveness and profitability.”

One of the topics being discussed is Value Creation Models for Cereal Breeding and the potential for AAFC to initiate regulatory changes concerning financial compensation to private and public seed breeders. At the October 25, 2018 GRT meeting, AAFC and the Canadian Food Inspection Agency (CFIA) presented two value creation models: end-point royalties and trailing royalties (also known as royalty collection enabled via contracts).

Beginning in November 2018, AAFC and the CFIA organized a series of in-person engagement sessions, including their own meetings and presentations at agricultural trade shows and other events (some of those Western events included CropSphere, CropConnect, Brandon Ag Days and FarmTech).

At these sessions producers repeatedly stated that they need further clarification on the two proposed models, such as a separate economic analysis for each crop affected. Producers also asked for a new model option to be developed that would acknowledge producers' input and recommendations made during the consultation sessions.

Here is the most current information on the two models as proposed and presented by AAFC:

<b>End Point Royalties</b>	<b>Farm-Seed Seed Contracts</b>
National, non-refundable royalty payable on all harvested material (i.e., grain) of eligible variety	Allows for contracts where producers agree to farm-saved seed conditions
Royalty collected at point of sale	Purchasers of certified seed for eligible varieties agree to extended contract on farm-saved seed use (e.g., agreeing to a 'trailing' royalty on farm-saved seed)
Royalties to be distributed to breeders based on market share of their respective varieties	Participating producers report on their annual use of farm-saved seed as part of their contractual obligation

AAFC stated they would only include a producer-proposed model as a third option in up-coming producer consultation sessions if one were presented to, and approved by, the GRT. "The POGA board felt that the input of producers who participated in these meetings should be included in the official consultation. Therefore, to ensure the producer voice was heard, in early January 2019 POGA made a formal, written request for the GRT to add a third, producer-requested option to the Value Creation Consultation process," states Shawna Mathieson, Executive Director. POGA suggested a revised model based on its interpretation of numerous producers' individual requests for revisions at the December 4 meeting in Saskatoon.

Based on producers' independent feedback at the consultations, POGA put forward this model for consideration: To increase check-offs/levies paid to the provincial commission, with 100% of that additional amount to be designated for breeding programs. Funds provided to each breeder would be determined by an independent company/agency, based on breeder-variety acres planted (this information can likely be obtained from insured seeded acres data). Breeders would be required to report annually to the commissions and the payment would be released to the breeder contingent upon commission approval of the report. All reports would be made public. Breeders would have one year to satisfy any concerns raised by the commissions (for example, 2020 funds would be released for that year's report, and the breeder would have one full year to satisfy any commission-stated concerns; if not satisfied by the 2021 reporting deadline, 2021 funds will be withheld until the 2020 concerns were addressed). This would allow for continuous funding and reduce the risk to

breeders of a sudden drop in funding. Producers' comments made regarding the advantages of this model included:

- Very little administrative burden, including at the elevator and grain-handling companies since they already collect and disperse levy dollars to the commissions now.
- Producer input would be provided back to the breeders and producers would be able to have a direct impact on, and knowledge of, where the dollars are spent.
- Dollars would be split between private and public breeders fairly as it would all be based solely on acres planted.
- One additional item to consider adding to the model is to hold back a small percentage (e.g., 10%), allowing the crop commissions the discretion to support either new, incoming breeders or requests from current breeders for items not covered in their current funding. The hold-back would be capped so this amount does not grow beyond the potential need.

This new proposal may, or may not, be the best path forward. However, the POGA board felt that since producers asked for this to be considered it should be included in the consultation process and, therefore, POGA continues to ask for it to be added to further 'Value Added' consultations.

In February 2019, the commissions of Western Canada recommended a panel of producers be formed to review a list of questions provided by AAFC for an online consultation and provide feedback on that questionnaire. Darwin Trenholm, POGA director from AB, has been selected to sit on this panel, which is made up of 11 producers, 8 of whom are from the Western provinces. The first panel meeting was held in April 2019.

Wade Hainstock, Board member from SK, represented POGA at the last GRT meeting on March 8, 2019 in Montreal to ensure POGA is keeping abreast of this important issue at the Roundtable level.

POGA's position, as reiterated in a recent Ottawa mission as well as in meetings and letters to AAFC and CFIA, include the following points:

- The proposed models are based on wheat; oats are different and need to be evaluated separately from other crops. For example, oats has the highest yield per acre amongst major crop competitors and Canadian oats has yield averages over twice that of Australian oats (Australia has had an EPR in place since 1996). In addition, oat yield gains over the past 6 years in Australia have not outpaced those here in Canada. One of these systems may provide a return on investment

for oat producers but a more in-depth analysis is needed before decisions are made.

- Producers' past investment in oat breeding programs should be considered and factored into the models. Oat producers have contributed, via commission levies, to all Western Canadian oat breeding programs. Any proposed models must demonstrate how they will provide value to producers.
- POGA supports producers' right to use farm-saved seed. Clearer details are needed as to how these models would affect producers in regard to farm-saved seed practices.
- Growers are concerned about the possible high administration costs and lack of transparency to producers regarding where the money will be spent. The final model should include accountability back to the producers.
- Currently in Canada, seed companies and breeders are able to place a Seed Variety Use Agreement on varieties registered after February 2015; questions have been raised, but not answered, on whether or not new legislation is actually needed and, if so, what advantages that will bring.
- Producers need, and deserve, evidence that initiating any new model will result in strengthening Canada's oat production including quality and/or yield.

Oat producers and producer commissions are not opposed to increasing support for breeders. They are, however, concerned that the two options presented may not meet the needs of the industry.

"Producers would like to thank AAFC for continuing to do outreach, such as the producer panel, and adjusting the timeline to ensure concerns can be addressed and we can get a solution that fits for the entire value chain," says Darwin Trenholm, POGA Board of Director and representative on the Value Creation Producer Panel.

The POGA Board encourages all producers to respond to the online consultation, when available, to ensure the voices of producers are adequately captured in this process.

## Focus on Oat Genomics

### New POGA-McGill Research Project

POGA recently contracted McGill University to conduct a two-year research project: *Tuning the Oat Genome with CRISPR-based systems*. Clustered Regularly Interspaced Short Palindromic Repeats (CRISPR) is a genome-editing technology that can be used to zero in on and modify stretches of genetic code and alter gene function to achieve favorable, or prevent unwanted, traits.

Dr. Jaswinder Singh from McGill's Department of Plant Science and Principal Investigator for the project, states the project: "will lay the foundation for a new genome editing method in oat." Dr. Singh will be collaborating with Dr. Nicholas Tinker, Agriculture and Agri-Food Canada Research Scientist, who is also engaged in oat genomics research.

In the project proposal, Dr. Singh states, "Our major objective is to integrate CRISPR-based genome editing approaches with oat breeding for the possible development of future generation of oat varieties. We will initially standardize the method with specific genes associated with  $\beta$ -glucan regulation, followed by efforts to improve fungal resistance."

Dr. Singh continues, "Increased interest in oats for human consumption is due primarily to its content of health-related bioactive components, especially  $\beta$ -glucan. Based on the cultivation, oat is the seventh most important cereal in the world, however, relatively few genetic/genomic resources are currently available for this crop."

Shawna Mathieson, Executive Director for POGA, explains, "The POGA board is taking a slow approach to researching and applying the CRISPR technology. This project will not create a "CRISPR oat" but will allow oat growers to know what opportunities are available by using the CRISPR technology if further research were to be completed in the future."

How genetics regulate the amount of  $\beta$ -glucan in oats is not well known. During a search to identify genes linked to  $\beta$ -glucan content, Dr. Singh's lab recently identified a novel gene (TLP8) that was regulating the  $\beta$ -glucan in barley, and the research team began 'tweaking' this gene to study how it may affect amounts. Dr. Singh also found that TLP8 gene is expressed in various oat species; what is not known is whether TLP8 affects  $\beta$ -glucan in oats in the same way it does in barley and that is one of the things Dr. Singh intends to find out, using a gene-editing approach.

Dr. Singh will also be conducting research for improved genetic control of various oat diseases, such as crown rust, stem rust, and fusarium head blight. Due to their single-gene traits, rusts are less complex and therefore, were one of the first traits to be studied by genetic researchers. However, Dr. Singh says, "focus has been on increasing the availability of marker-based tools for selective breeding, but these resources may not be sufficient for in-depth studies of gene function that will be required if oat research is to keep pace with that in other crops."

Dr. Singh believes that developing new methods for oat breeding will bring advancements. Genomics researchers have been gathering data and knowledge in many areas - however, oats have not received a lot of focus to date. Dr. Singh explains, "We will continue to interface with the international oat research community to build a roadmap for possible future integration of precise genome editing technology into mainstream oat genomics and breeding efforts if that is ultimately the desired outcome after this project is complete."

Dr. Singh will utilize CRISPR technology because it is efficient, inexpensive and user-friendly. "These genome editing tools could be used to tweak important genes in the oat genome, especially those involved in disease resistance, oil content, and health-related compounds such as  $\beta$ -glucan," says Singh.

POGA funds this project in part with support from the AgriScience Program—Project Component under the Canadian Agricultural Partnership.

## **Prairie innovation + collaboration = the first organically bred oats**

**By Jess Paul\***

Q: What do you get when you cross groundbreaking research into organically bred oat varieties with funding from the world's largest organic oat processor, two big names in the organic cereal bar industry, and the federal government?

A: Canada's first organically bred oat varieties: AAC Oravena and Kongsore. These varieties are the result of a project led by Agriculture and Agri-Food Canada (AAFC) oat breeder Dr. Jennifer Mitchell Fetch with financial support from Yorkton's Grain Millers, Nature's Path and Clif Bar, as well as the AAFC Organic Science Cluster. Beginning in 2018 the Prairie Oat Growers Association (funded by the provincial oat development commissions in Alberta, Saskatchewan and Manitoba) also added annual financial support to this organic breeding program.

At its core, plant breeding involves making crosses and selecting the varieties or cultivars that respond the most favourably. In Canada all publicly funded breeding (and private breeding for that matter) is managed under conventional agricultural systems, where plants are fed fertilizer, sprayed for weed competitiveness and/or with fungicides.

"Given our involvement in the organic oat sector, we started to wonder if different genetics would express themselves better if plants were bred under organic conditions – something that hadn't been done before," Grain Millers' General Manager Terry Tyson explained. As

reported in the 2018 Winter issue of Abundance, Grain Millers will finalize a \$100 million dollar expansion of its Yorkton facility resulting in a second mill that will help the company double its capacity, as well as keep its organic and conventional products separate.



*Garry Johnson, SaskOats & SaskOrganics Board Member; Jennifer Mitchell Fetch, AAFC Oat Breeder; and Terry Tyson, Grain Millers*

"We didn't have any answers at the time, but we soon found out that Jennifer Mitchell Fetch had already been looking into this and was way ahead of us. We caught up with her, decided to fund the program, and sought an industry partner to inject meaningful dollars into it to ensure its sustainability."

Clif Bar was the program's initial industry partner. Nature's Path came to the table at the eleventh hour with a significant contribution to the program after Clif Bar withdrew its funding after three years. "We couldn't have come this far without Clif Bar, and then Nature's Path came to the rescue and helped ensure we could continue," Tyson said.

"It was exciting when we saw positive developments during the organic trials and found a variety that, under organic management, outperformed all of the established conventional varieties in a number of ways. It was interesting enough and performed well enough to think, okay, there really is something here!" Tyson said.

Once it went through organic trials, Dr. Mitchell Fetch entered Oravena into the Western Co-op Trials where it underwent conventional performance testing at a number of sites throughout Western Canada for agronomic traits, disease resistance and processing characteristics.

"Oravena performed well enough under organic conditions and more than held its own under conventional trials," Tyson said. At the end of the process, industry experts recommended Oravena for registration based on a number of features including yield, nutrition, milling characteristics, lodging and disease resistance, as well as early maturity.

“At that point, we were at a cross roads – here we had a variety that’s recommended for registration, but no conventional seed company would want to register such a niche variety to bring to market. So, we took the next step and decided that if it’s going to see the light of day, it’s going to need to be Grain Millers that makes the investment,” Tyson explained.

Grain Millers registered Oravena in 2014 and bought the breeder’s seeds. They partnered with Kamsack’s Fedoruk Seeds to develop and commercialize the seed stocks. Fedoruk Seeds, in turn, engaged with area organic farmers to participate in the seed production. This process was not without delays.



*Oravena oats near Swift Current, SK in 2018*

“We developed the seed organically and that limited the availability of suitable acres and really lengthened the time of bringing it to market,” Tyson said, adding that extreme weather conditions (both too wet and too dry) also delayed Oravena’s production three years in a row.

“There will be some commercial Oravena seed available again this year, however, we’re still not at a place where it’s self-sustaining. We need to keep building those foundational levels,” Tyson noted, adding that Kongsore, which was registered in March of 2018, will be developed conventionally. Producers who grow the varieties commercially are not bound by closed-loop contracts, and thus are able to sell their production to interested buyers.

So how does it feel to have been a part of creating the first certified organically bred registered cereal grain variety in Canada, and perhaps the world? “It’s incredibly gratifying to see the breeding process producing varieties we weren’t sure that it would. It’s something that would never have happened without Dr. Mitchell Fetch’s research,” Tyson said. “The end game is better organic

oat genetics and we’re excited to see where this takes the industry.

\* This article first appeared in the Spring 2019 Issue of Abundance, the Official Publication of SaskOrganics. <http://saskorganics.org/abundance-magazine/>

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## **POGA Tours the Vancouver Port Terminal** ♦ **On A Mission to Move Oats to Where They Need to Go**

Moving grain from across Canada to the final purchasers is a complex undertaking. Many parts must work together to make up the system that transports grain from the farm to where it needs to go. The agricultural industry has experienced transportation delays and obstructions many times and this has a major effect on farm finances, domestic grain sales, and trade.

The POGA Board decided it was time to have a first-hand look at one of those working parts of the transportation system and arranged a March 20, 2019 tour at the Port of Vancouver. The tour was an add-on to meetings already called in Alberta and this enabled cost-efficient travel for a valuable educational opportunity. POGA Executive Director Shawna Mathieson explains, “The Board decided that with all the transportation concerns and the continuing discussion on transportation in Ottawa and through groups like the Crop Logistics Working Group, it would be beneficial to gain a better understanding of Port operations and issues occurring from the Port perspective. The information we gathered was incredibly valuable and we spoke to it often while in Ottawa meeting with the Government on transportation issues.”

The POGA team toured the Vancouver Port, led by Doug Mills, Senior Account Representative, Trade Development for Vancouver Fraser Port Authority. Alan Butuk, POGA Vice-President explains, “The Port of Vancouver provided a waterfront tour and we learned much about port systems and operations.” Alliance Grain Terminal also extended a welcome to POGA and provided a tour of their facility. POGA Vice-President Ray Mazinke shares, “We went through the whole facility from unload to cleaning, logistics and finally loading.”

The group was on hand to witness a happening that has been a transportation issue of concern. Mathieson shares, “During the tour, we did not get to see a ship being loaded because the train that was supposed to supply that grain was late.” Mazinke adds, “Since it was not loading as scheduled, at least we were able to tour the ship for an explanation as to how things are loaded and stored.”

Even though most producers have general knowledge as to what happens at the ports, the group was pleased with

the greater understanding they gained. Butuk states, “It’s surprising how much more there is to learn about the system. For instance, the Port of Vancouver is its own special service area that operates independently from the City, Province, or National governments. It collects fees and operates a separate budget. One topic we focused on is how this Port compares to other Ports in Canada and how it serves the oats industry. This will help the POGA Board explore options with industry partners.”

Mazinke says, “Cars are always on route to the terminal for unloading and without good coordination there can be delays - the speed to unload, clean and load was impressive, as was their confidence to hit grades. The boat tour gave us a feel for the whole Port area, all the players in the Port, and the new G3 Terminal construction<sup>1</sup> on the north shore.”

Mazinke continues, “Alliance Grain Terminal site was totally upgraded to increase ship-loading speed. They dredged to accommodate the larger, newer ships, which allows them to load the entire ship in one spot rather than having to move it two or three times. Ship loading is complicated and weight distribution is important. In the past the unload system couldn’t reach the whole ship so many costly and time-consuming turns were needed.”

Oat producers know that under-capacity or outdated transportation infrastructure is the main factor in many delivery failures, but specific examples can still be eye-opening. Mazinke says, “I also gained an appreciation for the complexity of the Thornton Tunnel which is used for rail traffic in and out and is ventilated for 20 minutes to remove locomotive exhaust after each train passes. If that isn’t complex enough, the Second Narrows Bridge, connected to the end of the tunnel, has to stop rail traffic frequently to allow sail boats and large ships to cross under the bridge. Even a relatively small sailboat shuts the bridge down. It’s hard to believe recreational sailors affect our National Exports!” There is a proposal for

increased ventilation to reduce the ventilation time to about five minutes, allowing more capacity through the Thornton Tunnel. In 2018, POGA wrote a letter of support for this project and addressed the issue while speaking with many Federal Government representatives while in Ottawa in April.



*POGA Board Touring the Alliance Grain Terminal in Vancouver, BC.*

Mazinke shares his general impressions: “When touring the facility we realized a few things that we didn’t think happened. Ships are often loaded with different commodities and sometimes two different products or grades were loaded in the same compartment and kept separate by a divider. Having grain come into the facility clean from foreign material wasn’t a big concern. They can clean so well and so quickly, and actually add dockage in some cases to meet their grades, so they actually want grain with some dockage. We are always told dockage is a cost, but this is not exactly true. I always knew that we really should not have deductions for one or two percent dockage but we do and I’m sure that won’t change.”

Mazinke continues, “In general, our claim that the rail infrastructure is the kink in the system appears, unfortunately, to be confirmed. Everyone is concerned that the steady flow to meet increasing exports will be a challenge, especially on the north shore where huge expansions are happening, yet increased traffic will still be serviced inadequately by limited routes in and out. Adding to this, sail boats appear to have more power to tie up the bridge than cargo trains and there is no set of rules or times allowed for each to make it more efficient. It’s unlikely another rail system will be built across



At the 'Vent House' which provides ventilation for the Thornton Tunnel - Left to Right: Gordon Pope, Brad Boettger, Darwin Trenholm, Alan Butuk and Bruce Thomi

Canada so we need to fix some of these bottlenecks to decrease the time it takes to unload and move out to make room for the next load. Agriculture exports have increased and so have other commodities that are shipped out of Vancouver so we need to have a plan to make this happen more efficiently." Note: POGA was told that the operating rules for rail and vessel movement on the Second Narrows Bridge are covered under the Canada Marine Act so this act would need to be opened in order to change the operating rules.

Butuk conveys his impressions and items of particular interest: "The discussions around delays of waterway and rail transportation due to aging infrastructure definitely enhanced our understanding of the situation. I was impressed with the increased capacity in the entire Port and all the Canadian sectors it serves. The individual sites are expanding to respond to increased demand for Canadian products, and new sites are state-of-the-art facilities which have increased efficiencies to ease the labour load."

When asked if the tour helped prepare him for the Ottawa mission, Butuk responds with enthusiasm: "Absolutely! When discussing Port issues with MPs who were familiar with the Port the discussion went much deeper because of the firsthand knowledge we acquired. What we learned will also carry forward into other POGA work. As we pursue markets that trade off the west coast, the knowledge we now have will enhance those discussions when it comes to transportation."

<sup>1</sup>G3 Terminal is an affiliate of G3 Global Holdings. According to a February article in the Western Producer, the commissioning date is expected for early 2020. POGA was told that plans include annual escalating operations and will be at full operational capacity in five years, with a final anticipated throughput of 8 MMT by 2023. POGA supports increased capacity at the ports due to demand, but has compiled data to indicate the need to improve the rail infrastructure and optimize railway operations to accommodate increased activity due to Port expansions. According to the Port of Vancouver, total 2018 throughput for grain movement for all North Shore Terminals was about 10.6 MMT and expansion among a number of firms is underway on the north shore. Within five years, the North Shore Port facility is forecasted to increase shipping throughput for grain from ~11 MMT (2018) to a forecasted 21 MMT (2023) (this represents the potential for a 91% increase). The rail transportation infrastructure is challenged to accommodate current demand, and immediate action needs to be taken to improve the infrastructure and operations to meet current and future increasing demands.

**Oat Scoop article titles marked with a  
 ◆ (symbol)  
 indicate articles written by  
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## Tight Canadian oat balance sheets offset by more structured commercial buying

By Randy Strychar, President - Oatinformation.com

2018/19 and 2019/20 Canadian oat end stock forecasts are on a pace to finish closer to the record lows than the five-year averages as oat supplies have not kept pace with rising commercial demand in recent years (see fig. 1). The tightness, if it persists as currently forecast, is expected to see Western Canada oat prices trade above near-term moving averages into 2019/20.

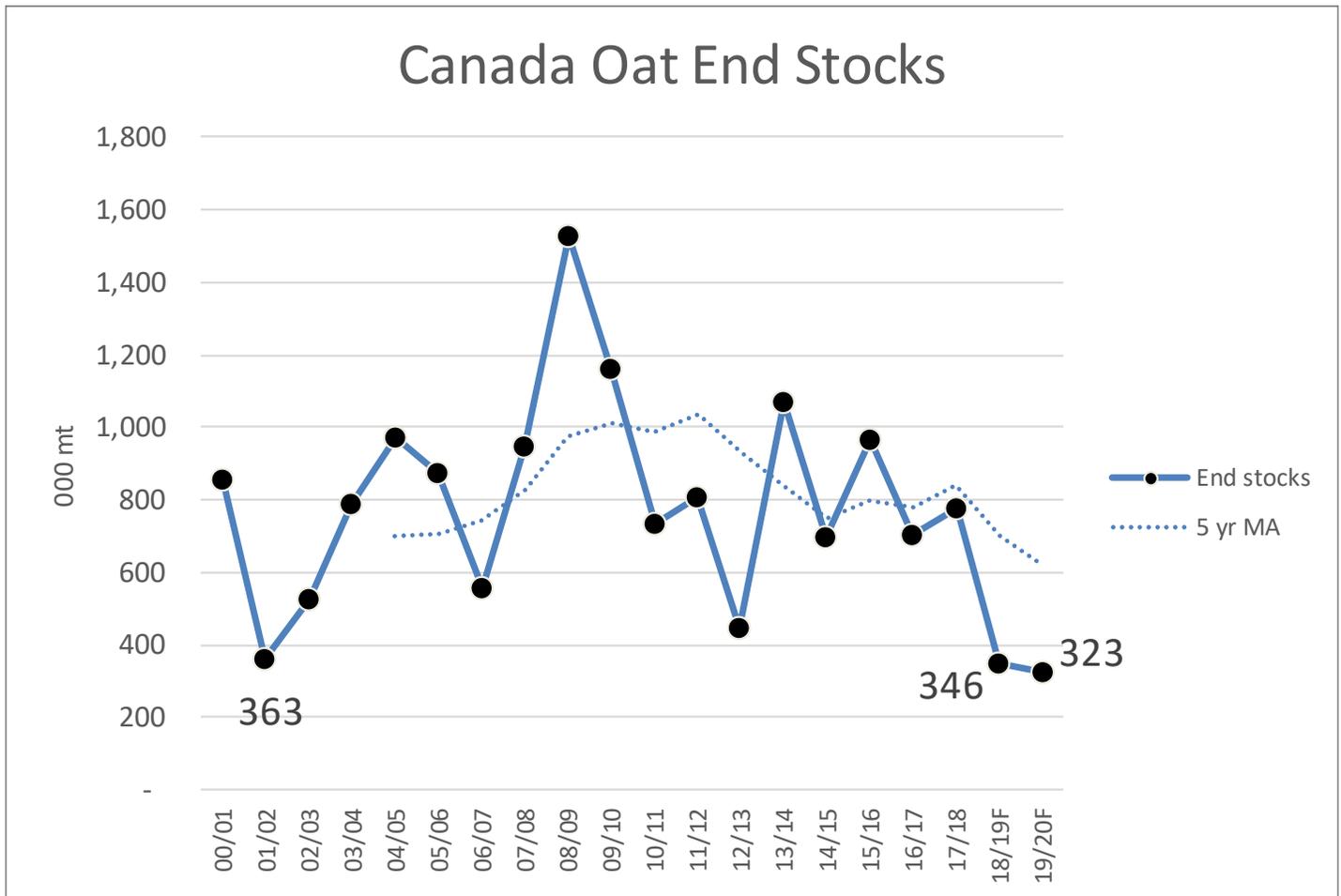


Figure 1

However, tempering the tight balance sheets is an evolving commercial North American oat market that is seeing more structured and focused buying from oat millers and traders. A marketplace that can withstand, to a large degree, tighter supply years. In other words, oats are rapidly becoming a “special crop.” This new status for the oat market was expected and will see further shifting market dynamics. These shifts will both benefit Canadian oat growers and at the same time present new challenges moving forward.

The current Canadian oat supply/use oat balance sheet forecasts could see significant changes moving forward. Prospects of higher than expected 2019 oat plantings (above Stats Can (STC) March estimate) tied to China canola import restrictions could boost oat supplies in the 2019/20 crop year above current forecasts. But it will take additional oat area gains of 5% or more above the STC March estimate, and or oat yields that are above normal to provide the oat industry with a comfortable supply/use outlook and apply any significant downside pressure to cash oat prices.

Weather/crop conditions could also have an impact on oat crops. Dry conditions as of the writing of this story persist in major Western Canada oat regions, raising yield concerns.

The China/US trade agreement could have a profound impact on overall North American Ag prices longer term if no deal is struck or tariffs escalate. Should the Canadian oat supply/use outlook improve for 2019/20 above current forecasts,

Canadian oat prices will begin to track more closely to wheat and corn values. This could act as a drag on oat prices despite forecasted oat supply tightness.

If the tightness in oat supplies persist into 2019/20 as expected look for cash oat prices to climb to \$3.40-3.80 MB, \$2.85-3.20 SK & \$3.00-\$3.30 AB.

**Shift in North American oat market dynamics**

The North American oat industry is undergoing some of the most significant changes since oats were removed from the former Canadian Wheat Board. This is not your father’s oat market. Gone are the days of oats being traded and priced mainly as a feed grain with the oat milling industry simply picking from a large supply of oats.

Consumers are demanding healthier foods and more accountability in how crops are grown and handled. This has seen oat millers become more selective in what grade and quality of oats they purchase, and what regions they buy oats from.

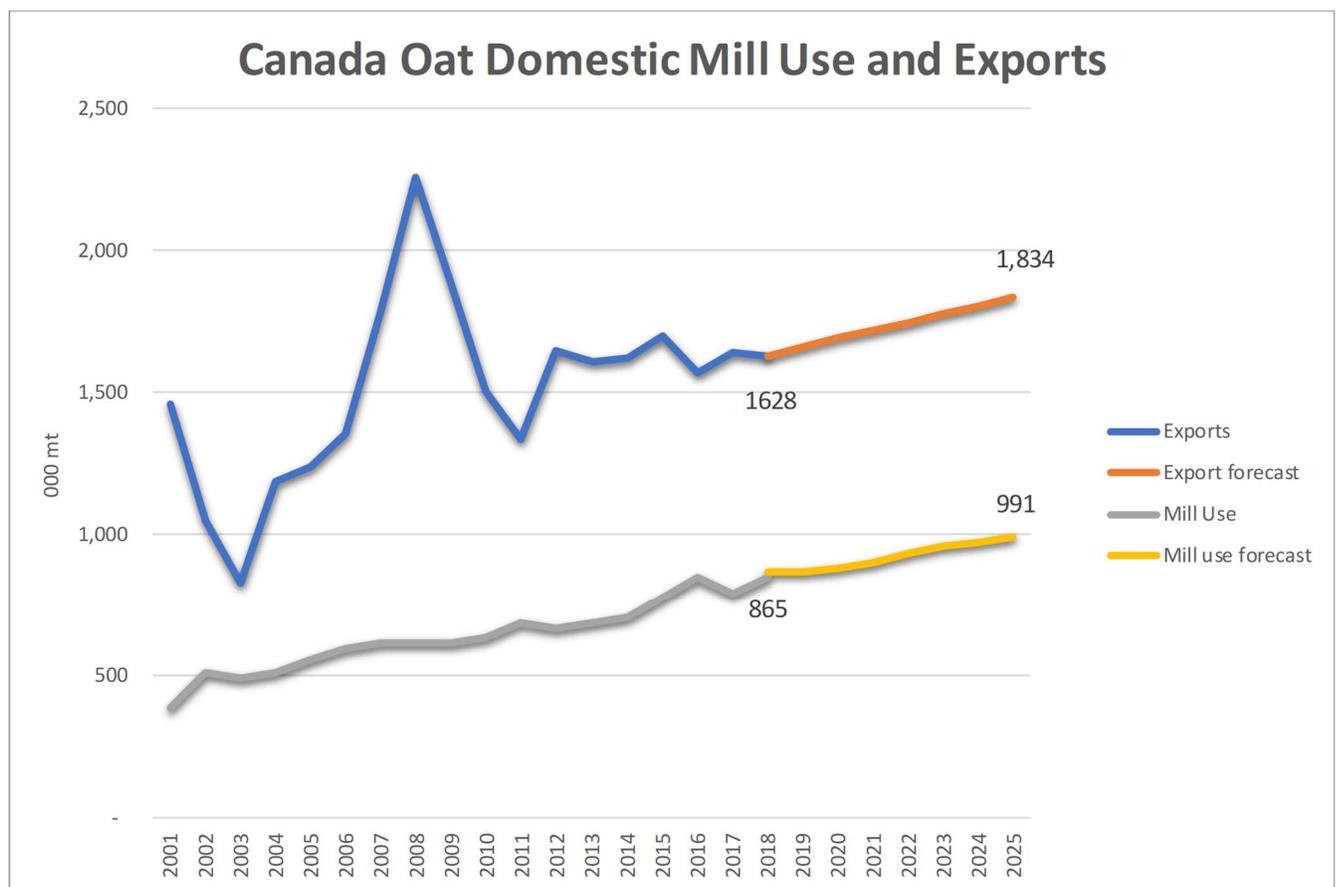
In some cases, mills require oats that are free of other grains such as wheat, barley and rye to produce gluten free food products. Gone are the days of millers buying a wide range of quality, from #4CW to #1CW, usually at sellers’/growers’ option.

Glyphosate use by growers as a desiccant, right or wrong, has become a hot button issue and is already impacting oat markets with many oat buyers and processors requiring confirmation of no “pre-harvest” use of glyphosate. This has seen a shift in where oats are bought as buyers focus on regions with lower glyphosate use.

Glyphosate is also impacting Canadian oat exports to some countries and regions. For example, it appears European Union (EU) buyers are “unofficially” limiting Canadian oat imports due to glyphosate use as a desiccant. This negates the positive impact of the EU/Canada Free Trade Agreement. The EU mills over 1.3 MMT of oats annually and is faced with supply issues as oat production in nearly all EU countries continues to trend lower.

Sustainability, regenerative farming, accountability and traceability are all terms the oat market is hearing increasingly more about. This means a more specialized oat for farmers to grow and market but should again see higher premiums for growers.

Figure 2



Despite all this new jargon and more focused buying, the Canadian oat industry remains in a solid growth phase. Milling use climbed 3.8% annually over the past five years with strong forecasted growth into 2025 and beyond of nearly 1 MMT (see fig 2). Human consumption demand is in fact growing around the globe with some offshore markets forecasting growth in excess of 25% annually for food products containing oats, mostly countries and markets looking at double digit growth.

Canadian oat exports, with most going to the US, has seen stagnating growth in recent years. Globally however, growth potential for Canadian oat growers is significant, particularly so to China/Asia and the EU. More work however needs to be done to deal with the non-tariff barriers, input use and mycotoxin levels for Canadian growers to be able to freely access these "growth" markets.

As the Canadian oat market becomes more specialized growers can expect increased price premiums as on-farm feed use of oats will continue a broader decline, reducing overall oat production and supplies.

With these trends firmly in place oat millers will need to provide growers with more competitive returns for oats compared to other crops to attract the more specialized oat they require. The bottom line for Canadian oat growers is the oat market will continue to post solid commercial growth with a longer-term outlook for more competitive oat prices and net returns.

Oatinformation.com is launching a new oat report specifically targeted for growers this summer. Go to [Oatinformation.com/grower](http://Oatinformation.com/grower) for more information how you can access this source of Canadian oat market information.

**RECEIVE THE OAT SCOOP ELECTRONICALLY!**

Simply go to the home page at [www.poga.ca](http://www.poga.ca) and click on "Sign up to receive the Oat Scoop by e-mail" We will then remove your name from the print mail-out list.



**CROPS-A-PALOOZA**

**REGISTER TODAY**  
[www.cropsapalooza19.eventbrite.ca](http://www.cropsapalooza19.eventbrite.ca)

More information available at [poga.ca](http://poga.ca)

**SAVE THE DATE**

**WEDNESDAY JULY 24<sup>TH</sup> 2019**  
10:00 AM - 4:00 PM

CANADA-MANITOBA CROP DIVERSIFICATION CENTRE CARBERRY MANITOBA

## AAFC Manitoba Summer Oat Tour

Led by: Dr. Jennifer Mitchell Fetch  
9:30am, Thursday, August 8, 2019  
at the

### **Brandon Research & Development Centre**

2701 Grand Valley Road  
Brandon, MB R7A 5Y3

**Please RSVP to:**

Jennifer.MitchellFetch@canada.ca

### Producer Consent Form

POGA has received requests from international oat buyers to source oats directly from producers. If you are an oat producer in Alberta, Manitoba or Saskatchewan and are interested in being contacted by these companies for potential direct oat sales, head over to the main page at [poga.ca](http://poga.ca), click on and fill out the Producer Consent Form.

Your contact info will be included in a list provided to companies inquiring about direct-from-producer sales.



## **Annual General Meeting** **Monday, January 27, 2020** **(Monday before FarmTech 2020)**

**The Edmonton Westin**  
10135 100<sup>th</sup> Street, Edmonton, AB T5J 0N7  
Turner Valley room

### **Agenda\*:**

- 6:00pm **Complementary Drink plus a Light Meal**
- 6:30pm **Welcome** from the Alberta Oat Growers Commission
- 6:35pm **AOGC Business Meeting\*\* including director Elections/Aclamation;** Brad Boettger, Chairman from Tofield, AB
- 7:00pm **Aaron Beattie, Oat Breeder, Crop Development Centre, Saskatoon, SK -** CDC Oat Varieties: What's New, on its Way, and Good for Alberta Producers
- 7:40pm **Oat Market Outlook** – Randy Strychar, President, Oatinformation.com
- 8:15pm **Adjourn**

*\*Times and agenda topics subject to change; check [poga.ca](http://poga.ca) for updates*

\*\*Please note: a 30-day notice for resolutions is required at the Alberta Oat Growers Association's Annual General Meeting. Please send any resolutions to [smathieson@poga.ca](mailto:smathieson@poga.ca) no later than 5pm December 27, 2019.

For those who stay through the end of the meeting AOGC will provide another complementary drink ticket.

Please RSVP to [info@poga.ca](mailto:info@poga.ca) to ensure enough food is ordered. There is no charge for this event.



## Manitoba Oat Growers Association

### Director Nominations Open

Are you interested in becoming a director or do you know someone who is?

Here are just a few of the benefits:

- Identify and direct research for the benefit of the entire industry.
- Increased industry knowledge.
- The opportunity to meet a large number of influential millers, buyers, and government officials across the province, nation and globally.
- Increased information sharing with other growers.
- Professional development.
- Reimbursement for all travel, honorariums for time spent on the commission's projects and committees.

**A registered producer means any producer who has paid a Manitoba Oat Growers Association levy since August 1, 2017**

**Deadline for nominations is Thursday, October 3, 2019, 5pm CST**

**For nomination forms and further information contact:**

MOGA Administration Office  
PO Box 20106  
Regina, SK S4P 4J7  
Telephone (306) 530-8545;  
Fax (866)286-1681  
Email [smathieson@poga.ca](mailto:smathieson@poga.ca)



The Manitoba Oat Growers Association  
(MOGA)

### Annual General Meeting

**Wednesday, February 12, 2020, 2:40pm**

**Victoria Inn Hotel and Convention Centre,  
Winnipeg, MB**

**(as part of The CropConnect Conference)**

**Free admission to the AGM**

***Come Enjoy a Free Oat Beer and hear what the Oat Growers Commission is doing for you!***

#### **Agenda\*:**

- 2:40 pm **Welcome** from MOGA President, Ray Mazinke
- 2:45pm **MOGA Annual Business Meeting\*\***, Ray Mazinke
- 2:55pm **Alternative Uses for Oats and Alternative Kinds of Oats from an "Outside the Box" Farm**, Amy Nikkel, Owner of Adagio Acres (Interlake region of Manitoba)
- 3:20pm Adjourn

*\*Times and agenda topics subject to change; check [poga.ca](http://poga.ca) for updates*

**\*\*Please note:** a 30-day notice for resolutions is required at the Manitoba Oat Growers Association's Annual General Meeting. Please send any resolutions to [smathieson@poga.ca](mailto:smathieson@poga.ca) no later than

**5pm January 12, 2020**



**CropConnect  
Conference**



## **Saskatchewan Oat Development Commission Director Nominations Open**

Are you interested in becoming a director or do you know someone who is?

Here are just a few of the benefits:

- Identify and direct research for the benefit of the entire industry.
- Increased industry knowledge.
- The opportunity to meet a large number of influential millers, buyers, and government officials across the province, nation and globally.
- Increased information sharing with other growers.
- Professional development.
- Reimbursement for all travel, honorariums for time spent on the commission's projects and committees.

**A registered producer means any producer who has paid a Saskatchewan Oat Development Commission levy since August 1, 2017**

**Deadline for nominations is Thursday, October 10, 2019, 5pm CST**

**For nomination forms and further information contact:**

SaskOats Administration Office  
PO Box 20106  
Regina, SK S4P 4J7  
Telephone (306) 530-8545;  
Fax (866)286-1681  
Email [smathieson@poga.ca](mailto:smathieson@poga.ca)



# **SAVE THE DATE**

**Tuesday, January 14, 2020**

## **SaskOats AGM**

Including guest speaker:

**Randy Strychar, President,  
Oatinformation.com**

with an

## **Oat Market Outlook**

TCU Place, Saskatoon, SK

*During:*

**CropSphere**  
Ideas, Innovation, and Knowledge



## POGA'S 22<sup>nd</sup> ANNUAL CONFERENCE

Thursday, December 5, 2019

Delta Hotel by Marriot

350 St. Mary Avenue  
Winnipeg, MB R3C 3J2

*Beginning at 8:00pm on Wednesday, December 4, please join us for a **Meet-and-Greet** in Charleswood A in the Winnipeg Delta Hotel*

### Agenda\*

8:00am	<b>Registration and Free Hot Breakfast</b>
8:40am	<b>Welcome and Introduction</b> — Jenneth Johanson, POGA President
8:45am	<b>Secrets of Old Farmer's Almanac Prairie Forecasts, What's Predicted for Weather in 2020, and Other Stuff He Probably Shouldn't Be Telling You</b> — Jack Burnett, Managing Editor, The Old Farmer's Almanac
9:30am	<b>POGA Annual General Meeting</b> — Jenneth Johanson, POGA President
10:00am	<b>GHG Emissions and Carbon Capture in Canadian Agriculture</b> — Fraser McPhee, P.Eng. in Bio Systems Engineering and a Manitoba Farmer
10:30am	<b>Coffee Break</b>
11:00am	<b>Agricultural Trade Opportunities and Challenges in the Current Global Context</b> — Fred Gorrell, ADM International Affairs, Canadian Food Inspection Agency & Agriculture and Agri-Food Canada
Noon	<b>Soup and Sandwich Lunch</b> — Tour the Sponsors' Displays
1:00pm	<b>Regenerative Agriculture: What Does It Really Mean, and Does It Have Real Value for Farmers?</b> — Kris Nichols, PhD, Soil Microbiologist for KRIS Systems Education & Consultation
1:45pm	<b>KNOW GMO: Will Agriculture be ALLOWED to Feed 9 Billion People?</b> — Robert Saik, CEO, Saik Management Group/AGVisorPROInc
2:45pm	<b>Intensive Agronomy, Intercropping, and Everything in Between to Maximize Profits with Oats</b> — Jessica Pratchler, Research Manager, Northeast Agriculture Research Foundation
3:30pm	<b>Coffee Break</b>
4:00pm	<b>The Canadian Oats Market: What to Expect in 2020</b> — Brennan Turner, CEO, Farmlead
5:00pm	<b>Wrap-up and Adjourn</b> — Jenneth Johanson, POGA President
5:45pm	<b>Social Hour</b> at the Winnipeg Delta Hotel
6:30pm	<b>Dinner and Speaker: "If You Can't Laugh, You Can't Farm!"</b> — Steve Stubblejumpski
8:00pm	<b>Adjourn</b>

**Daytime seminars, breakfast and lunch: \$20.00 (\$25 at door)**  
**Optional Evening Banquet \$50.00 (\$60 at door)**

*\*Times and agenda topics subject to change. For updates, pre-registration and credit card payments - visit [poga.ca](http://poga.ca)*

## CHOCOLATE GRANOLA BANANA POPS



*A sweet, healthy treat that is fun to make and eat!  
Frozen bananas are dipped in chocolate, then rolled  
in crunchy, golden honey-almond granola.*

Prep Time 20 minutes | Cook Time 25 minutes

### **Ingredient for granola:**

2 cups rolled oats (500 ml)  
1/2 cup flaked almonds (125 ml)  
1/4 cup honey (60 ml)  
1/4 cup brown sugar (60 ml)  
2 Tbsp coconut oil (30 ml)  
1/4 tsp salt (1.5 ml)  
1/2 tsp vanilla (2.5 ml)

### **Ingredients for banana pops:**

4 large bananas  
8 wooden popsicle or craft sticks, or sturdy paper  
straws  
6 oz semi-sweet chocolate, chopped (175 g)  
1 Tbsp coconut oil (15 ml)

### **Instructions:**

#### **To make granola:**

Preheat oven to 325 °F.

- In a large bowl, stir together oats and almonds.
- In a small, microwave-safe bowl, stir together honey, brown sugar, 2 Tbsp coconut oil, salt and vanilla. Microwave for 30 seconds to liquify. Stir well. Pour warm honey mixture over oats and almonds, stirring until evenly coated.
- Spread oat mixture evenly onto a baking tray, preferably with sides, sprayed with cooking spray.
- Bake granola for 20 minutes, stirring after 10 minutes. (Watch carefully in the last 5 minutes.)
- Remove from oven and let cool completely before breaking up clusters with fingers or the back of a spoon.

#### **To make banana pops:**

- Peel bananas and cut in half. Insert a popsicle stick into the cut end of each. Place on a parchment lined tray and freeze for several hours, until firm.
- In a double boiler or glass bowl placed over simmering water, melt chocolate, stirring constantly until melted and smooth. Stir in 1 Tbsp coconut oil.
- Place 1 cup of granola in a shallow dish or plate.
- Working with one at a time, dip banana in chocolate (spoon over, if necessary), then immediately roll in granola. Return to freezer until chocolate sets.

Pops can be stored in freezer up to one week.  
Remaining granola can be stored in an airtight  
container for up to three months.

*To see a video of this recipe and other great oat recipes  
go to [oatseveryday.com](http://oatseveryday.com)*

The Oat Scoop  
PO Box 20106  
Regina, SK  
S4P 4J7